

Study Meeting #10
Monday, March 26, 2007, 7:00 p.m.
Bloomington Civic Plaza
1800 West Old Shakopee Road
Bloomington, Minnesota 55431-3027

Call to Order

Mayor Gene Winstead called the meeting to order at 7:03 p.m.

Roll Call

Present: Mayor Winstead, Councilmembers R. Axtell, S. Elkins, A. Grady, S. Peterson, and V. Wilcox.

Absent: Councilmember K. Nordstrom.

ITEM #3.1A., B., C.
Purchase of 8320
Humboldt Avenue
(Grob)

These items relate to another of the early acquisitions in the 35W corridor, under the Met Council's RALF (Right-of-Way Acquisition Loan Fund) program. The property involved in this item is located at 8320 Humboldt Avenue and is owned by Wilbert Grob.

- A. RALF Early Acquisition Loan Agreement**
- B. Purchase Agreement**
- C. Relocation Payment**

Motion was made by Grady, seconded by Elkins, and all members present voting aye, to approve the loan agreement between the City and the Met Council for the purchase of 8320 Humboldt Avenue and other costs; to approve the purchase agreement between the City and Wilbert Grob for the purchase of 8320 Humboldt Avenue for a price of \$235,000; and, to authorize staff to make required relocation benefit payments to Mr. Grob. The motion carried 6-0.

ITEM #3.2
Approve Agreement
for Acquisition of
Certain Private Utility
Lines

The Council was asked to approve a Utility Transfer Agreement pursuant to which certain private utility lines are transferred to City ownership and operation. The agreement is with the Metropolitan Council and Polar Semiconductor, Inc. which owns the lines and the lands upon which they are situated and presently serve. The lines involved are a water main and a sanitary sewer main.

City Attorney Dave Ornstein reported that staff recommends approval of this agreement subject to the City completing its scan of the lines and that the lines be certified as acceptable by the Public Works Director.

Motion was made by Wilcox, seconded by Elkins and all members present voting aye to approve the agreement for acquisition of certain private utility lines with the conditions that the City complete its scan of the lines and that the lines be certified as acceptable by the Public Works Director. The motion carried 6-0.

ITEM #6.1
169/494 Interchange
Reconstruction,
Presentation and
Discussion of
Municipal Consent
Issues

Mayor Winstead pointed out that the Council has received much correspondence regarding this issue and that the Council would revisit this item this evening. Charles Honchell, Public Works Director, presented a brief review of how they got to where they are today and provided the Council with the additional information they had previously requested. The main concern today appears to be that of noise and the construction of noise walls that would or would not be constructed on the project.

City Manager Mark Bernhardson stated that the Council is being asked to adopt a Resolution on the project. Staff is recommending that the Council adopt the Resolution of Approval with the MnDOT written comments. Bernhardson explained that the memo prepared for this evening addresses the issue of a 12-foot screening wall achieving 90 percent of the noise abatement that a 20-foot wall would. Bernhardson further explained the Council's options this evening include taking no action. If no action is taken on this item within 90 calendar days then the plan submitted would go into effect with no changes. The Council could also adopt a Resolution based on the final plan as amended by the letter from MnDOT or the Council could adopt a Resolution of disapproval with conditions that if met, would receive City's approval. Bernhardson reviewed the Municipal Consent

**ITEM #6.1
continued**

Process with the Council. Bernhardson further explained that based on the latest information received from MnDOT, they are willing to extend the screening wall to West Bush Lake Road and to raise the dip on Marth. They have indicated that they would also be willing to do a noise study prior to construction and if it meets the standards they would construct a noise wall instead of a screening wall.

Grady pointed out that at their last meeting they discussed having a visual barrier on the south side and the noise wall on the north side. It appears that the only issue remaining on this project is that of noise. She asked for clarification of the noise studies that have been or will be done. Grady said the study may show there is no need for a noise wall but the neighbors did a noise study themselves and feel that a noise wall is needed. Honchell said they understand that there is noise that is projected and exists on 494 to the south side. Based on MnDOT's findings, it did not appear that a noise wall qualified based on their studies today. They will do another noise study as part of the overall plan and design of the project and at such time they receive funding to move forward with this project. Based on the results of that study, they will make a final decision on whether or not they will build a noise wall or construct visual screening.

Bernhardson explained that the neighbors have done some noise measurement but that it was done on Rhode Island Circle and staff does not know the quality of the equipment used or the duration of the measurement. MnDOT will conduct their own study and their study will determine the need for a noise wall using their standards including DNL and the number of people affected by the noise. If the level of noise meets their standards they will construct a noise wall and if it does not meet their tests, they have agreed to put up a 12-foot screening wall which achieves 90 percent of noise abatement. This project could be funded earlier than originally anticipated, however, if Bloomington has some reason for disapproval and they go through the process, the project may be bumped as far back as 2015 and there is the potential that they could lose the screening wall.

Elkins pointed out that the last time noise readings were taken in this area was in 2000, prior to the expansion of I494. He said he would like to see the noise measurements taken closer to the homes being impacted by I494. Wilcox said the City has a wealth of experience with dealing with noise at the airport. There is a formula that is used at the airport and he does not feel this area would meet the required standards based on that formula. Wilcox said he also has some concerns with the maintenance factor and assumes MnDOT will maintain the area. Honchell responded that this is a MnDOT right-of-way and they are the controlling authority on that piece of roadway and it is their responsibility.

Peterson said they have a commitment to go through the process of collecting current noise data when the project is being built. He questioned if funding would be available if they found that only two-thirds of the area meets the requirements. He asked if MnDOT pays two-thirds and the City pays the remaining one-third for the wall. Honchell explained that if they found locations that meet their criteria but not the entire length, they would pay their proportionate bill and the City would pay the remaining amount if they so desired. Peterson said that whether or not the City accepts this letter, MnDOT will do the study and will build whatever is required. He questioned if they could get more than what they have been promised right now. Honchell answered that there is no way he can tell the Council what they would get if they did not move forward with this. At their last meeting with MnDOT, they had extensive dialogue to see if they could get to where the Council wanted to be. At that time, MnDOT gave staff a firm no. If the project doesn't meet their standards, they do not have the capability or commitment to build the noise walls with their money. Honchell said he would not recommend the City paying for those walls. If the City starts building noise walls at City cost where people want them, he has no idea where they would find the funds to carry that out.

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continued

Victoria Nill, Project Manager from MnDOT, reviewed with the Council changes to the March 23 letter to the City Council from Khani Sahebjam, MnDOT Metro District Engineer regarding project commitments to the 169 project. She explained that the existing berm by Friendship Village will be replaced by a retaining wall/noise barrier combination to no less than the existing height of the berm. With regard to Tierney's Woods/Wyoming Avenue/West Bush Lake Road, MnDOT will complete the final noise analysis study according to State and Federal regulations. Nill indicated that MnDOT will work with the City in conducting this noise study as to location and how to proceed once the study is completed. Marth Road from approximately Wyoming Avenue to West Bush Lake Road will be raised with a maximum increase of 10 feet occurring near the existing low point. Nill said that in general, MnDOT will work with the City with construction staging. Bernhardson suggested that there be four or five locations for the noise testing and may be it could be done when there are no leaves on the trees and when there are leaves on the trees. Nill said they would consider this and would take input from the City as to where their receptors should be located.

Peter Wasko, MnDOT Noise Abatement Specialist, said typically, they start the process in the late spring and go into the fall. They try to replicate the noise levels when people are doing outdoor activities. Winstead asked if a 12-foot visual barrier on the south side of Marth Road would serve a high percentage of noise abatement as a noise wall located on the north or south side. Wasko responded that there would be some noise benefit with the visual barrier. In their noise study, they can look at what affect varying barrier heights would have on the noise. Wasko said in his opinion, a visual barrier would provide some noise attenuation but not as much as a 20-foot wall. Elkins said he has some concerns about the application of the cost effectiveness formula. That number has not increased since 1997 and he has concerns with a pro-forma that was established ten years ago. He asked if they apply current construction costs to that formula. Wasko explained that they have kept everything on an even plane using 1977 numbers.

Axtell asked what the differences are with the letter from MnDOT in November and the letter presented now. Nill explained that the November letter was more general. This letter indicates that they will work with Friendship Village and the neighborhood and the letter further explains how they will work with them. Axtell pointed out that the original noise measurement will be based on 2007 traffic but with the 494 expansion from Highway 100 to the airport additional traffic will impact the noise level in this area. Wasko stated that it will be difficult to get exact numbers. To get a three decibel increase, traffic would have to double. If traffic doubles, traffic speed will drop. He indicated that at some point the noise levels will peak and not go any louder. Axtell asked what the cost would be for a sound wall from Friendship Village to West Bush Lake Road. Wasko said he estimates that it would cost approximately \$900,000. Axtell asked if Wasko personally feels this area would meet the criteria for a sound wall. Wasko responded that the area closer to West Bush Lake Road would not meet the noise mitigation requirements to qualify for a noise wall. With raising Marth Road ten feet the height will be brought up and he cannot guarantee that a barrier would be cost effective. Wasko said in his opinion, a barrier closer to the Friendship Village area may be more cost effective. Axtell thanked Wasko and MnDOT for being patient with the City and for going through this process and the testimony.

Elkins said the changes in the letter are subtle but important. The clarifications received this evening are acceptable to him. Peterson said the difficulty in making a decision is that the various groups have different priorities. There is no simple answer that makes everyone happy. They all have valid concerns and they are trying to do the most good for most of the people. Peterson said he has trouble seeing where going down the disapproval process would get them further than where they are now. They have worked hard to make this situation the best it can be. Peterson said he intends to support the approval resolution.

**ITEM #6.1
continued**

Axtell pointed out that this is a regional asset and Bloomington is impacted more than any other municipality. He stated that it does not make sense to sign a contract that has uncertainties and promises. This is their only opportunity to stand firm and to make sure that they at least walk through the next step to negotiate a sound wall that starts from Friendship Village to West Bush Lake Road. Axtell said he would suggest denial with one provision.

Grady said she has a concern that they are being asked to trust MnDOT in doing a noise study. She asked if there is any possibility that the City could have a competing noise study done before MnDOT's study is accepted. She questioned if the City has to accept what MnDOT does. Bernhardson responded that MnDOT has indicated that the City would have input to their study. The City could discuss locations, times, etc. Bernhardson said he believes they will do a good job and they have the best they can get. Elkins said as long as the City has input as to where the receptors will be located they can trust MnDOT.

Wilcox said he has no concern with MnDOT doing the noise study but he is concerned with the fact that they are basically being told here is the criteria and they don't think this project has a chance of meeting the noise criteria. They are telling Bloomington that they cannot treat them any differently. Wilcox said he understands that but does not agree. If it had not been for Bloomington giving land Highway 169 would not be there. He said that there should be some special consideration given to Bloomington. Bloomington contributed more to the 169 interchange and Highway 169 than any other community. Bernhardson pointed out that MnDOT has gone the extra mile in other parts of their proposal. Winstead stated that Bloomington has residential properties that have been impacted and other communities did not have those impacts.

Winstead stated that this proposal is not perfect. They may get sound walls if conditions are met and the raising of Marth Road is an improvement. If they approve this request this evening they will get the improvement. If they continue to debate this they may compromise what they are getting and nobody may get what they want. Winstead said there is no perfect solution but everyone is getting the best they can get with balancing the competing needs. Winstead stated that he agrees that they should go with what is in the letter presented this evening and move forward rather than turn the entire project down for an issue they should be able to resolve.

Motion was made by Peterson, seconded by Elkins, to adopt a Resolution approving the proposed final layout for 1-494/TH169 and TH169/Valley View Road interchange improvements with the MnDOT written comments dated March 26, 2007. The motion carried 4-2 with Wilcox and Axtell opposed.

**ITEM #6.3
Mall of America
Phase II Legislation**

Assistant City Manager Clark Arneson presented an update on Mall of America Phase II Legislation. He explained that legislation has been introduced at the State level by Senator Bakk regarding the City's and Mall of America Legislative request. Arneson indicated that Staff is asking for the Council's support of these pieces of legislation and of a letter that would be sent to the Legislature. The letter is asking for the State to issue revenue bonds for the public parking facilities. Arneson reviewed with the Council the potential sources of revenue for debt service including construction sales and use tax; Fiscal Disparities contribution from Phase II and a portion of the liquor and lodging tax from Phase II. It is proposed that the sales tax revenue would be used to reduce the bonds in the first four years. Arneson said they are also suggesting a local option sales tax that would be on the Mall site only. Bernhardson pointed out that they would have reservations about supporting a local option sales tax.

Arneson explained that there is separate legislation regarding Fiscal Disparities forgiveness introduced by Representative Lenczewski that would be separated. In the past, the Council has supported this and they are assuming that the Council would like them to move forward with this as well. Arneson further explained that the first letter ties in Fiscal Disparities forgiveness for Phase I of the Mall and the second letter does not require Fiscal Disparities forgiveness. Staff is asking for the Council's consideration to authorize the Mayor to sign the letter for distribution prior to Wednesday's tax hearing.

**ITEM #6.3
continued**

Peterson said he does not want to see this legislation approved unless Fiscal Disparities forgiveness occurs. He said it is difficult for him to support any City contribution unless Fiscal Disparities goes away.

Motion was made by Grady, seconded by Wilcox, to authorize the Mayor to execute a letter to the Legislature which includes the Fiscal Disparities forgiveness paragraph. The motion carried, 6-0.

Recess

A short recess was called after which the meeting was reconvened at 9:07 p.m.

**STUDY ITEM #6.2.1
Normandale Lake
Study**

Larry Lee, Director of Community Development, explained that the main purpose of tonight's meeting is to give the Council an update on new information and not to request any formal decisions. SRF will address the work the Council asked them to do regarding limiting turns at Norman Center and 84th Street and what that would do to operation. Lori Economy-Scholler, the City's Chief Financial Officer, will speak to the question regarding franchise fees and Terri Heaton from Springsted Inc. will discuss funding options.

Craig Vaughn, SRF Consulting, provided background information regarding internal access modifications at Norman Center Drive and 84th Street. They conducted an origin-destination survey to determine current travel patterns for trips exiting the office park area. Vaughn reviewed with the Council the roadway implications as well as the preliminary cost estimates. They would encourage diversion by reducing access at Norman Center Drive and permanently restrict southbound left-turn movements. Vaughn indicated that the proposed pedestrian bridge has increased in cost from \$1 million to \$2.5 million.

Beth Bartz, SRF Consulting, explained that the pedestrian bridge is no longer optional but is necessary to make this concept work. There will be no at-grade pedestrian or bike crossing at 84th and Normandale. The roadways will be wider and the approaches become more complicated. The bridge will become a permanent architecture feature. Bartz indicated that they have not done any bridge design and they have been working with numbers to make sure they had the appropriate number. Lee stated that as people drive through this area, what they will remember is the bridge that is the gateway to this area.

Councilmember Peterson said the bridge will be a permanent element in that area. It may be a mistake if they purchase the least expensive bridge. Peterson pointed out that this revised concept is now estimated to cost \$21.6 million compared to \$16 million as previously presented. With the updated urban design the basic streetscape costs go from \$5 million to \$7 million and including enhanced way finding for \$35,000 they are talking about a total cost of \$30.2 million compared to \$21 million previously presented. Bartz pointed out that the items listed under the base concept are critical items to make Modified A work. Bartz compared Concept A and Modified A along with traffic movement and transit.

Elkins asked if there has been any further discussion with Metro Transit regarding a transit station located at Bridge Road and 84th Street. Lee responded that the place they are at with Metro Transit is all things being equal, they would prefer to have a bus stop along Normandale. They have no money to contribute to a new station.

Lori Economy-Scholler, the City's CFO, presented an overview of a proposed franchise fee. She explained that Minnesota Statutes do allow franchise fees as a revenue source. The City currently collects a five percent Cable Franchise Fee which is dedicated to the Communication Special Revenue Fund. Metro utilities currently allow suburban communities to collect franchise fees up to five percent on both gas and electric utilities. Economy-Scholler further explained that a 2009 one percent franchise fee rate on both gas and electric would generate approximately \$1.7 million. Bernhardson pointed out that the proposed franchise fee is in concept only and they have not done a lot of study on it.

**STUDY ITEM #6.2.1
continued**

Winstead asked that staff prepare a list of pros and cons for a tax levy versus a franchise fee. He said a property tax is deductible while he did not believe that a franchise fee is deductible for the resident. Bernhardson explained that based on the current tax base, each one-percent tax levy would equal \$400,000. Axtell pointed out that the primary advantage of a franchise fee is that they could specifically dedicate those revenues to a targeted investment that the City needs a funding source for.

Elkins asked if they can anticipate any matching funds for these projects. Bernhardson responded that this is something they are still working on. Elkins said he feels that transportation projects should be financed by transportation user fees.

Winstead pointed out that in 1997 the City Council did have a conversation on franchise fees. They also discussed levying for additional funding. Winstead said a franchise fee is just another mechanism for raising funds. He questioned what percentage would be the residential share and what percentage would be the commercial share.

Axtell said he feels a franchise fee warrants additional discussion. It is a tax increase but the question is who will be writing the check out for it. If Bloomington has a larger retail and office base, they are able to spread the cost over a much larger pool. If they are serious about creating a funding source for these types of projects, they need to further consider a franchise fee.

Elkins said the thing that bothers him is whether they have an additional levy or a franchise fee, they will be putting in \$25 to \$26 million of general taxpayers' money to subsidize this development. He questioned why they would want to do that.

Terri Heaton, Springsted, Inc., reported that they are still putting together details for the funding overview and will make a formal presentation at the April 30 Council meeting. The information she is presenting this evening is preliminary information. Heaton reviewed the various revenue options that will be studied including grants, both federal and county; abatement, franchise fee, negotiated assessments, special benefit tax, contributions by new development and City-wide levy. Elkins asked that the Council be provided with the pros and cons for using negotiated assessments and the special benefit tax revenue options. Heaton said they are estimating a funding gap with the total cost for the project estimated to be \$45 million. They are estimating receiving \$9 million in grant money; a City only tax abatement revenue of \$7.1 million; a special benefit tax for street improvements of \$1.89 million with a remaining gap of \$27.1 million.

Axtell asked what the developers would be willing to pay to preserve and protect their property values. He indicated that he would have a hard time to ask the City's property owners to pay for this intersection. Axtell said he feels a large portion of the costs should be borne by the owners who will benefit most from these improvements.

Elkins said it would be difficult for him to find one constituent who would say that they would get any value out of the expansion of the office park and intersection. It is difficult to accept the concept that the residents of Bloomington should subsidize this development.

Wilcox reported that he is uncomfortable in looking at just this project and to try to come up with a strategy to collect money City-wide. They need to review all of the improvements that are needed in the City before committing funds to this one project.

Peterson said his concern about this project is that generating funding for these improvements in a project area is difficult. Something like that would work on a freestanding basis. Peterson said it makes him nervous to even talk about a \$13 million project over 20 years and how that would affect property taxes. The City does not have the capability to do a lot of these commitments.

**STUDY ITEM #6.2.1
continued**

Elkins suggested that staff go back and talk to the developers to see if the intersection improvements can be reduced by changing the land use. He questioned if the intersection has to be so big. Elkins said they may have to get additional funds from the development or change the use to something that provides benefits to the people living in the community such as a mixed use. They either get more revenue out of the development or the development changes so that its demands are less. Winstead said the proposal is a good mix for the community but there may be specific impacts if they push it too far. Grady said she feels the \$45 million cost is extremely high just to get people in and out of that area quicker. Axtell said he almost wishes they had started on this project in the reverse. They should have started with the revenue numbers and then made a decision as to what they could afford rather than go through an 18 month study. This has been an excellent process but they need to know how they are going to pay for the project.

Lee pointed out that the schedule for the rest of the study was included in the Council's agenda material. Winstead said the schedule would have to remain flexible.

**STUDY ITEM #6.2.2
Grant Discussions
a. SAFETEA-LU Grants**

Chad Smith, Traffic Engineer, explained that staff is requesting the Council to provide input and guidance on which projects to proceed with preparing applications for federal funding as part of the 2007 Metropolitan Council Regional Solicitation. He explained that staff was proposing one of the projects to be the Normandale/84th Street intersection project. At this time, based on the amount of time it will take to decide on what the project will include, they may want to look at this project in a 2013 timeframe. Smith introduced Tom Bowlin, City Civil Engineer, and explained that he would be presenting three potential projects for grant consideration.

Bowlin explained that staff is looking at sending in applications for projects for federal funding for 2011 and 2012. Regional solicitation would begin in June with applications due in August. They are looking at selecting projects in January, 2008. Bowlin further explained that this evening they are looking for input and guidance on which locations to proceed with preparing applications. He presented a map showing four potential locations and indicated that he would be focusing on Locations B, C and D. Location B is Normandale Boulevard from Nine-Mile Creek to 94th Street and has previously been submitted. The improvements would be a conversion from an existing four-lane undivided roadway to a four-lane divided with left-turn lanes. This project was close to scoring in 2005 so staff would like to once again submit it for consideration.

Bowlin stated that Location C is at 86th and Nicollet. This intersection is toward the top of their list of high-crash locations. The application preparation would include an analysis of the type of design to submit and that would be a traditional design versus a round-about. Location D is East Old Shakopee Road from Killebrew Drive to the south to 86th Street. This location is included based upon development driven needs, specifically Mall of America Phase II. Improvements would include left-turn lanes, two through lanes and one continuous right-turn lane in each direction, medians, bikeways, walkway facilities as well as some traffic signal modifications. Currently, there is no operational capacity and safety needs to do the improvement and a lot of the emphasis in this year's solicitation is dependent on the Mall's Phase II development.

Elkins pointed out that with regard to the 84th and Normandale and Normandale Boulevard from Nine-Mile Creek to 94th Street (Location B) projects, they can only get one of the two and they may not be ready to do 84th and Normandale for this round so they might as well go for the Location B project. Elkins said it also makes sense that they proceed with filling out an application for Location C since they intend to go forward with that project and have funding for it. This would allow them to have some continuity on Nicollet Avenue and allow for safety improvements. Elkins asked if they could use Airport South money for the project at Location D. Bowlin responded that it is anticipated that funding for Location D would come through assessments as well as from Port Authority funds.

STUDY ITEM #6.2.2**a. SAFETEA-LU Grants continued**

Wilcox said he is having difficulty in seeing why the Location D project links into Phase II of the Mall. Bowlin explained that Location D is included in the Airport South infrastructure improvement report that SRF prepared for the City and is a component of a project listed in that report. Wilcox asked if this is based on anticipated traffic increases. Bernhardson said that is correct and includes anticipated traffic from the Airport South development. Depending on the timing of Phase II of the Mall, staff may or may not recommend completing an application for this project. Wilcox asked why they wouldn't take this project all of the way down to Cedar. Bowlin explained that MAC has purchased a good portion of the properties in that area so in terms of right-of-way, it is their understanding that this location is something that can be done in the time frame they are looking at. Smith explained that one of the major considerations they looked at when selecting these projects were where they have most or all of the right-of-way available because of the funding issues that they have. Right-of-way is always something the City ends up paying for that's not a participatory item. If they get further south of 86th Street, they run into a lot of property they would have to acquire. Wilcox said he wants to make sure they are doing this project with some sort of goal in mind rather than just doing it because they think they can get the money. Winstead said it was his understanding that there is a long-term plan that goes all of the way to East Old Shakopee Road. Bernhardson said staff would determine the total cost, break it up in phases and include right-of-way south of this project. Wilcox said he would like to see what the long-term plan is for this location.

Bernhardson said that from the discussion held this evening, staff would complete applications for Locations B, C and D with the caveat that if additional funding is available they will bring back Location A for further consideration. Elkins asked if even if they didn't have the design work for the intersection at Location A completed, could they apply for a grant for a pedestrian bridge. Bernhardson responded that this is something staff will take a look at.

b. Urban Partnership

Elkins explained that there is an Urban Partnership Agreement Program that MNDOT is working on a grant application for. One of the requirements for this program is tolling. Elkins further explained that part of the proposal would be to convert the current HOV lane from Burnsville to I494 to a HOT lane and then extend that lane on current free lanes north of I494 all of the way into downtown Minneapolis. Elkins stated that the Council has talked about whether or not they are opposed to or in favor of tolling and to participate in this program MNDOT has to include a tolling element. Elkins said that before he proceeds with this proposal, he wants to make sure that the Council is in agreement.

Bernhardson reported that originally the City's concern with toll roads is that they don't tap just one particular area. They have to have a plan for doing the whole area and doing it fairly quickly so that they are all sharing in the pain. Elkins pointed out that there is no down side for Bloomington in having a toll road and that by participating in this program they will get one free flow lane into downtown Minneapolis and there will be more money available in the larger funding package for bus rapid transit programs. This could result in Bloomington receiving some of this additional money. Elkins said he wanted to make sure that the Council is okay in being part of this program.

Wilcox said he was not sure that he is in support of this program. He explained that the Council had gone through quite a few public hearings to talk about toll ways and how people felt about them and now they are talking about toll roads again without any public input. Wilcox said he was not comfortable moving forward with this without public input. Elkins responded that this program would convert the under utilized HOV lane to a MnPASS lane. Wilcox pointed out that the Council had a lot of discussion about toll roads and they didn't want to be the only ones with a toll way. Elkins said they would not be and that it would go all of the way into downtown Minneapolis. He said the City would be far better off and have far less cut through traffic if they took a lane on I494 and turned it into a HOT lane.

**STUDY ITEM #6.2.2b.
continued**

Winstead indicated that he is comfortable with taking this to the next level because it is by no means a done deal. However, they should start to seek some input and more explanation as they move forward. Winstead asked for Council's direction as to how they want to proceed with this request. Axtell said that the one lane on I394 seems to be working but he would like to see what this proposal will cost the City and what it's going to save. Grady asked if this program is conceptual only or do they need to decide now if they are going to do it or not. Elkins responded that MNDOT has put together a proposal to tender to the USDOT by April 30 and that group will be making a presentation to the 35W Solutions Alliance Board on April 12 and they will be looking for direction from them at that time. One of the key criteria for this program is public support from elected officials. Elkins explained that this is preliminary and after the first round of applications it will be windowed down to probably ten regions and then a small number of finalists will have to put together a much more detailed proposal. In response to a question from Grady, Winstead explained that if you have more than one person in the vehicle you would use this lane as an HOV lane but would have to pay to use the lane if the vehicle has a single occupant.

Winstead suggested that they move forward to the next step, however, as it gets closer, the Council should get public input. He indicated that he cannot see how this would affect or harm people in Bloomington going either way but does not think it would be detrimental. Elkins said there is really no downside especially if you get additional bus services out of it. Grady said she was okay with moving forward on this proposal and Wilcox indicated that he does not have a problem with the concept but feels they need to present it to the public. Wilcox said his concern is that once this proposal starts to move forward they won't have time to get public input.

**STUDY ITEM #6.2.3
90th & Nicollet
Intersection
Improvement**

Julie Long, City Civil Engineer, explained that the City requested funds from the Hazard Elimination Safety Program for an intersection improvement at 90th Street and Nicollet Avenue. This intersection contains the highest crash rate within the City. Staff has prepared two alternative layouts, a traditional intersection layout with left turns and a roundabout alternative. Long further explained that the reason they are before the Council this evening is because there is a lot of right-of-way financial risks and potential severance damages that staff wants to make Council aware of.

Long presented an overview of the traditional intersection layout explaining that they are proposing to hold the existing curb lines, stripe the left turn lanes and not build medians. Long stated that one area of concern of the layout is the proximity of the road to the apartment building. Currently it is about 35 feet from the building to the roadway and with this alternative it would be down to about 20 feet. Long presented an overview of the roundabout alternative stating that again a concern is the proximity to the apartment building although with this alternative instead of being 20 feet from the building they are 10 feet from the walk to the building. There are some parking lot implications where they are going to take away some stalls in the southwest quadrant and there will also be some retaining wall impacts and park land replacement that will need to occur with the roundabout alternative. Long pointed out that construction cost of the traditional intersection is higher than for the roundabout design and traffic will be close to the apartment building. She also pointed out that the severity type of crashes may be more severe with the traditional intersection given the fact that there may be more t-bone crashes instead of sideswipes. Long explained that with the roundabout design there will be no traffic signal to maintain and the delays will be less during non-peak times. She reminded the Council that this is a safety intersection improvement and capacity is not a concern. Either design would be at Level Service B. Long indicated that the roundabout would require some park right-of-way that the City would need to replace. Again, the traffic lane will be close to the apartment building and they will be opening themselves to more severance damage claims.

**STUDY ITEM #6.2.3
continued**

Long reviewed the estimated construction cost for the designs stating that the traditional intersection would cost \$1,400,000 while the roundabout construction cost is \$1,100,000. The estimated right-of-way costs would be \$355,000 for the traditional intersection and \$280,000 for the roundabout. These costs do not include any severance damage claims. Estimated compensation for loss of parking is \$85,000 for the roundabout and the cost for park land replacement is estimated to cost between \$60,000 and \$400,000. The low value assumes a partial taking while the higher value assumes a total taking. No specific location for the replacement land has yet been determined.

Winstead asked for an explanation of park replacement and questioned if the City is required to replace their own park land if it is taken. Long responded that they are required to replace it because it is for a federal grant similar to 84th Street and East Bush Lake Road. The City cannot take the land for a transportation use without replacing it elsewhere. Winstead said he does not understand why the City has to spend \$400,000 to take a small piece of land. Long said this would not be a requirement if they did the traditional intersection. Bernhardson stated that they will have to come up with park replacement land but it should not cost them \$400,000. However, they may run a risk of spending \$100,000 to \$300,000 if they have a problem with the apartment building. Elkins said with the roundabout they start off about \$250,000 cheaper plus have an intersection that's a lot safer and that is the whole point of changing this intersection. Peterson pointed out that with a roundabout intersection, they would not have the operating costs and long-term replacement cost of the signal system with a traditional intersection.

Winstead said that safety is definitely a concern, however, the roundabout appears to be safer as far as collisions go but traffic is always moving through a roundabout and he has concerns for pedestrians since this intersection is located adjacent to a park. Winstead asked if pedestrian safety has been an issue with roundabouts versus the traditional intersection. Chad Smith, City Traffic Engineer, responded that there aren't a lot of multi-lane roundabouts existing so there is not a lot of history out there. There are some concerns that those multi-lane roundabouts have some pedestrian issues because there aren't natural gaps of traffic since it's a continuous flow situation. Essentially, pedestrian safety is not just with roundabouts but also at locations where you have dual right-turn lanes and a signalized crossing is not provided. Elkins said the data he is aware of suggests that pedestrian and bike safety for a two-lane roundabout is about the same as for a conventional intersection. Winstead said assuming that is a true statement, they do have a mid-block pedestrian light on 90th Street and this may be an offsetting solution if the roundabout becomes problematic for pedestrians. Winstead said he is supportive of the roundabout but questioned if there are solutions if there is an issue with pedestrian safety.

Grady said she also likes the idea of the roundabout but it also concerns her with it being adjacent to a major park. Elkins suggested they talk to the City of Richfield since they have a similar issue at 66th Street and Portland Avenue. Grady said she would be interested in hearing what Richfield's experiences are with regards to pedestrians crossing the roundabout. Elkins said that what Richfield found when they actually simulated their roundabout at 66th and Portland was an 82 percent projected reduction in injury accidents. Wilcox said he is not convinced that a roundabout would be safer than a traditional intersection.

Winstead said he would like to move forward with this project and that he prefers the roundabout intersection but wants to be cognizant of the pedestrian issues and with the understanding that if there are problems with it they have solutions to address those problems

**STUDY ITEM #6.2.3
continued**

Long said she wanted to inform the Council there is \$2.2 million budgeted for this project and with the additional risk of \$100,000 to \$300,000 they may need to ask for additional funding. Wilcox said he assumed they would identify any funding shortage prior to moving forward with the construction. Smith explained that they may not be able to identify the shortage prior to selecting a specific plan because of right-of-way negotiations and they will have to negotiate one or the other intersection. Grady said she would like additional information on pedestrian safety prior to deciding which way to go. Long said they could delay a decision until April but then will have to make a decision on the right-of-way. Peterson pointed out that the park is surrounded by intersections that are controlled by stoplights that kids routinely walk across. Those crosswalks have twice as many lanes as what the roundabout proposal will have in terms of lanes they have to cross in one continuous action. Winstead asked that this item be brought back to the April 30 study meeting along with the additional information requested this evening and at which time the Council will give staff clear direction on which intersection to move forward with.

**STUDY ITEM 6.2.4
Strategic
Planning/Visioning**

Clark Arneson, Assistant City Manager, reported that staff continues to work on the City's Strategic Plan/Vision. At the last study meeting, the Council directed staff to look at a timeline for completing Imagine Bloomington 2025, draft vision statements around the concept of "The Complete City", and begin drafting strategic initiatives based on the community values, traditions, and mission statement. Staff is now recommending "The Complete City" as the 2025 vision. Arneson reviewed with the Council the timeline for completing Imagine Bloomington 2025 and indicated that staff members are working on the strategic initiatives.

Grady said she likes the concept of "The Complete City" of all those presented. This statement gives them flexibility. Arneson said they would present additional information at a May Council meeting.

**STUDY ITEM 6.2.5
Metro Alliance for
Healthy Families
Governing Board**

On February 26, 2007, Council approved a resolution that establishes Bloomington as a member of the Metro Alliance for Healthy Families. The Alliance is in the process of forming its governing board and the City may also designate an elected official to serve as an alternate governing board member.

Motion was made by Wilcox, seconded by Axtell, and all members present voting aye, to appoint Councilmember Nordstrom to serve on the Metro Alliance for Healthy Families Governing Board. The motion carried 6-0.

**STUDY ITEM 6.2.6
Art at the Airport**

Winstead presented a video that the Airport Foundation had put together for possible art in the Lindbergh terminal. The Airport Foundation is trying to enhance the airport with this multi-year project. Winstead said he would like to see the City's Interior and Exterior Art Committee that was formed when they built Civic Plaza become active once again.

**OTHER BUSINESS
Airport Flight Tracks**

Wilcox reported that he has received a complaint from a resident on 106th Street regarding airport noise. The main issue appears to be the original 190 degree turn track. The City of Burnsville filed a complaint with MAC because they weren't flying to the 230 degree track which was the original agreed upon departure setting. They agreed to try the 215 degree track on an experimental basis. It seems to be working very well because it puts the planes over the river bottoms. Burnsville has agreed that they will back off at 215 and they won't pursue anything more. Wilcox explained that this would mean that they won't do the 230. He said if they decide to fight this and indicate that they want it back to the 190 degree track, MAC might do away with the 2.5 mile departure point. The Council agreed that they should not pursue the 190 track. Wilcox said he believes they have done a pretty good job of protecting the residents from airport noise.

**OTHER BUSINESS
continued**

Larry Lee, Director of Community Development, explained that the City has received letters from two residents regarding the airport noise and he expects an additional letter. He asked if the Council wants them to submit the letters to the Noise Oversight Committee (NOC) without comment or if there should be a cover letter accompanying the letters. Peterson said he would like to see a letter sent with the complaints letting them know that Bloomington residents are being impacted by the noise and that the City wants to be part of any future plans.

**Liquor Regulation –
Charitable Events**

Peterson indicated that the Legislature is considering a bill regarding a liquor license for a charitable silent auction. Typically, people donate wine baskets or similar alcoholic prizes for silent auctions. There is a provision in the Liquor Control Bill that says that you cannot have more than one bottle of wine, one bottle of alcohol and a case of beer as a gift at a charitable silent auction and a permit must be obtained from the Commissioner of Public Safety. Peterson said he does not understand how the Commissioner of Public Safety became involved in this and that the permitting process does not make any sense. The Council agreed that they would speak in opposition to this bill.

**Penn/OSR Hennepin
County Draft Letter**

Elkins asked that the City communicate to the County that a right-turn lane is not needed at Penn Avenue and Old Shakopee Road. If a right-turn lane is required, the Historical Society would not be able to put the Baliff building on the old Town Hall site.

Adjourn Meeting

Mayor Winstead adjourned the meeting at 11:59 p.m.

Carol Pelzel
Acting Council Secretary