



CITY OF MOUND CITY COUNCIL

AGENDA

Tuesday, October 27, 2026

Directly following the Adjournment of the Housing and Redevelopment Authority Meeting

THIS AGENDA IS SUBJECT TO CHANGE UNTIL THE START OF THE CITY COUNCIL MEETING

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ADOPT AGENDA

4. PUBLIC COMMENTS

5. CONSENT AGENDA

- | | |
|---|-------|
| a. Minutes of October 13, 2026, City Council Regular Meeting, Kelly | 1-11 |
| b. Approve Resolution 26-72 Approving Public Gathering Permit for 2026 Mound Tree Lighting Event, Smith | 12-17 |
| c. Pay Request No. 1 and Final in the amount of \$40,669.00 to American Environmental for 2026 Sewer Televising Project; PW-26-04; Bauman | 18-20 |

6. PRESENTATIONS

- | | |
|---|-------|
| a. Council Introduction of Proposed Concept for 6221 Lynwood Boulevard, Smith | 21-27 |
| b. 2025 Audit and Annual Comprehensive Financial Report, Erdmann | 28-57 |
| c. Discussion Regarding Flock Cameras, Stensrud | 58 |
| d. Recognition of Trailblazer Award from Neogov, Imihy | 59 |
| e. Water Treatment Plant Additional Funding Information, Imihy | 60-62 |

7. PUBLIC HEARINGS

- | | |
|--|-------|
| a. Consideration/action on Resolution No. 26-73 for Vacation of Easement for Sanitary Sewer/lift station Purposes at 1604 Dove Lane, Smith | 63-77 |
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8. OLD BUSINESS

9. NEW BUSINESS

10. ANNOUNCEMENTS

- a. Comments/Reports from Council Members
- b. Comments/Report from City Manager
- c. Next City Council Regular Meeting: Tuesday, November 10, 2026, at 6:00 p.m.

11. ADJOURN

City of Mound Mission Statement: The City of Mound, through teamwork and cooperation, provides at a reasonable cost, quality services that respond to the needs of all citizens, fostering a safe, attractive and flourishing community.

MOUND CITY COUNCIL MINUTES

October 13, 2026

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, October 13, 2026, at 6:00 p.m. in the Council Chambers in the Centennial Building.

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

Members absent: Kathy McEnaney

Others present: City Manager Jesse Dickson, Deputy City Manager Laila Imihy, City Clerk Kevin Kelly, City Attorney Scott Landsman, Public Works Director Ryan Prich, Finance Director Lindsay Erdmann, Senior City Engineer Brian Simmons, City Engineer Matt Bauman, Helen Canning, Aaron Geddes, Justin Pfau, Stephen, Mona Horejsh, Jennifer & Steven Billington, Brian Embrey, Jim Kruse, Penny Andeson-Ortiz, Sofia Ortiz, Jannel McCullough, Tyler Pieper and Matthew Plasencia.

1. Call to Order

2. Pledge of Allegiance

3. Adopt Agenda

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

4. Public Comments

Jim Kruse, 2830 Pine Road, said he is concerned about the Water Treatment Plant (WTP) bid discrepancy of the engineer's estimate and the actual bids the City received.

Mona Horejsh, 5936 Gumwood Road, said the water main replacement project along Langdon Lane and Diamond Lane has caused quite an inconvenience. Horejsh said some neighbors were told they were not going to be billed for utilities while some residents were billed and some were not which is not fair to residents. Horejsh asked what the plan is going forward on the project and would like clear answers going forward. Horejsh said residents incurred additional costs regarding mail boxes being destroyed and curbs and aprons being put in.

Penny Anderson Ortiz, 5978 Elmwood Road, said she was billed 13,000 gallons during project and brought a copy of her utility bill.

Jennell McCullough, 5926 Gumwood Road, asked the Council why neighbors had to walk on the road while it was under construction and water service would stop when the temporary water lines were broken. McCoullough asked the Council about the quality of project management.

Justin Pfau, 2163 Diamond Lane, said the temporary water lines to each house would be damaged and there was no water running through the meters. Pfau said there were many days in which water was running down the street. Pfau said the water was unusable and he

needed to install reverse osmosis which caused him to be charged an exorbitant amount to put the system in.

Prich said he learned of the utility bills this morning and will be looking at the bills and will figure out how to rectify the bills for residents affected by the project. Bauman said they are required to follow contractor law and have to stick with contracting statute. Prich said the team is working with GMH Asphalt to improve though they are meeting contract timelines. McEnaney said how can Bolton and Menk (B & M) be more responsive. Bauman said the short notices have been challenging and the contractor has been sending out day to day notices. Bauman said staff can inspect the work quality and progress and the contractor needs to follow the contract deadlines.

McEnaney said residents have frustration about the project management and are looking for answers. McEnaney asked who was in charge of oversight of the project. Bauman said there are methods to oversee and document the contract work and there are tradeoffs with contracted work.

McEnaney said the process didn't seem efficient. Bauman said there are some areas where things don't go right and there are many parts to these projects. Bauman added that the project won't be closed until all contract work meets requirements.

Prich said staff will be more stringent with the next contracts which are planned and Prich said there have been discussions with B and M regarding project work. Prich said the team is meeting weekly to move the project forward. Prich said the curbs were being laid today. Castellano said the City Council sees the bids. Prich said the City sets the standards and will put the project out to bids based on those standards.

Anderson Ortiz said the information residents received from the contractor regarding parking and other items was inaccurate. Anderson Ortiz said her retaining wall was knocked over by a contractor.

Mona Horejsh said water bills were due on the 15th and asked what residents are supposed to do and wondered if they had to pay those bills. Lindsay Erdmann said residents bills late fees will be waived. Erdmann said she would work with Prich on getting the utility bills resolved. Prich said what has been done historically is the averaged billing while these residents can use as much water as they need. Holt said he would like staff to get a letter out in the mail to respond to the excessive bills.

Pfau said that no billing would occur for water used during the project. Pfau said he would like to see an audit.

Matt Plasensia, 5935 Gumwood Road, said the biggest issue he has is with communication and project management. Plasensia said it is frustrating to be informed with very little notice to move vehicles. Plasensia said Gumwood Road has been ripped up since the second week of June.

Aaron Geddes, 6000 block of Lynwood Blvd., said the lowest responsible bidder policy should be reviewed. Lindus said a water treatment plant is needed and is willing to pay taxes for building it.

5. Consent Agenda

- a. Approve Minutes of September 22, 2026, City Council Regular Meeting, Kelly
- b. Check Registry for September 2026, Erdmann
- c. Approve Resolution 26-56 Metropolitan Council Planning Grant Application, Smith
- d. PULLED
- e. PULLED
- f. 1737 Wildhurst Lane Settlement Agreement

MOTION by McEnaney, seconded by Pugh, to approve items 5a., 5b., 5c. and 5f. All voted in favor. Motion carried.

Herrick said she would like to pull Items 5d. and 5e.

5d. Pay Request No. 8 in the amount of \$659,040.03 to Minger Construction for work completed on Water Treatment Infrastructure Improvements – Phase 2, August 21, 2026, through September 25, 2026; Bauman

Bauman said Phase 2 is the work being done on Commerce Blvd. as well as along Evergreen Road to the area of the Evergreen Water Tower. Bauman said this is a pay request for work completed during the last month. Herrick said she would like these pay requests to be more specific regarding the work which was completed. Bauman said he signed off on the progress of the work completed in Phase 2 of this project.

Erdmann said she is working on pay requests with Ryan Prich and B & M staff. Erdmann said the City Finance Department would like to see what services were completed in the period and to include the specific work in the packet.

MOTION by McEnaney, seconded by Herrick to approve item 5d. All voted in favor. Motion carried.

5e. Pay Request No. 4 in the amount of \$377,944.66 to GMH Asphalt for 2026 Street and Utility Improvements; City Project nos. PW-26-01 & PW-26-02; Bauman

Bauman said this item is payment for progress completed on the project. Bauman said the City has a 5% retainage which is used to work through the punch list items which need to be resolved. Simons said the pay requests withhold 5% as incentive to complete the final restoration work. Simons said there is extra time allotted on projects to do a final close out with documentation the project plan is completed, or a remedy is in place. Simons said the final remedies are smaller items such as letting grass or sod fill in.

Simons said 60% of Item 5e. is completed. Herrick asked when the project will be done. Bauman said black top will be laid this week.

Simons said B and M will work on improving communication. Simons said project management acts as intermediaries and there are contract controls in place. Simons mentioned a contractor or a sub-contractor who was supposed to start work at 8:00 a.m. today didn't show up until 5:00PM.

MOTION by McEnaney, seconded by Herrick to approve item 5e. All voted in favor. Motion carried.

6. Presentations

a. Gillespie Center Presentation, Imihy

Imihy introduced Brian Embrey to the City Council. Embrey said he is the Executive Director of the Gillespie Center and has been on the job for the past six months. Embrey thanked the City for the \$10K donation for 2026. Embrey said the Gillespie Center operates from an endowment and through donations and memberships.

Embrey listed Gillespie Center building improvements from the funds the Gillespie Center received:

- New A/C Unit
- New Thermostat and Ventilation Control Systems
- New Sprinkler Heads in Kitchen Area
- New Boilers installed
- New Roof replaced a 26-year old roof

Embrey listed Gillespie Center services and programs:

- Executive Director is the only FT employee with volunteer support
- Health Insurance Counseling
- Aging Pathways Course
- Defensive Driving

Embrey define community supports the Gillespie Center provides:

Community partners and support

And many fundraisers

175 Mound Senior Households received access to essential services in 2026. Embrey said there are 350 members of the Gillespie Center.

Embrey listed additional services the Gillespie Center provides:

- Food Shelf partnership
- Reduced Cost Bakery
- Tax Counseling and Preparation
- Medicare Counseling Sessions
- Acts a City of Mound polling place
- Health Services seminars and vaccinations
- Fraud Prevention Resources - hosting seminars
- Tech Support
- Fall Lake Minnetonka Cruise
- Embrey listed many events hosted and provided by Gillespie Center and its partners.

Embrey said a new program at Gillespie is the Westonka Tech Tutors which assists members to respond to online and phone scam attempts. Embrey said a Business Teacher and Westonka High School DECA Student group will act as advisors for seniors.

Embrey listed ways the Gillespie Center connects with residents and how residents can be of support:

- City Communication

- Like us on Facebook and Instagram
- Consider a donation
- Consider becoming a supporter
- Attend events, program and fundraisers

b. Staffing Overview, Imihy

Imihy presented a City staffing update and position vacancy overview:

- Understand Organizational changes and demographics
- Prepare for operational or organizational changes
- Assess hiring, recruitment and retention efforts
- Medium tenure of government employees staying at their jobs is 5.4 years

Imihy provided a history and background on City staffing levels

- Over the past 18 years the City has reduced staffing in favor of contracted workers
- Mound Police Department outsourced in 2012 to City of Orono Police Department – 19 employees were in the Mound PD in 2012
- Employee count went from 50 to 26 FT employees from 2008 to 2026
- Currently there are 28 FT City employees
- Deputy Fire Chief and Administrative Assistant added in 2026
- 30-hour liquor store employee changed to FT position
- Staff changes from retirements and vacancies including in key leadership roles in 2026.

Imihy said the majority of employees are in their first five years of employment. Imihy said there are many employees with 10 years or more as City employees.

Imihy said future needs include new Finance Software, and a potential new water treatment plant which will change staffing needs. Imihy said there will be a sharper eye on cost/level of service provided by consultants and the goal is to reduce consultant costs while providing exceptional customer services in every City department.

Pugh asked about the staffing levels of comparable cities. Imihy said Mound is understaffed compared to other cities of comparable size. Imihy said there were waves of staff reductions in 2008 and 2012 which were large.

Discussion ensued about the significant economic issues during those years of staff reductions. Imihy said the economy has rebounded and staffing hasn't kept pace from previous economic conditions.

McEnaney said the preliminary budget describes 5.6 added FTE's and two new positions. McEnaney said the budget document listed 28 employees when the budget document said there is 34.5 employees at the City.

Imihy listed the City Organizational Chart which included the City Departments under:

- Administration Under the Deputy City Manager
- Community Development
- Public Works
- Fire Department

Imihy presented a look ahead to projected staffing needs in 2027 and beyond:

Imihy listed staff tenure and employee demographics:

- Eight of the 28 City Employees have been employed one-year or less
- Seven employees have been at Mound 2-4 years
- Most of the employee are between 30-61 years of age
- 60% of the City staff have been with the City for 5 years or less

2026 Vacancies

- Seven positions were internal promotions in 2026
- Senior Accountant will be starting in October
- On-line application software added in 2026 which has created a greater pool of candidates

Imihy provided more department information:

- Community Development added the Administrative Assistant Permit Technician and Planner positions and removed the Field Officer position.
- Harbor Wine and Spirits – added a new Liquor Store Manager and a Assistant Liquor Store Manager with six PT Clerks
- Finance Department added a new Finance Director and added Administrative Assistant/Finance Technician and Senior Accountant – Proposing a new utility billing clerk to remove external contractor
- Fire Department – retirement of long-term Fire Chief and hire of new Chief and a new Deputy Fire Chief Christopher Heitz hired
- Public Works – Staffed by Public Works Director and Public Works Superintendent, four Lead Public Works Leads and eight Public Works Workers. Proposal to add a Parks position and the Engineering Technician to reduce consultant dollars spent on inspections

Imihy listed a summary of 2027 Hiring:

Administration

- Communication Specialist
- Finance - Utility Billing Clerk
- Public Works adding the Engineering Technician and Parks Worker positions

Looking Ahead - 2027-2031 updated FMP – City will model new positions:

- Water Treatment Plant Operator
- Building Inspections Staff
- Additional Administrative and HR Support

7. Public Hearings

a. Resolution 26-68 Adopting Assessment for Delinquent Municipal Utility Bills, Erdmann

Erdmann said there is \$500K in outstanding utility payments which will be assessed. Erdmann said utility payers have until November 16th to pay their assessment, or the amount will be assessed to the individual's property taxes.

Mayor Holt opened the public hearing at 8:02 p.m. and closed the Public Hearing at 8:03 p.m. No one came forward.

MOTION by Castellano, seconded by McEnaney, to approve the following Resolution. All voted in favor. Motion carried.

RESOLUTION ADOPTING ASSESSMENT FOR DELINQUENT MUNICIPAL UTILITY BILLS AND CERTIFYING TO THE COUNTY AUDITOR AT 5% INTEREST - LEVY #27150

b. Resolution 26-69 Adopting Assessment for Misc. Expenses, Erdmann

Erdmann said this item is for mowing abatements for residential properties.

Mayor Holt opened the public hearing at 8:03 p.m. and closed the public hearing at 8:03 p.m. No one came forward.

MOTION by Castellano, seconded by Herrick, to approve the following Resolution. All voted in favor. Motion carried.

RESOLUTION NO. 26-69 RESOLUTION ADOPTING ASSESSMENT FOR MISCELLANEOUS EXPENSES AND CERTIFYING TO THE COUNTY AUDITOR AT 5% INTEREST - LEVY # 27151

8. Old Business

9. New Business

a. Water Treatment Plant Bid Award, Prich

Dickson said there are two presentations regarding the WTP bid results and history of the need for the WTP. Dickson said Deputy City Manager Imihy will address how WTP will be funding through fees.

Simons stated the following regarding the need for Water Treatment Facility:

- In 2020 the MN EPA issued health-based guidelines for manganese which is not treated by the City
- City water supply is high in Iron which results in discoloration
- Both Manganese and Iron can be treated by a new Water Treatment Plant
- A WTP is a taxpayer dollar solution instead of in-home water treatment solutions
- Protect and preserve infrastructure both public and private

Solutions to Water Treatment:

- Phase 1 and Phase 2 underway since 2025
- Consider the construction of a WTP which removes Manganese and Iron and other contaminants
- Design of the water treatment plant

WTP overview:

- City owned 4-acre site off Evergreen Road
- 13,050 SF WTI to remove containments
- Treats 1500 gallons per minute or 1.8 million gallons per day
- Peak height of WTP is 31.5 feet
- Impervious coverage is less than 30% at the site
- Natural and cultural review process completed
- MN Department of Health Permit obtained

Bauman presented the WTP site plan:

- Bidding Environment was good
- Previous Engineers Estimate for the plan was \$28.5M with \$24.5 allocated for construction costs

Bids for WTP were substantially more favorable to the following reasons:

- Timing of the bid – hit the contracting pool early while contractors are hungry for work
- Demand – not very high due to economy
- Materials Cost - Buy America, Build America projects have lessened impacts by the wars overseas and tariffs

Simons said there were seven bidders which is more than any B and M have received previously. Simons said B and M are familiar with five of the bidders which have built water treatment projects in Minnesota. Simons said the bid results for the project were between \$17.8 Million and \$19.9 Million among the seven bidders. Holt said the bids came in lower than expected which is great. Holt said he is impressed with the bids which came in.

Bauman listed other portions of the overall project estimate:

- Power and Gas Supply _
- Contingency - \$250K
- Subtotal Construction \$900K
- Engineering and Admin \$1.9Million
- Total Project Cost \$20.9Million

Bauman listed funding received by the City so far:

- \$1.9Million in Federal Appropriations in 2023 and 2025
- Emerging Contaminant Grant \$3million or \$5Minnilliom
- State of Minnesota Project Funding Ranks – Stayed at 15 points

Imihy listed funding Assumptions and Change Scenarios

- Increase in gas and electric franchise fees in 2027, 2029 and 2031
- Potential \$3 or \$5Million in Public Facility Authority Grant
- WTP project costs split evenly between 2027 and 2028

Imihy asked, Will Water rates increase?

- Rates will increase due to the City Water Fund debt of just under \$3Million
- Favorable bids mean that building a WTP fits within existing planned rate increases

Imihy said the cost of site preparation has been funded through \$10.3Million received by the City in infrastructure site preparation

- \$20.8 cost of Site Construction
- \$31.1 Million total cost for the WTP project

Imihy provided the following funding sources:

- \$10.3Million - State Grants received
- \$2.05 Million - Federal Grants received
- \$250K from the City Water Fund (Power and Gas Supply) – cannot be funded by PFA Loan
- \$3M-5Million - PFA Grant
- \$15.5Million or 13.5million PFA Loan
- \$31.1Million in total funding

Imihy listed funding scenarios below:

Scenario 1 -

- \$15.5 Million Grant with annual \$950K in debt service

Scenario 2 -

- \$13.5 Million Grant with annual \$734K in debt service

Imihy listed the Impacts of Water Charges and Franchise Fees:

- Ensure Adequate Cash Balance – Water Fund will be at positive cash in 2029 with target cash achieved in 2033.
- No planned debt issuance beyond 2029
- Franchise Fees currently used in the Sewer and Water Funds. Increased Franchise Fees can be used for a variety of different City projects.
- Water Rate increases can only be used for water related projects
- Water Rate Increases were listed based on the above two scenarios

Discussion ensued about options for use of Franchise Fees for the WTP funding. Imihy said Franchise Fees are charged to residents which is allowed by Statute. Imihy said the proposal is to raise Franchise Fees to \$4/month currently to \$6/month in 2027, \$9/month in 2029 and \$13.50/month in 2031. Imihy said this funding mechanism would be used instead of funding through property taxes.

Castellano said the Council, over the past two years, planned to diversify revenue by increasing Franchise Fees with higher users paying more.

Holt said the Council has talked about the impact to residents who are going to pay for the WTP either through Franchise Fees or through some other source such as property taxes.

McEnaney said she would like to see more financing options including funding the project through the water rates. McEnaney said she would like residents to see all funding options on the table.

Imihy presented the residential Impact in 2027 with a WTP funding scenario at \$3.58 a month paid through every residential water user.

Pugh said using Franchise Fees to pay for the WTP depends on Mound residents comfort with using water fees to pay for the WTP. Pugh said the Council should provide a funding plan which can be explained to residents.

Discussion ensued among staff and Council about showing different financing option scenarios with using Franchise Fees, raising property taxes and other sources and the corresponding financial impact on residents.

Castellano said previous Council decisions agreed to charge higher Franchise Fees from large institutional users.

Imihy said she will provide scenarios of where the funds would come from and the impact to individual utility users.

Imihy listed Next Steps of the WTP project:

- Received Bid – October 13, 2026
- Bid is awarded - contract, grants and finalize funding the Fall of 2026
- November 10, 2026 - Financial Management Plan and Utility Rate Study Update and How the funding for the WTP will be set
- November 24, 2026 - Utility Rate Adoption
- Construction begins - Spring 2027
- Interior construction of the WTP in 2028
- WTP goes online in 2028

Bauman said if the bid is approved by the Council he will get the project process moving forward.

MOTION by Holt, seconded by Pugh, to approve the following Resolution. Holt, Pugh, Castellano and Herrick voted in favor. McEnaney abstained. Motion carried by a 4-0 vote.

Approve Resolution 26-71 Resolution Accepting Bid for Water Treatment Facility, City Project No. PW-25-11

b. Resolution 26-70 Adopting Assessment for Misc. Expenses, Erdmann

Erdmann said the EFT policy was recommended by Abdo, the City Auditor and was reviewed by City Attorney Landsman. Erdmann said EFT payments are becoming a more routine way of doing business.

Erdmann said the EFT Policy establishes when the City makes electronic fund transfers

- Aligns the City Process with MN Statute
- Provides a consistent and controlled process for electronic payments
- Process establishes clear authority approval, documentation and reporting requirements.
- Written checks create vulnerability to fraud activity and there is a fraud filter in place

Allowable Transfers through EFT

- Payroll and investment transactions
- Tax settlements
- Retirement Contributions
- Vendor and Bond payments

Erdmann said approval of the EFT Policy by the City Council will establish delegated authority to the City Manager and Finance Director who will provide approval to all EFT transfers.

MOTION by Castellano, seconded by Herrick, to approve the following Resolution. All voted in favor. Motion carried.

Approve Resolution 26-70 Resolution Adopting City Electronic Funds Transfer Policy

10. Announcements

a. Comments/Reports from Council Members:

Council Member Pugh – Pugh said the Gillespie Center has made major changes over the last four years and are on their way in their efforts. Pugh said the dedication event of Lost Lake Commons Park happened and it went nice.

Council Member McEnaney – McEnaney thanked Pugh for organizing the Lost Lake dedication event. McEnaney said she would like to receive return contact info from residents trying to contact her.

Council Member Castellano – Castellano had nothing.

Council Member Herrick – Herrick said the Andrew Sisters Trail signage which came down. Prich said he didn't know if there is a missing sign though the instruments in the former open space are currently in storage. Herrick said the next Police Commission meeting is scheduled for December 9, 2026. Herrick agreed with Pugh about the positive programs taking place at the Gillespie Center and likes the intergeneration component the Gillespie Center is pursuing.

Mayor Holt – The Volunteer Appreciation Event is scheduled for December 7th.

b. Comments/Reports from City Manager: Imihy said Monday December 7th for the Volunteer Appreciation Event. Dickson said

c. Next City Council Regular Meeting: Tuesday, October 27, 2026 at 6:00 p.m.

11. Adjourn

MOTION by McEnaney, seconded by Herrick, to adjourn the City Council meeting at 9:43 p.m. All voted in favor. Motion carried.

Mayor Jason R. Holt

Attest: Kevin Kelly, Clerk



**Community Development
Department**

City Council Item 5b.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Sarah Smith, Comm. Development Director and Public Works Director
Ryan Prich

Date: October 22, 2026

Subject: Public Gathering Permit for 2026 Mound Tree Lighting

RECOMMENDED ACTION - Review/action on Public Gathering Permit for the 2026 Mound Tree Lighting annual special event.

MOTION to approve Resolution No. 26-72 approving public gathering permit for 2026 Mound Tree Lighting on Thurs., November 19, 2026 and waiving fees and damage deposit due to public purpose of gathering.

DISCUSSION

- Details about the upcoming event are outlined in the permit application and supporting materials that were submitted by the applicant. Some highlights about this year's tree lighting special event are provided below.
- The tree lighting will be similar to previous events to include holiday activities and music featuring a local choir performance and photos with Santa. Information included in the special event checklist included mention that Westwood Church may have llamas at this year's special event however updated information is that a donkey owned by church member may be included in the event. Additional information has been requested.
- A sound system will be used.

- Food and beverages will be available at the event. Applicant is responsible for reaching out to Hennepin County regarding the need for a temporary food license for the event.
- Applicant is requested to provide information to Staff regarding plans for the event in the event of inclement weather.
- Temporary and/or portable signage for the event is subject to the regulations in City Code 119 (signage) to include required permitting that may be needed.
- Similar to 2024 and 2025, Staff recommends waiver of all involved local fees for the event as this is a public event for the benefit for the entire community.
- Parking for the event will take place at the Transit District parking deck and in public parking lots; also public streets.
- The applicant needs to coordinate with the Mound Public Works Department and Hennepin County Transportation, if needed, regarding any local or county roads, or portions thereof, that may need to be barricaded or closed to traffic for the special event.
- Applicant is required to contact the Mound Fire Department (MFD) regarding tents/booths for the special event related to permitting.
- Similar to 2024 and 2025, the entrance into the Veteran's Park parking lot off of Shoreline Drive across from the Post Office will be barricaded for the fire truck to enter. Also, the other end of the parking lot spaces on the west side by True Value will also be barricaded. Barricading of the event area will take place the afternoon of November 19th (specific time TBD) and will be removed after the event and cleanup activities are completed.
- The Public Works Director contacted the Metro Transit Commission about bus service on November 19th in the vicinity of the special event.
- The Public Works Director or Superintendent will work with the MFD regarding the recreational fire troughs that will be at the event to include required permitting.
- A Certificate of Insurance for the special event is required to be submitted to the City for review and acceptance by the City Manager.
- Staff notified the Administration Department, the Public Works Department, the MFD and the Orono Police Department (OPD) about the upcoming request; also involved public agencies.
- Applicant is responsible for coordinating with the Public Works Department for assistance/equipment for the special event; also the OPD and MFD.

RECOMMENDED ACTION

The City Council of the City of Mound approves the Public Gathering Permit for the 2026 Mound Tree Lighting special event in Veterans' Park and Lost Lake Commons, subject to the following conditions.

1. Applicant shall be responsible for procurement of all required public agency permits that are needed to hold the event (*i.e., Hennepin County Transportation, Hennepin County Health and Environmental Services, Three Rivers Park District, etc.*)
2. Applicant shall notify the City of its plans for the event in the event of inclement weather.
3. No signage can be placed upon private property unless permission from the private property owner and/or other interested party has been provided to the applicant who shall be responsible for obtaining same to include required permitting.
4. Signage placement on City property is subject to review and approval by the City of Mound. No signage shall be placed in a location so as to affect vehicular and pedestrian traffic. The City of Mound reserves the right to modify sign placement in the field.
5. The submittal of a Certificate of Insurance, naming the City of Mound as an additional insured, is required and shall be provided prior to the release and issuance of the Public Gathering Permit for review and approval by the City Manager. Required insurance and coverage shall be in accordance with the City's established policies.
6. If different from the application, contact information, including name and cell phone number, for the person(s) who will be on site the day of the event shall be provided prior to the release of the permit(s).

SUPPORTING INFORMATION

- Resolution
- Public Gathering Permit application

**CITY OF MOUND
RESOLUTION NO. 26-72**

**RESOLUTION APPROVING PUBLIC GATHERING PERMIT
FOR 2026 TREE LIGHTING EVENT
ON THURSDAY, NOVEMBER 19, 2026 WITH WAIVER OF FEES AND DAMAGE DEPOSIT
DUE TO PUBLIC PURPOSE OF GATHERING**

WHEREAS, Caroline Suttle, on behalf of Westonka Connect, submitted a Public Gathering Permit application for the 43rd Annual Mound tree lighting ceremony to be held on Thursday, November 19, 2026 from 6:00 p.m. to 8:00 p.m. at Veteran's Park and Lost Lake Commons in downtown Mound; and

WHEREAS, the 2026 Fee Schedule set a Public Gathering Permit Category I Location Fee at \$300 per day and the Damage Deposit at \$500 per day; and

WHEREAS, the Mound Fire Department (MFD) Tent Permit Fee is \$25; and

WHEREAS, City Staff has reviewed said application and has recommended reasonable conditions to protect the public's investment in its public parks and common areas as set forth in a staff memo to the City Council dated October 22, 2026 ("Conditions"); and

WHEREAS, the City Manager and City Staff desire to waive the public gathering permit fee and damage waiver and other related fees because the annual tree lighting ceremony is a public event that benefits the community as a whole.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mound as follows:

1. The recitals set forth above are incorporated into this Resolution.
2. Waiver of permit fees and damage deposit for the special event is in the public interest due to the overwhelming public benefits.
3. The permit is approved for the 2026 Annual Mound Tree Lighting.

Adopted by the City Council this 27^h day of October, 2026.

Jason R. Holt, Mayor

Attest: Kevin Kelly, Clerk

**CITY OF MOUND
2415 WILSHIRE BLVD.
MOUND, MINNESOTA 55364**

PUBLIC GATHERING PERMIT

Use of a public park or commons by any group consisting of **15 or more individuals**.

Use is not to interfere with traffic and general use of the park or commons or to be beyond the ability of the police in maintaining order.

NO LIQUOR OR BEER MAY BE USED IN ANY OF THE CITY PARKS OR BUILDINGS.

Group is to remove all litter and trash and provide a deposit to insure cleaning up of the park area.

Category I Locations: Surfside Park, Greenway, Centerview Park and Parking Deck

PERMIT FEE: \$300/DAY _____ DAMAGE DEPOSIT: \$500/DAY _____

Category II Locations: Other Parks (neighborhoods, veteran's parks)

PERMIT FEE: \$50/DAY _____ DAMAGE DEPOSIT: \$200/DAY _____

A Certificate of Insurance naming the City of Mound as Certificate Holder/Additional Insured is required with respect to the City's ownership of the public lands.

Date(s) of Use Thursday, November 19, 2026

Area to be Used Veterans memorial Plaza / green space

Time Frame 6-8pm event + time; 5-9pm ^{including} setup + tear down

Intended Use 43rd Annual tree lighting

Expected Attendance 500

Organization Connect Westonka

Representative's Name Caroline Suttle

Address PO Box 97 mound, mn 55364

Telephone No. Daytime: _____ Work: _____

E-Mail: _____

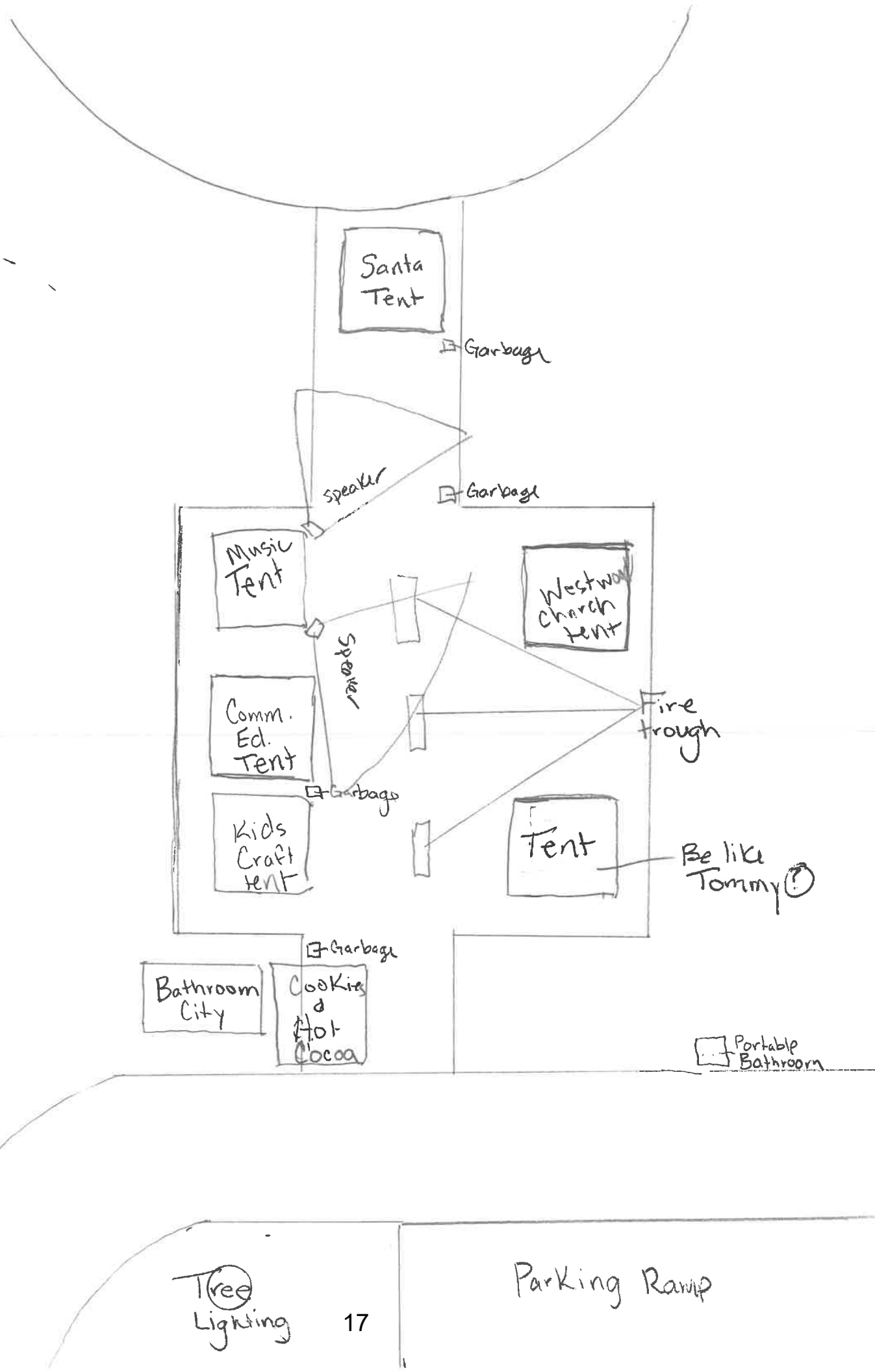
Departmental Approval

City Clerk

Police Dept.

Public Works Dept.

Fire Dept.





City Council Item 5c.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Matt Bauman, PE, City Engineer

Date: 10/27/2026

Subject: 2026 Sewer Televising Pay Request 1 & Final

RECOMMENDED ACTION:

MOTION TO approve Pay Request No. 1 & Final in the amount of \$40,669.00 to American Environmental for 2026 Sewer Televising project; City Project PW-26-04.

OVERVIEW

Please find enclosed Pay Request No. 1 from American Environmental for work completed on the 2026 Sewer Televising project on October 15, 2026

We have reviewed the contractor's request, verified quantities, and recommend payment in the amount of \$40,669.00 to American Environmental.

All work is complete and there is no withholding of retainage.

SUPPORTING INFORMATION

- Pay Request 1 & Final from American Environmental

DATE: 10/15/2026

CONTRACTOR'S PAY REQUEST NO.
2026 SEWER TELEVISION PROJECT
CITY PROJECT NOS
BMI PROJECT NO. 26X.143543.000
FOR WORK COMPLETED FROM

1 & FINAL

CONTRACTOR
OWNER
1 & FINAL

American Environmental
City of Mound
Bolton & Menk

9/1/2026 THROUGH 10/14/2026

TOTAL AMOUNT BID.....	\$	41,623.75
APPROVED CHANGE ORDERS.....		
CURRENT CONTRACT AMOUNT.....	\$	41,623.75
TOTAL, COMPLETED WORK TO DATE.....	\$	40,669.00
TOTAL, STORED MATERIALS TO DATE.....	\$	-
DEDUCTION FOR STORED MATERIALS USED IN WORK COMPLETED.....	\$	-
TOTAL, COMPLETED WORK & STORED MATERIALS.....	\$	40,669.00
RETAINED PERCENTAGE (0%)	\$	-
TOTAL AMOUNT OF OTHER DEDUCTIONS.....	\$	-
NET AMOUNT DUE TO CONTRACTOR TO DATE.....	\$	40,669.00
TOTAL AMOUNT PAID ON PREVIOUS ESTIMATES	\$	-
PAY CONTRACTOR AS ESTIMATE NO. 1 & FINAL.....	\$	40,669.00

Certificate for Payment

I hereby certify that, to the best of my knowledge and belief, all items quantities and prices of work and material shown on this Estimate are correct and that all work has been performed in full accordance with the terms and conditions of the Contract for this project between the Owner and the undersigned Contractor, and as amended by any authorized changes, and that the foregoing is a true and correct statement of the amount for the Final Estimate, that the provisions of M. S. 290.92 have been complied with and that all claims against me by reason of the Contract have been paid or satisfactorily secured.

Contractor: American Environmental
3086 Walden Drive
Chaska, MN 55318

By	Tony Traxler	Owner
	Name	Title
Date	10.15.26	

CHECKED AND APPROVED AS TO QUANTITIES AND AMOUNT:
BOLTON & MENK, INC., ENGINEERS, 2638 SHADOW LN, SUITE 200, CHASKA MN 55318

By Matthew S. Bauman, PROJECT MANAGER
Matthew S. Bauman

Date 10/22/2026

APPROVED FOR PAYMENT:
Owner: CITY OF MOUND

By			
	Name	Title	Date

REQUEST FOR PAYMENT

DATE: 10/15/2026

REQUEST NO.: 1 & FINAL

PROJECT: 2026 SEWER TELEVISION PROJECT

CONTRACTOR: American Environmental

FILEPATH: H:\MOUN\26X143543000\7_Construction\ID_Pay Applications\143543 2026 Sewer Televising Pay App.xlsx\PR1

ITEM NO.	BID ITEM	ORIGINAL BID			COMPLETED			
		UNIT	BID QUANTITY	UNIT PRICE	THIS MONTH		TO DATE	
					QUANTITY	AMOUNT	QUANTITY	AMOUNT
1	MOBILIZATION	LS	1	\$4,300.00	1.00	\$4,300.00	1.00	\$4,300.00
2	TRAFFIC CONTROL	LS	1	\$7,200.00	1.00	\$7,200.00	1.00	\$7,200.00
3	TELEVISION SANITARY SEWER (ANY SIZE)	LF	40,165	\$0.75	38,892.00	\$29,169.00	38,892.00	\$29,169.00
4	REVERSE SETUP	EACH	25		13.00		13.00	
TOTAL AMOUNT						\$40,669.00		\$40,669.00



Community Development Department

Council Agenda Item 6a.

TO: Honorable Mayor and City Council and
Jesse Dickson, City Manager

FROM: Sarah Smith, Community Development Director

DATE: October 22, 2026

SUBJECT: Council Introduction – Review of Concept Plan for
Property 6221 Lynwood Boulevard

PURPOSE

Council Introduction of Concept Plan for Property at 6221 Lynwood Boulevard

INFORMATION

As established in *City Policy No. 012 Development Application Review Procedures*, Jason Palmby of Magellan Land Development will be presenting a concept plan as a Council Introduction for a proposed residential development of the property at 6221 Lynwood Boulevard in Mound. The proposed concept includes 30 twinhomes with a cul-de-sac that leads to Lynwood Boulevard via Robin Lane. The property owner has consented to the concept plan for the Council Introduction.

As the Council is aware, the purpose of the concept introduction is to provide City Council members the opportunity to review the basic elements of the proposed project and to provide direction about any refinements or issues that should be researched or addressed prior to making a formal application. There will be no formal motions or votes.

As this is a Council Introduction of a concept, Staff will not be summarizing the concept, making a recommendation, or making a presentation. As required by *City Policy No. 012*, Staff did send property owners within 350 feet a letter on October 15th informing them of the Council Introduction about the proposed concept and notifying them of the opportunity to provide comment at the October 27th City Council meeting. It was also emailed to staff/departments/agencies/utilities.

ATTACHMENTS

- Concept plan summary and graphics from Magellan Land Development
- Aerial graphic of subject property from Hennepin County Property Website

October 14, 2026

City of Mound
City Council and staff

RE: PUD Concept Plan Review for twinhome development off 6221 Lynwood Blvd

Dear City Council and Staff:

We are pleased to submit a Concept Plan for the above-described property located at the 6221 Lynwood Blvd. The property is included in the City's 2040 Plan and is designated as single family density.

Property Characteristics

The property consists of 9.5 acres of which 6.4 acres is developable.

Site Design and Connectivity

The concept plan consists of 30 twin homes with a cul-de-sac that leads to Lynwood Blvd via Robin Lane.

Housing and Site Design

The builder for the twin homes has not been identified as of yet. These will not be rental homes but for sale homes ranging in price from \$500,000 to \$700,000. There are currently very few homes available for sale in Mound and we feel this would fill a void and add much needed housing at an affordable level. The development will more than likely consist of a HOA or Homeowners Association that will include lawn and snow removal.

Conclusions

We request that the City Council review the concept plan and provide any comments related to the plan. We welcome feedback.

Enclosures

Potential Elevations
Concept Plan

Sincerely,



Jason Palmby
Magellan Land Development

Concept Sketch Plan: PUD



CONCEPT DATA

Presumed Rezoning:

R-2 (CUP)

Gross Site Area:

~9.6 ac

Site Area w/in Shoreland:

~4.9 ac

Estimated Wetlands:

~3.3 ac
(No delineation, verify)

Major R/W:

~0.1 ac
(Addtl CR 15 dedication; 10')

Net Developable:

~6.2 ac

Required Shoreland Openspace:

2.5 ac.
(50% of gross shoreland area)

Provided Shoreland Openspace:

4.5 ac.
(openspace outlots, ponds, wetlands, & wetland buffers)

Shoreland Allowable density (base):

4.8 dupl.

Shoreland Allowable density w/ bonuses:

14.5 dupl.

Proposed Units(w/in Shoreland):

2.5 dupl.

Proposed Units(Total):

30 un

Proposed PUD Shoreland Standards:

Min. Lot Area (per duplex):

9,750 sf (75' x 130'; 14k std)

Min. Lot Width (per duplex):

75' (duplex total; 80' std)

Front Setback:

25' (30' standard)

Side Setbacks (Interior):

15' (7.5'/7.5'; 20' std)

Side Setbacks (Corners):

25'

Rear Setbacks:

30' & 40' as illustrated

Impervious Coverage:

45% requested; 30% std max

Shoreland Setback to OHWL:

N/A

Net Density:

4.8 un/ac

30 un / 6.2 ac net developable area

Aerial photography from Nearnmap; Topography from USGS

Langdon Lake (Rec Devel) Residential PUD

Density and allowable unit calculation - 200' Tier 1, 267' Tiers 2-4

Tier	Total Area	Unsuitable Area	Suitable Area	Minimum Twinhome Lot Size (per duplex)	Base Density (duplexes)	Bonus Density Factor	Allowable dupl. per tier with Bonus Density	Proposed Duplexes
1	n/a							
2	18,508	18,508	0	14,000	0.0	2.0	0.0	0
3	87,183	87,183	0	14,000	0.0	3.0	0.0	0
4	107,866	40,296	67,570	14,000	4.8	3.0	14.5	2.5
Total	213,557	145,987	67,570		4.8		14.5	2.5
	4.9 ac	3.1 ac	1.8 ac.					

Riparian Lot size - (NOT APPLICABLE)

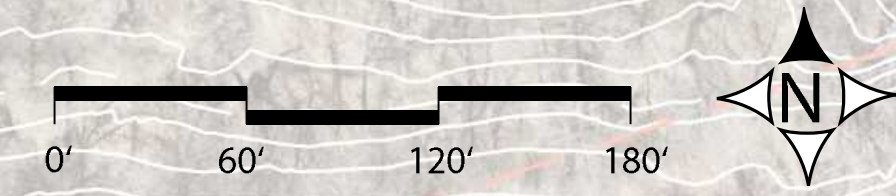
Nonriparian lot size - 14,000 (Twinhome R-2 standard)

Unsuitable area includes wetlands

Minimum 50% of gross shoreland area (PUD Openspace requirement): 106778 sf, or 2.45 ac req'd

OS provided: 4.5 ac

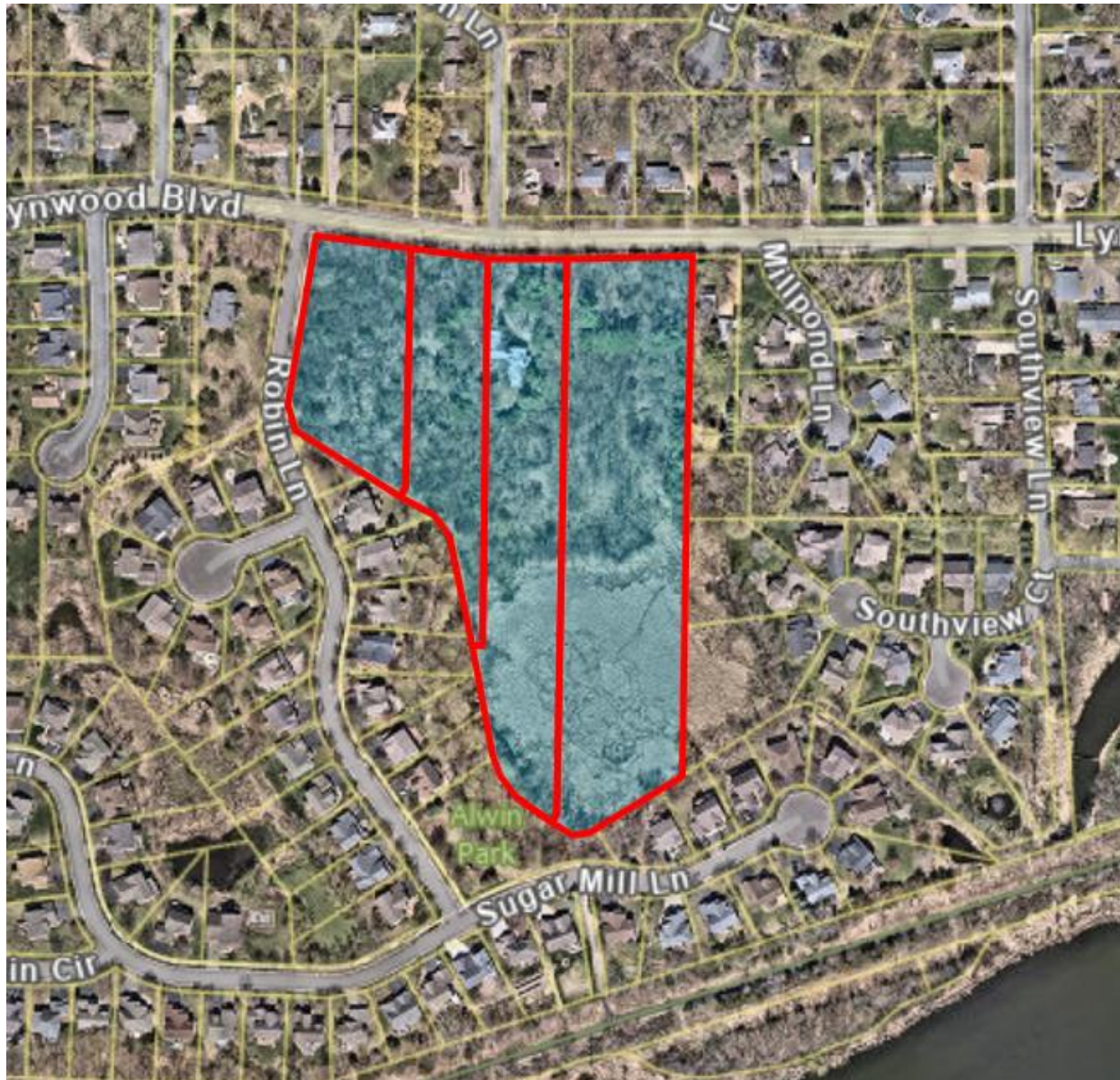
Minimum structure setback from OHWL - N/A







Source: Hennepin County Property GIS





City Council Item 6b.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Lindsey Erdmann, Finance Director

Date: October 27, 2026

Subject: 2025 Audit and Annual Comprehensive Financial Report

RECOMMENDED ACTION:

MOTION to accept the 2025 Audit.

OVERVIEW: Abdo has completed the City's Audit for the year ended December 31, 2025. The Auditor's Report is dated September 24, 2026. Justin Nilson, Partner will present their results. The Executive Governance Summary and Other Required Reports are attached. Due to its size the Annual Comprehensive Report is not included in the packet. It is available on the City's online document archives:

[2025 Annual Comprehensive Financial Report](#)

SUPPORTING INFORMATION

- [Link for Annual Financial Reports](#)



Executive Governance Summary

City of Mound

Mound, Minnesota

For the year ended December 31, 2025



5201 Eden Avenue, Ste 250
Edina, MN 55436
P 952.835.9090

100 Warren Street, Ste 600
Mankato, MN 56001
P 507.625.2727

14500 N Northsight Blvd, Ste 321
Scottsdale, AZ 85260
P 480.864.5579

September 24, 2026

Management, Honorable Mayor and City Council
City of Mound, Minnesota

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Mound, Minnesota (the City), for the year ended December 31, 2025 and have issued our report thereon dated September 24, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 3, 2025. Professional standards also require that we provide you the following information related to our audit.

Significant Audit Findings

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described below as item 2025-001, 2025-002, and 2025-003 that we consider to be significant deficiencies.

<u>Finding</u>	<u>Description</u>
2025-001	Limited Segregation of Duties
<i>Condition:</i>	The City of Mound did not have adequate procedures in place to ensure that accounting activities were appropriately reviewed by an individual independent of the accounting function. Specifically, the City did not consistently document or perform an independent review of accounting activity, including general ledger activity, bank reconciliations, journal entries, credit card statements and/or other accounting records, as applicable.
<i>Criteria:</i>	Management is responsible for establishing and maintaining effective internal controls over the City's accounting activities and financial reporting. Effective internal controls include appropriate monitoring and review of accounting activity to help ensure transactions are properly authorized, recorded, and reported. The Minnesota Office of the State Auditor recommends that local governments establish and document accounting policies and procedures and monitor internal controls to ensure they are operating effectively.
<i>Cause:</i>	The City had not consistently implemented procedures assigning responsibility for an independent review of accounting activities and documenting the review performed.
<i>Effect:</i>	Without adequate independent review, errors, omissions, or inappropriate transactions may not be detected and corrected in a timely manner. The lack of documented review also reduces the City's ability to demonstrate that accounting activity is subject to appropriate oversight and increases the risk that financial information may not be complete or accurate.
<i>Recommendation:</i>	We recommend the City establish procedures requiring an individual independent of the accounting function to periodically review significant accounting activities. The review should include, as appropriate, bank reconciliations, general ledger activity, journal entries, credit card statements, and other financial reports. The reviewer should document the review performed, including the date of review and any questions or exceptions identified and resolved. The City's accounting policies and procedures should clearly identify the individual responsible for performing and documenting these reviews.
<i>Management Response:</i>	
	The City agrees with the finding and is working to hire sufficient staff to ensure accounting activities are independently reviewed and that the review is appropriately documented.



<u>Finding</u>	<u>Description</u>
2025-002	Preparation of Financial Statements
<i>Condition:</i>	As in prior years, we were requested to draft the audited financial statements and related footnote disclosures as part of our regular audit services. Auditing standards require auditors to communicate this situation to the City Council as an internal control deficiency. Ultimately, it is management's responsibility to provide for the preparation of your statements and footnotes, and the responsibility of the auditor to determine the fairness of presentation of those statements. It is our responsibility to inform you that this deficiency could result in a material misstatement to the financial statements that could have been prevented or detected by your management. Essentially, the auditors cannot be part of your internal control process.
<i>Criteria:</i>	Internal controls should be in place to provide reasonable checks and balances over financial reporting.
<i>Cause:</i>	From a practical standpoint, we both prepare your statements and determine the fairness of that presentation at the same time in connection with our audit.
<i>Effect:</i>	The effectiveness of the internal control system relies on enforcement by management. The effect of deficiencies in internal controls can result in undetected errors in financial reporting.
<i>Recommendation:</i>	Under these circumstances, the most effective controls lie in management's knowledge of the City's financial operations. It is the responsibility of management and those charged with governance to make the decision whether to accept the degree of risk associated with this condition because of cost and other considerations. Regarding the specific situation listed above, we would offer the following specific recommendation: 1) Utilize a disclosure checklist to ensure all required disclosures are present and agree to work papers, and 2) Agree your Banyon revenue and expenditure information to the amount reported in the financial statements.
<i>Management Response:</i>	For now, the City's management accepts the degree of risk associated with this condition and thoroughly reviews a draft of the financial statements.



<u>Finding</u>	<u>Description</u>
2025-003	Inadequate Retention of Receipts
<i>Condition:</i>	The City was unable to provide supporting receipts or other documentation for certain revenues collected during the audit period. As a result, adequate documentation was not available to substantiate the amount, source, and/or nature of certain revenues recorded in the City's accounting records.
<i>Criteria:</i>	The City should maintain adequate supporting documentation for financial transactions and retain records necessary to demonstrate that revenues received are complete, accurate, properly recorded, and supported in accordance with applicable record-retention and internal control requirements.
<i>Cause:</i>	City personnel did not consistently retain receipts and other supporting documentation for all revenue transactions.
<i>Effect:</i>	Failure to retain receipts and supporting documentation increases the risk that revenues may not be properly accounted for or deposited and limits the City's ability to demonstrate that recorded revenues are complete and accurate. It also weakens the audit trail and the effectiveness of the City's internal controls over cash receipts.
<i>Recommendation:</i>	We recommend the City establish and consistently follow procedures requiring receipts and other supporting documentation for all applicable revenue transactions to be retained in an organized manner for the required record-retention period. Management should periodically review revenue records to ensure that supporting documentation is complete and available.

Management Response:

The City agrees with the finding described above and plans to implement procedures to ensure that receipts and supporting documentation for all revenues are retained in future years.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not the objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported in accordance with the Government Auditing Standards or Minnesota statutes noted below as finding 2025-004 and 2025-005.



<u>Finding</u>	<u>Description</u>
2025-004	Incomplete Payment Listings Provided to City Council for Approval
<i>Condition:</i>	The City of Mound did not consistently provide the City Council with complete listings of payments made from City funds for review at council meetings. During the audit period, the payment listings provided to the City Council did not include all payments made by the City. As a result, the City Council did not have a complete listing of payments available to review and approve, or to review for informational purposes when payment authority had been delegated.
<i>Criteria:</i>	Minn. Stat. § 412.271, subd. 1, provides that, except for specified payments and other statutory exceptions, no order for disbursement of city funds may be issued until the related claim has been audited and allowed by the city council. Under Minn. Stat. § 412.271, subd. 8, a city council may delegate its authority to pay certain claims to a city administrative official if the council establishes appropriate internal accounting and administrative controls and regularly and frequently reviews the official's actions. The statute further requires that a list of all claims paid under delegated authority be presented to the council at the next regularly scheduled meeting after payment. Minn. Stat. § 471.381, subd. 1, authorizes cities to make payments of claims and obligations by warrant, check, or electronic funds transfer but does not eliminate the governing body's responsibility to establish appropriate authority and controls over those payments.
<i>Cause:</i>	The City had not established and consistently followed procedures to ensure that complete payment listings were provided to the City Council for review at the required council meetings.
<i>Effect:</i>	When complete payment listings are not provided to the City Council, the Council cannot effectively review all payments made by the City or, when authority has been delegated, review the actions of the city administrative official as required by statute. This weakens controls over the disbursement of public funds and increases the risk that inaccurate, unauthorized, or inappropriate payments may not be detected in a timely manner.
<i>Recommendation:</i>	We recommend the City establish procedures to ensure that complete listings of all payments are provided to the City Council at each applicable council meeting. If the City has delegated authority to pay certain claims under Minn. Stat. § 412.271, subd. 8, the City should ensure that a list of all claims paid under the delegated authority is presented to the City Council at the next regularly scheduled meeting after payment. The City should also maintain documentation demonstrating the Council's review of the payment listings.
<i>Management Response:</i>	The City agrees with the finding noted above and plans to implement procedures to ensure that complete payment listings are provided to the City Council for review in accordance with applicable statutory requirements.



<u>Finding</u>	<u>Description</u>
2025-005	Time Period for Payment
<i>Condition:</i>	Auditing for legal compliance requires a review of the City's payment of claims. Our audit indicated an instance of non-compliance. We noted two instances out of a sample of 25 invoices that were paid after the 35-day period.
<i>Criteria:</i>	Minnesota statute section 471.425 requires that the City pay bills within 35 days from receipt. If the invoice is not paid within 35 days, interest at 1.5 percent per month is to be added to amount due.
<i>Cause:</i>	Unknown
<i>Effect:</i>	The City is in violation of this statute.
<i>Recommendation:</i>	We recommend that the City develop policies and procedures related to the accounts payable cycle. These policies and procedures should include payment terms that are outlined within State statutes.

Management Response:

With the hiring of additional finance staff, management will work towards developing procedures that are sufficient to prevent future noncompliance.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during the year ended December 31, 2025. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period

Additionally, management has chosen to not adopt GASB Statement No. 87, Accounting and Financial Reporting for Leases, GASB Statement No. 75, Accounting and Financial Reporting by Employers for Postemployment Benefits other than Pensions, and GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the Public Employee Retirement Association nor the pension amounts related to the Volunteer Fire Department Relief Association, in the governmental activities, business-type activities, and each major proprietary fund and, accordingly, has not shown activity related to this standard. Accounting principles generally accepted in the United States of America require that pension liabilities and balances be shown, which would report deferred outflows of resources, deferred inflows of resources and liabilities or assets, while changing the net position in the applicable statements. As a result, our opinion is modified for the Government-wide, Business-type and individual Enterprise funds.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements are noted below.

- Management's estimate of depreciation is based on estimated useful lives of the assets. Depreciation is calculated using the straight-line method.
- Allocations of gross wages and payroll benefits are approved by City Council within the City's budget and are derived from each employee's estimated time to be spent servicing the respective functions of the City. These allocations are also used in allocating accrued compensated absences payable.



We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole. The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 24, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Matters

We were engaged to report on the supplementary information (combining and individual fund financial statements and schedules), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Future Accounting Standard Changes

The following Governmental Accounting Standards Board (GASB) Statements have been issued and may have an impact on future City's financial statements:

GASB Statement No. 103 – *Financial Reporting Model Improvements*

Effective: 12/31/2026

GASB Statement No. 104 – *Disclosure of Certain Capital Assets*

Effective: 12/31/2026

Further information on upcoming [GASB pronouncements](#).

* * * *

Restriction on Use

This purpose of this communication is solely for the information and use of the City Council and management of the City and is not intended to be, and should not be used by anyone other than those specified parties.

Our audit would not necessarily disclose all weaknesses in the system because it was based on selected tests of the accounting records and related data. The comments and recommendations in the report are purely constructive in nature, and should be read in this context.

If you have any questions or wish to discuss any of the items contained in this letter, please feel free to contact us at your convenience. We wish to thank you for the continued opportunity to be of service and for the courtesy and cooperation extended to us by your staff.



Abdo
Minneapolis, Minnesota
September 24, 2026





2025 Financial Statement Audit

City of Mound



Introduction

- Audit Results
- General Fund Results
- Other Governmental Funds
- Enterprise Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion

modified opinion for
GASB 87, 75, 68
- Control Findings
Noted on next
slide

Minnesota Legal Compliance

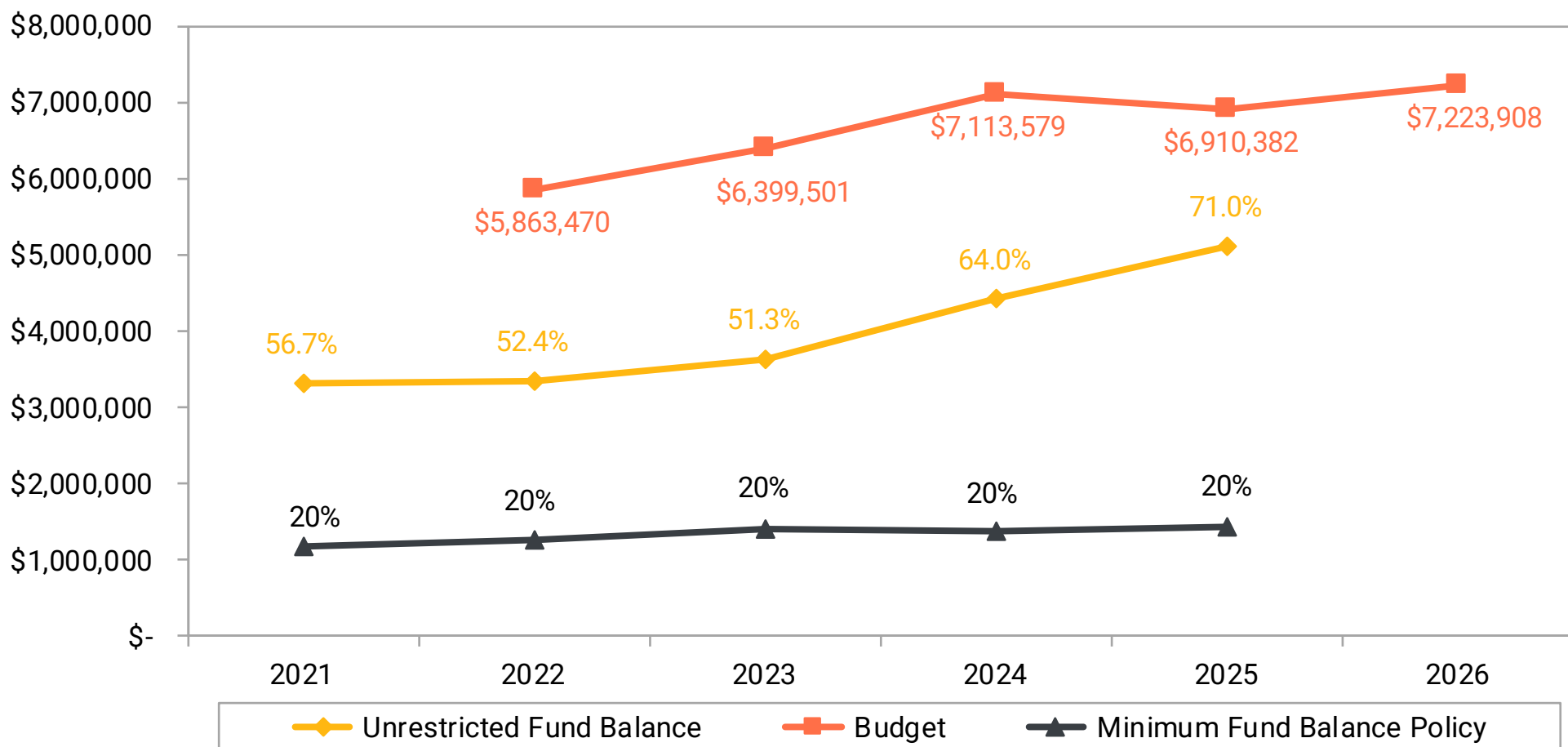
Two instances of
noncompliance

AUDIT RESULTS

Fiscal Year 2025 Findings

- Limited of Segregation of Duties
 - *Internal Control Finding*
- Preparation of Financial Statements
 - *Internal Control Finding*
- Inadequate Retention of Receipts
 - *Internal Control Finding*
- Incomplete Claims List Provided to City Council
 - *Legal Compliance Finding*
- Late Payment of Claims
 - *Legal Compliance Finding*

General Fund Budget to Fund Balance

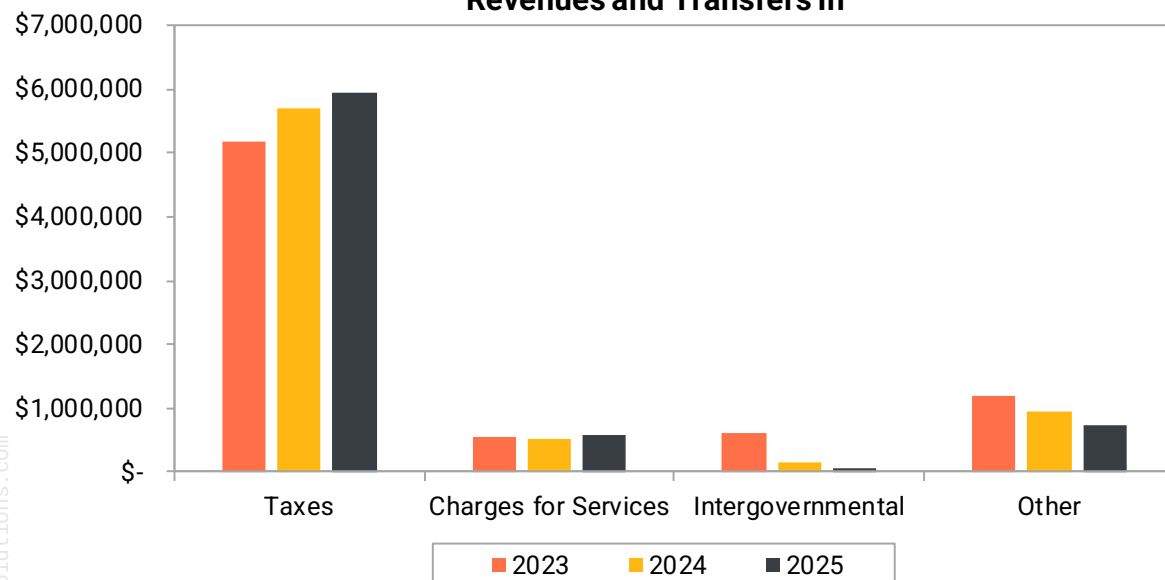


General Fund Budget to Actual

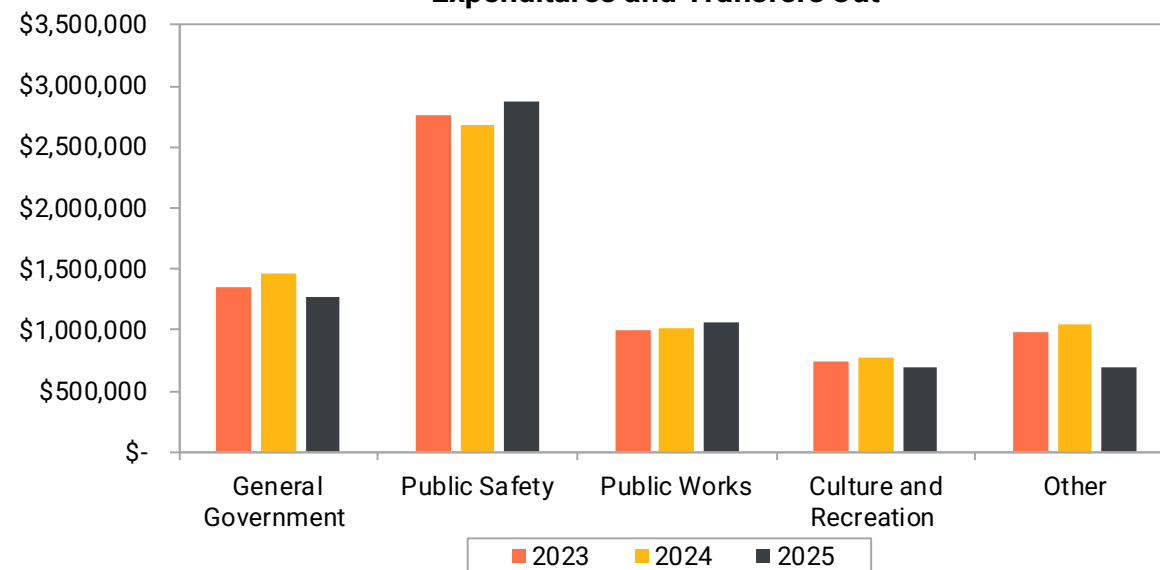
	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 6,910,382	\$ 7,318,931	\$ 408,549
Expenditures	<u>6,218,140</u>	<u>5,927,096</u>	<u>291,044</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	692,242	1,391,835	699,593
Other Financing Sources (Uses) Transfers out	<u>(692,242)</u>	<u>(692,242)</u>	<u>-</u>
Change in Fund Balances	-	699,593	699,593
Fund Balances, January 1	<u>4,426,023</u>	<u>4,426,023</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ 4,426,023</u></u>	<u><u>\$ 5,125,616</u></u>	<u><u>\$ 699,593</u></u>

General Fund Revenues, Expenditures, and Other Financing Sources (Uses)

Revenues and Transfers In

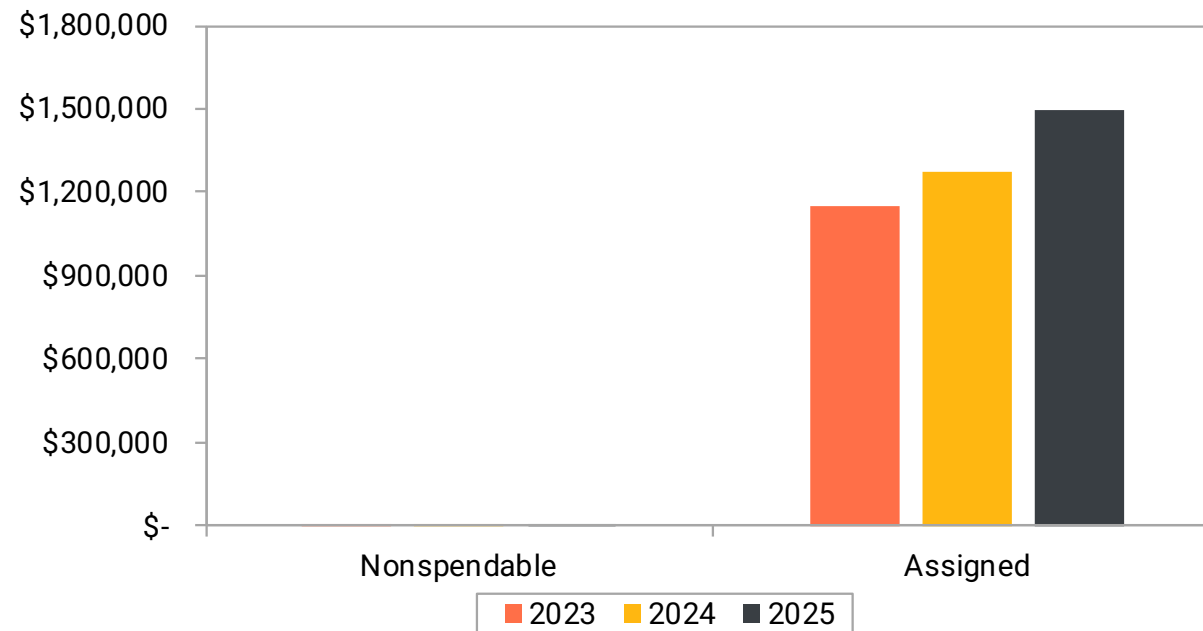


Expenditures and Transfers Out



Special Revenue Fund Balances

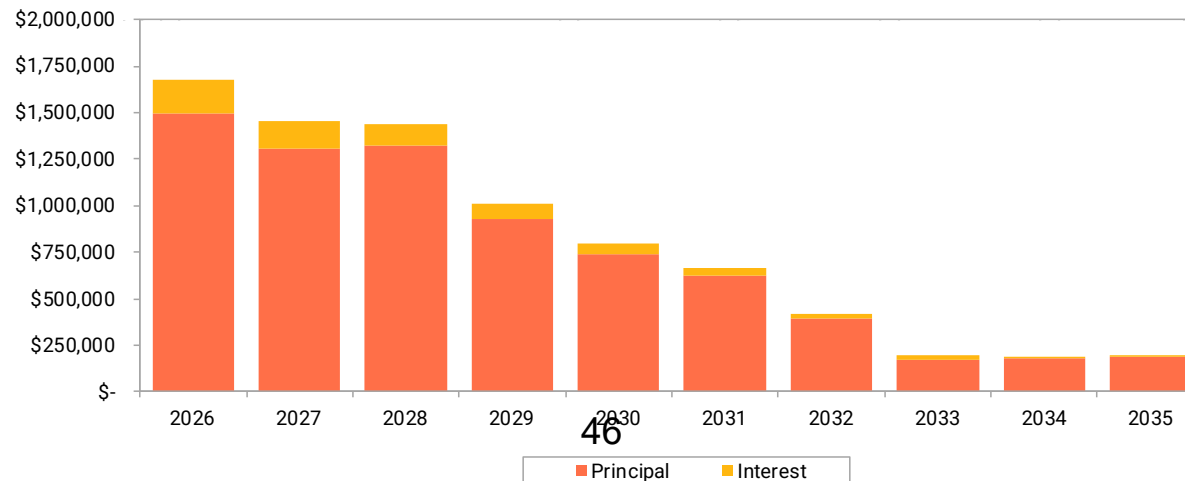
Fund	Fund Balances		Increase (Decrease)
	2024	2025	
Major			
Area Fire Service	\$ 574,290	\$ 704,054	\$ 129,764
Nonmajor			
Dock	378,721	382,311	3,590
HRA	328,581	416,930	88,349
Total	<u>\$ 1,281,592</u>	<u>\$ 1,503,295</u>	<u>\$ 221,703</u>



Debt Service Funds

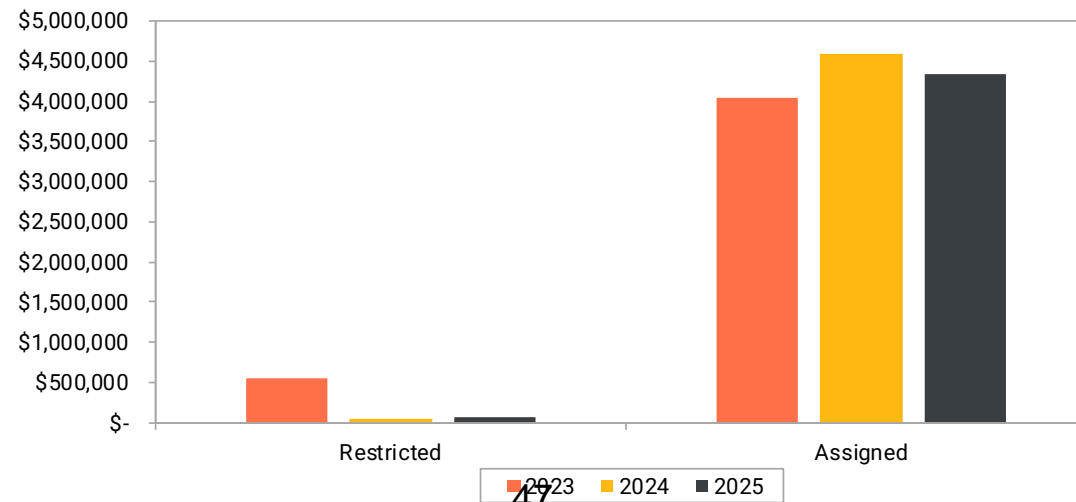
Note: Bonds Listed are Governmental and Do Not Include Enterprise Debt

		December 31, 2025			Final
Fund No.	Debt Description	Total Cash	Total Assets	Remaining Bonds	Maturity Date
Debt Service Funds					
355	G.O. Tax Increment Bonds 2006 & 2013B	\$ 1,501,088	\$ 1,503,859	\$ 110,000	08/15/26
350	G.O. Tax Abatement Bonds, 2015B	235,158	235,158	1,575,000	02/01/35
375	G.O. Tax Increment Refunding Bonds 2018A	385,615	389,258	1,130,000	02/01/31
364	G.O. Bonds 2020A	449,837	529,673	1,075,000	02/01/28
365	G.O. Bonds 2012A	449,178	569,701	510,000	02/01/28
310	G.O. Bonds 2013A	471,569	625,280	830,000	02/01/29
311	G.O. Bonds 2014A	275,975	344,152	270,000	02/01/30
312	G.O. Bonds 2015A	281,831	379,868	635,000	02/01/32
313	G.O. Bonds 2016A	117,134	238,799	1,085,000	02/01/32
	Total Debt Service Funds	4,167,385	4,815,748	7,220,000	
Other Fund(s)					
222	G.O. Bonds 2016A, 2020A	775,874	775,874	120,000	02/01/30
	Total	\$ 4,943,259	\$ 5,591,622	\$ 7,340,000	
	Total Future Scheduled Interest Payments			\$ 692,639	



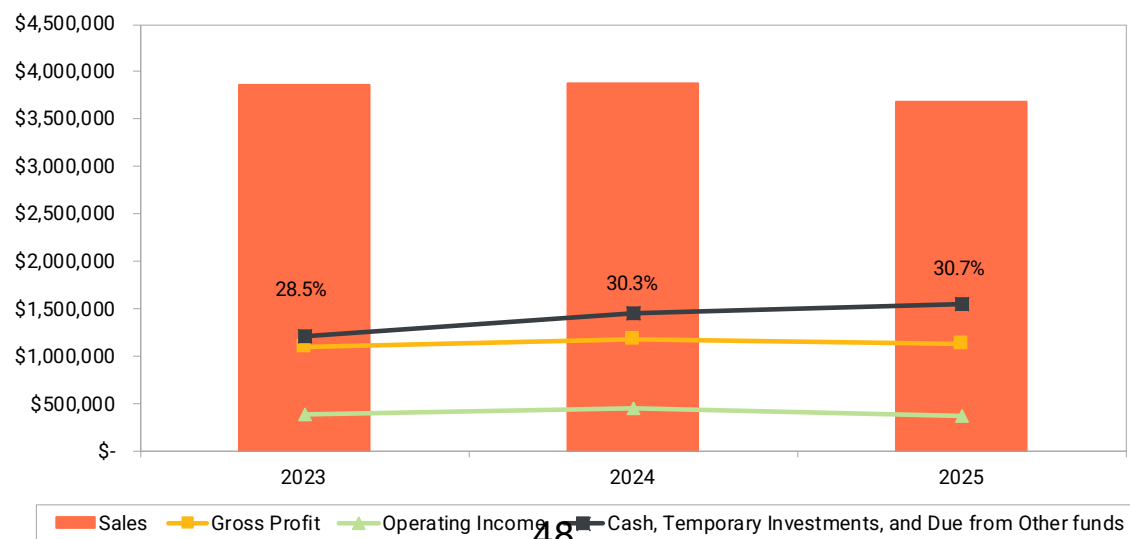
Capital Projects Fund Balances

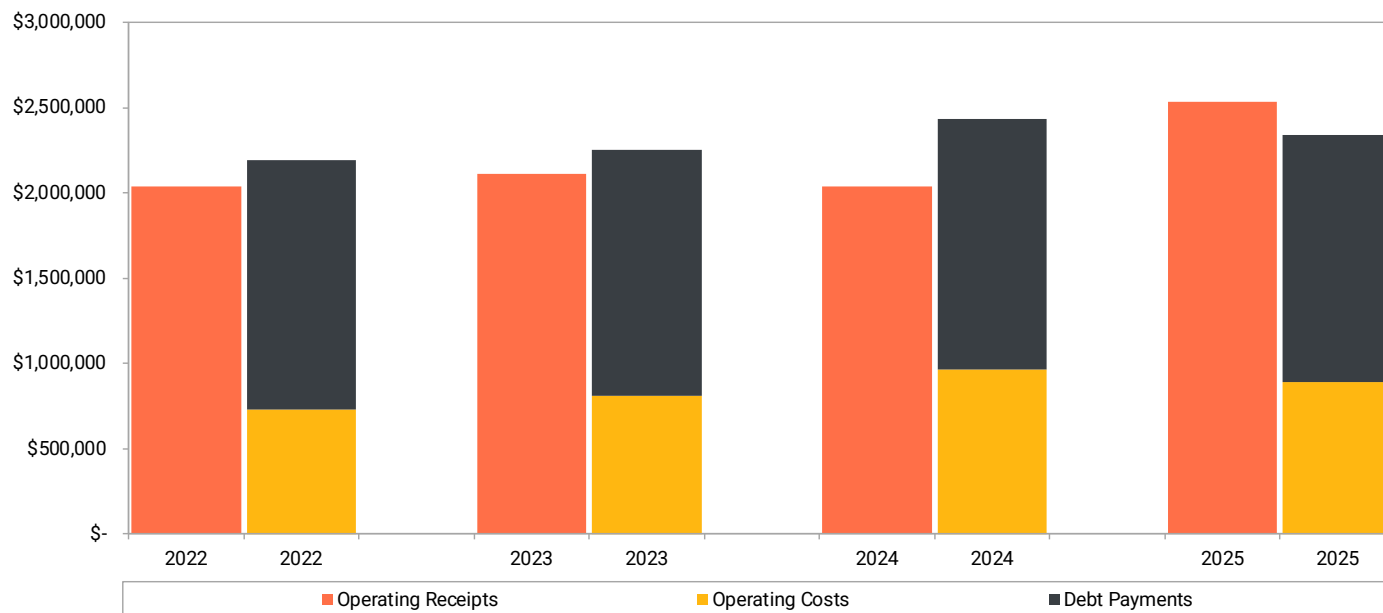
	Fund Balances		Increase (Decrease)
	2024	2025	
Major			
Capital Improvements	\$ 2,344,817	\$ 2,205,053	\$ (139,764)
Nonmajor			
Capital Replacement Vehicles	500,964	461,203	(39,761)
Community Investment	374,755	93,811	(280,944)
Capital Replacement Buildings	388,191	518,844	130,653
Street Maintenance	977,279	1,055,523	78,244
TIF 1-1	55,180	67,655	12,475
Total	<u>\$ 4,641,186</u>	<u>\$ 4,402,089</u>	<u>\$ (239,097)</u>



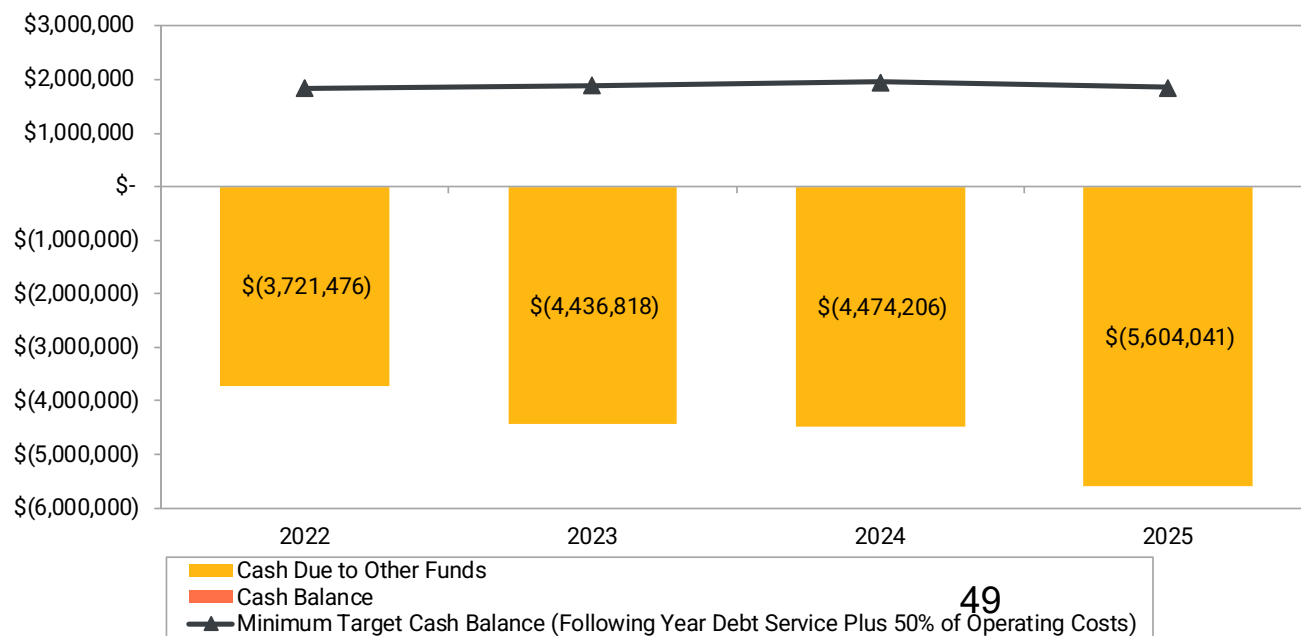
Liquor Fund

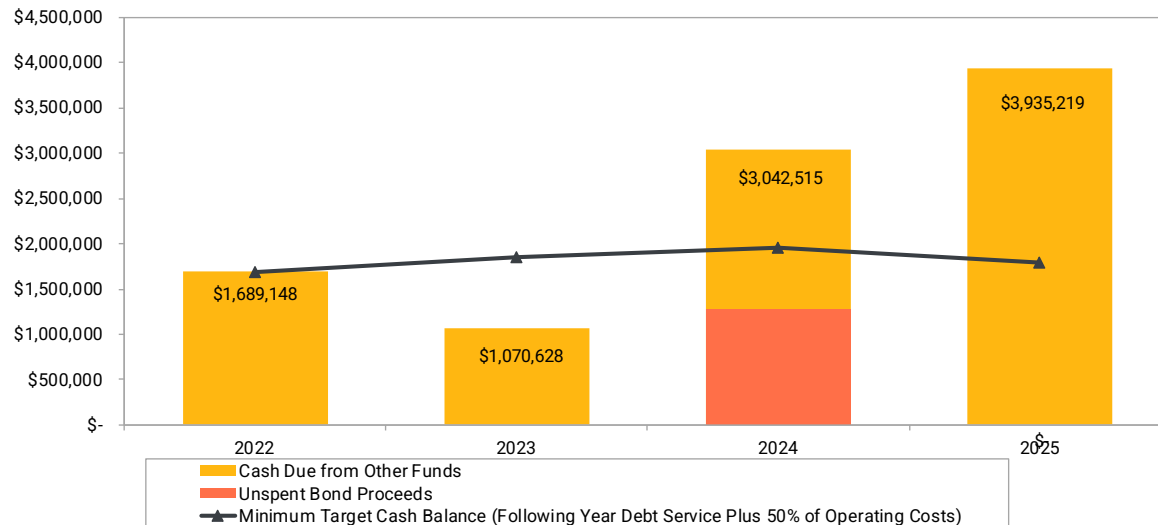
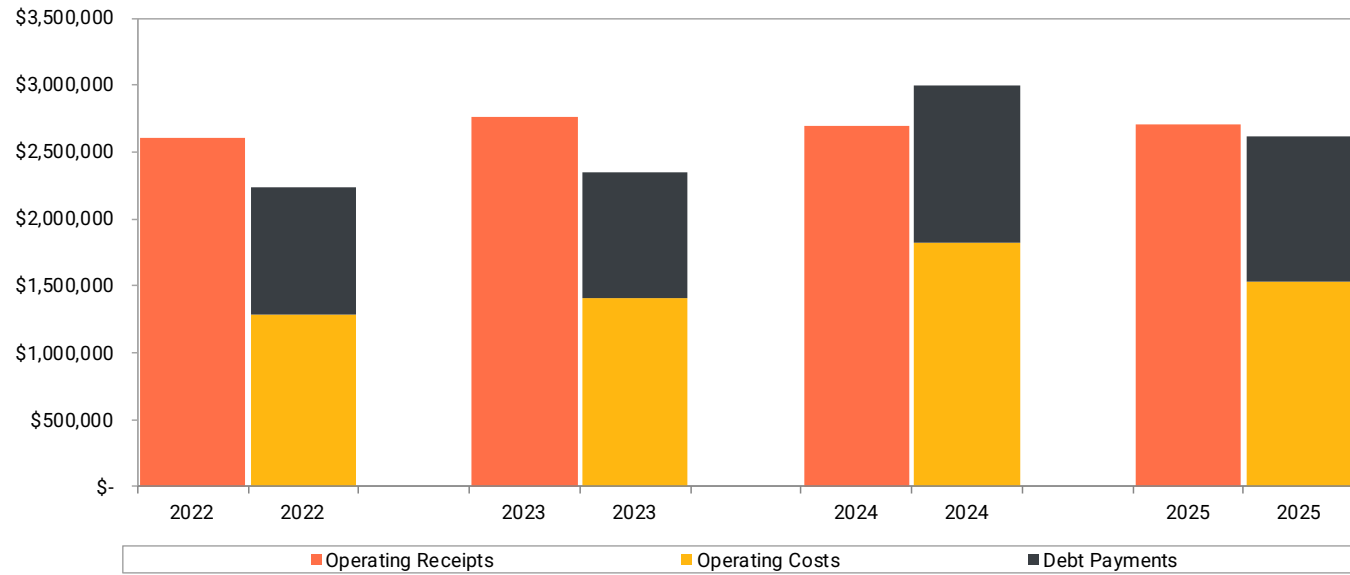
	2023		2024		2025		2024 Statewide Average
	Total	Percent	Total	Percent	Total	Percent	Average
Sales	\$ 3,857,129	100.0 %	\$ 3,881,104	100.0 %	\$ 3,681,270	100.0 %	100.0 %
Cost of Sales	(2,757,972)	(71.5)	(2,705,563)	(69.7)	(2,552,685)	(69.3)	(72.2)
Gross Profit	1,099,157	28.5	1,175,541	30.3	1,128,585	30.7	27.8
Operating Expenses	(710,737)	(18.4)	(731,274)	(18.8)	(767,953)	(20.9)	(20.5)
Operating Income	388,420	10.1	444,267	11.4	360,632	9.8	7.3
Nonoperating Expenses	30,891	0.8	39,677	1.0	34,438	0.9	1.1
Net Transfers	(300,000)	(7.8)	(360,000)	(9.3)	(360,000)	(9.8)	(1.7)
Change in Net Position	\$ 119,311	3.1 %	\$ 123,944	3.1 %	\$ 35,070	0.9 %	6.7 %
Cash	\$ 1,213,462		\$ 2,000		\$ 2,000		
Due from other funds	\$ -		\$ -		\$ 1,546,734		



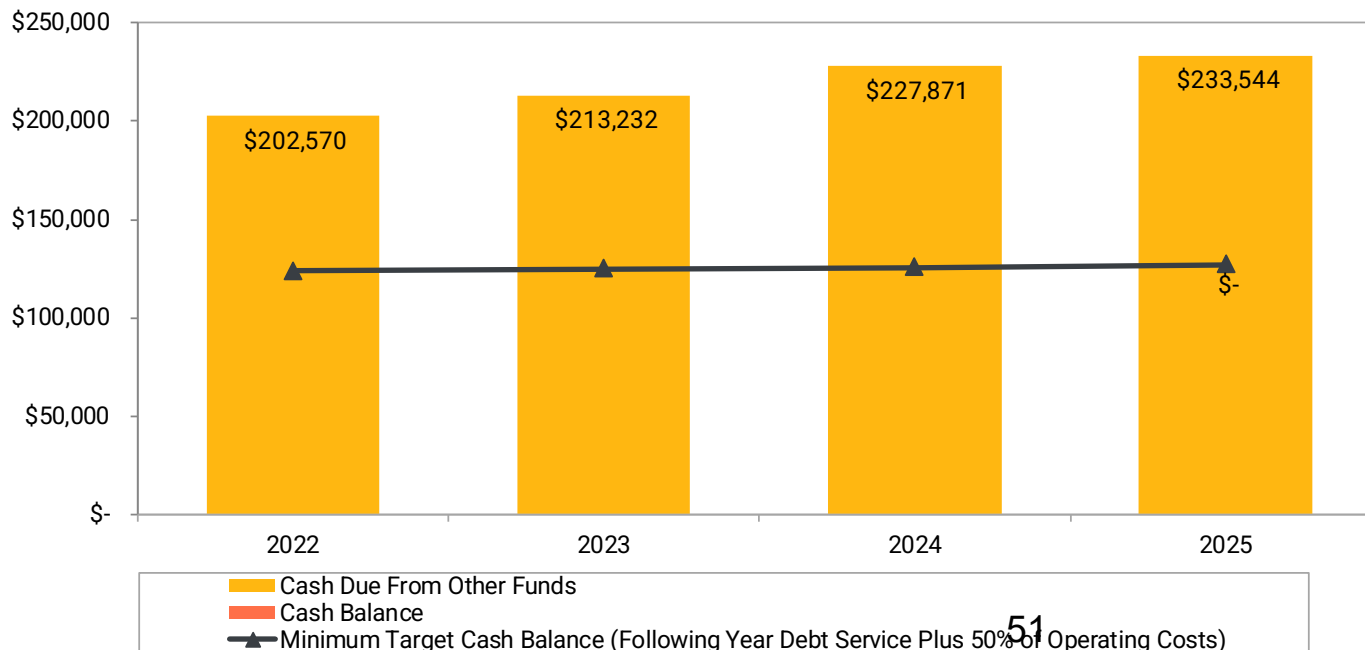
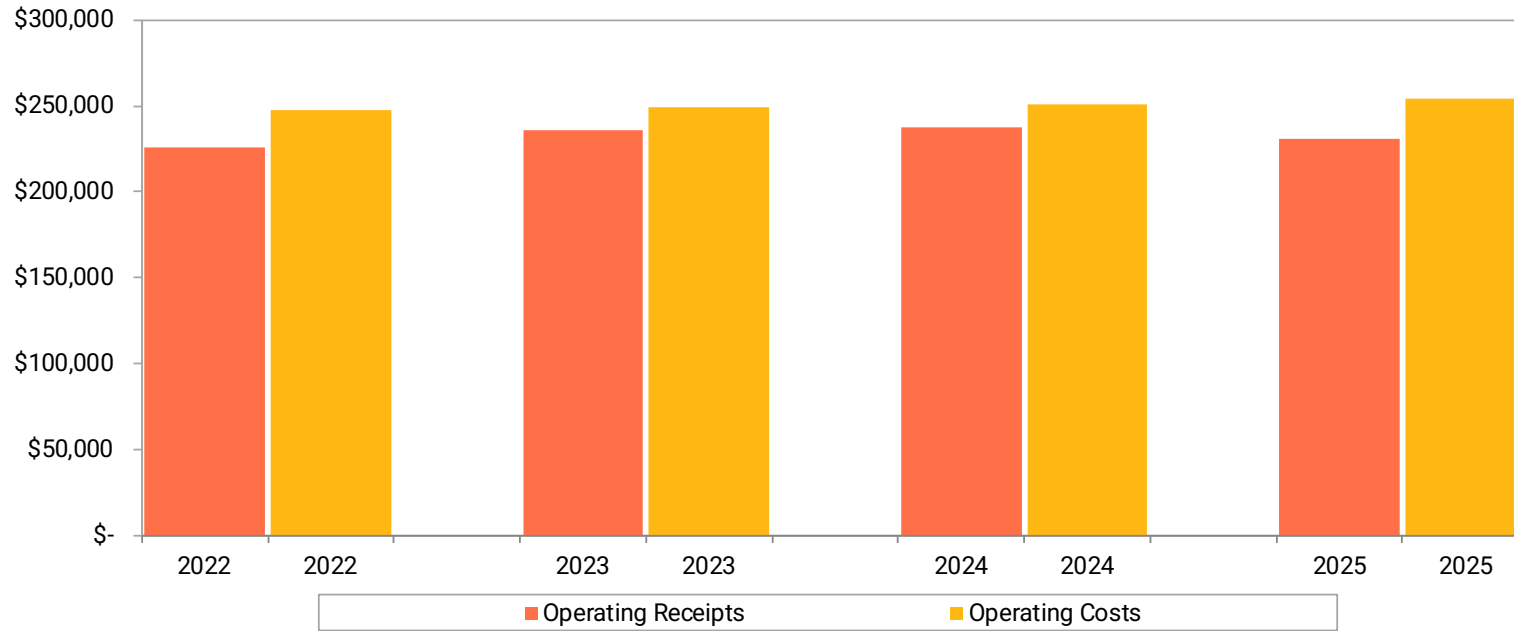


Water Fund Cash Flows from Operations and Cash Balances

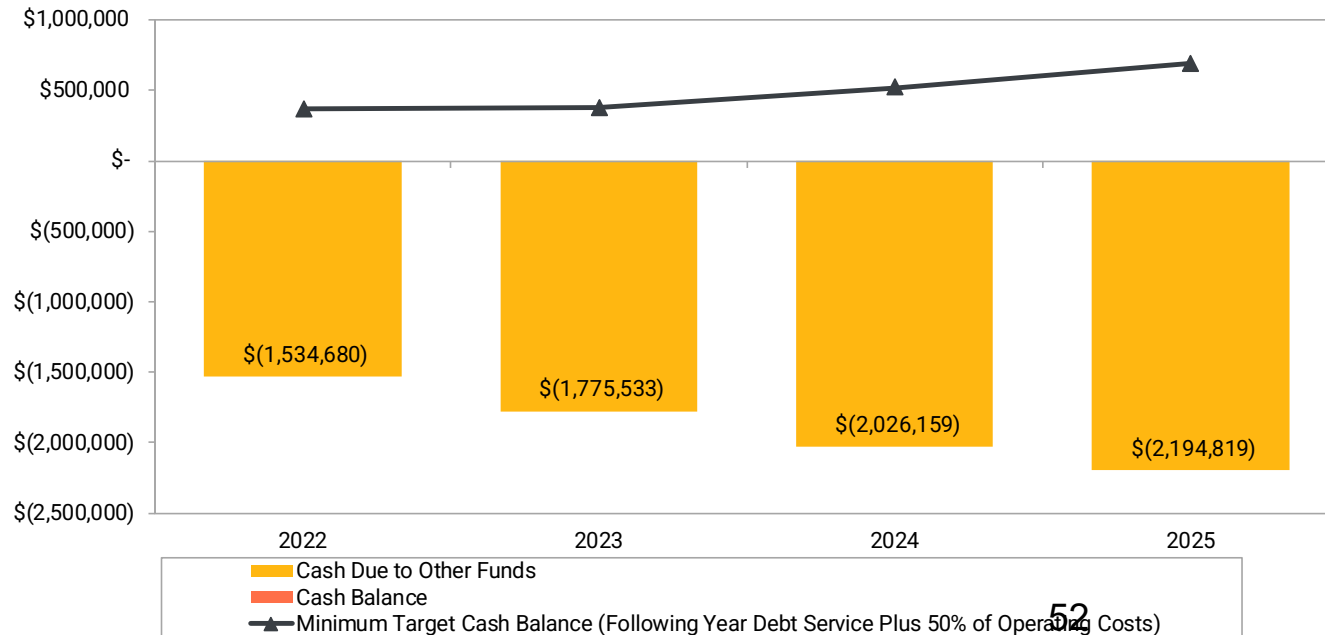
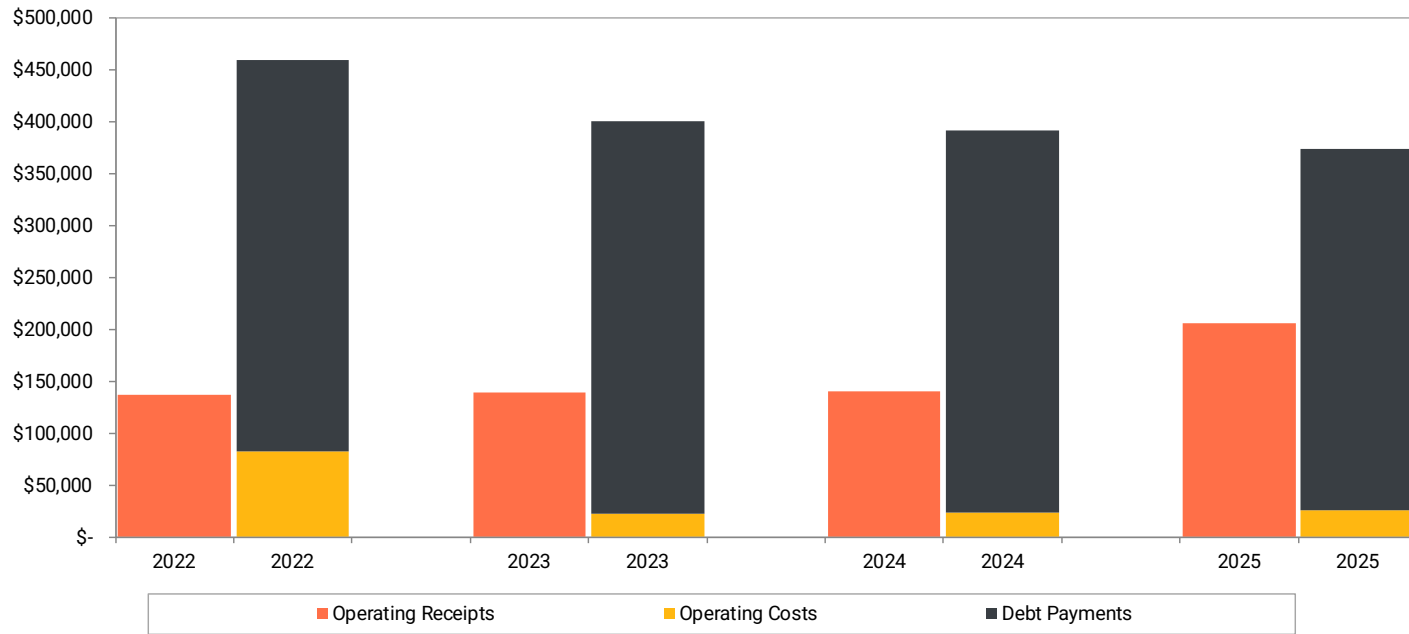




Sewer Fund Cash Flows from Operations and Cash Balances



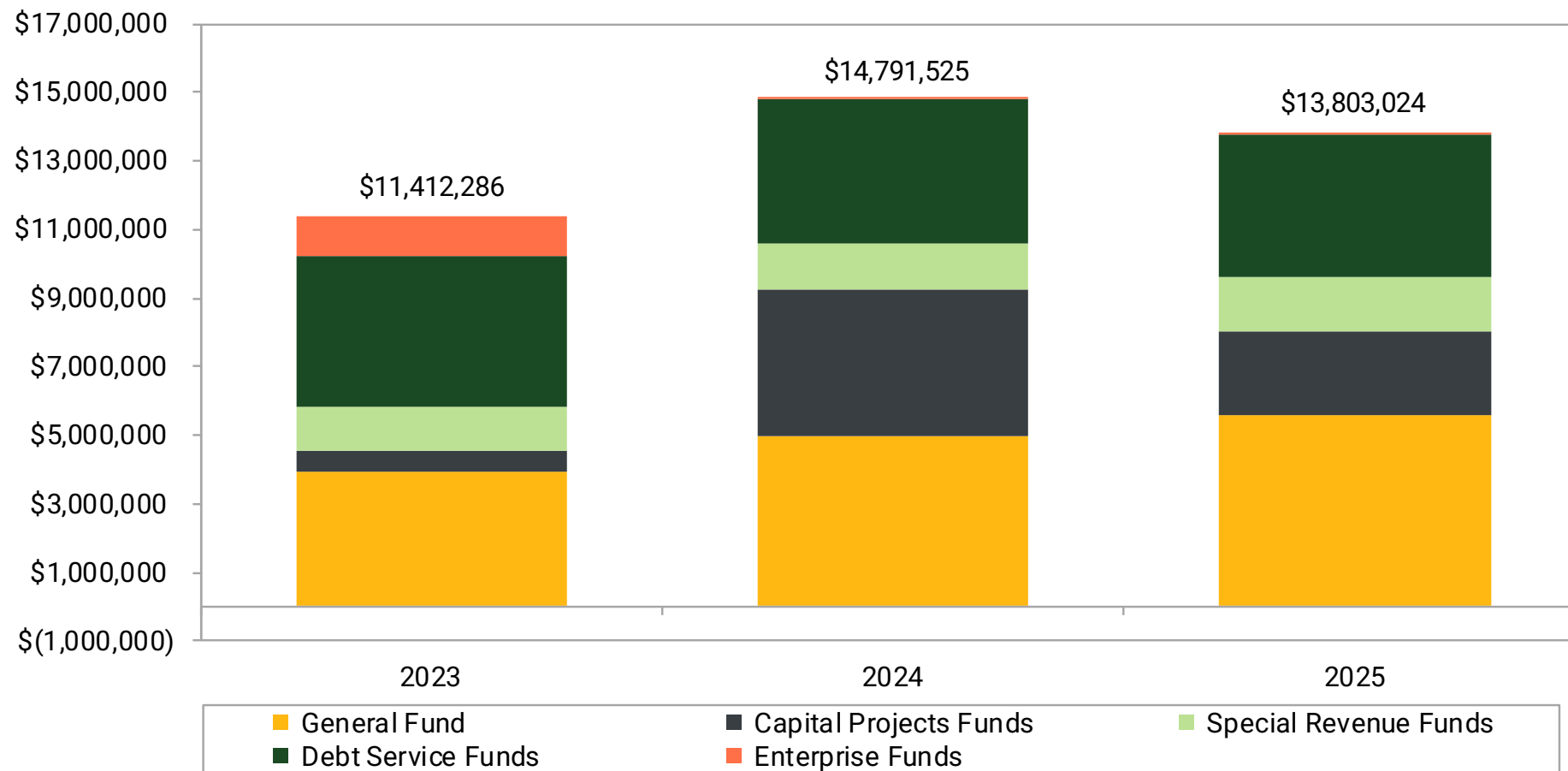
Recycling
Fund
Cash Flows
from
Operations
and *Cash*
Balances



Storm Water Fund

Cash Flows from Operations and Cash Balances

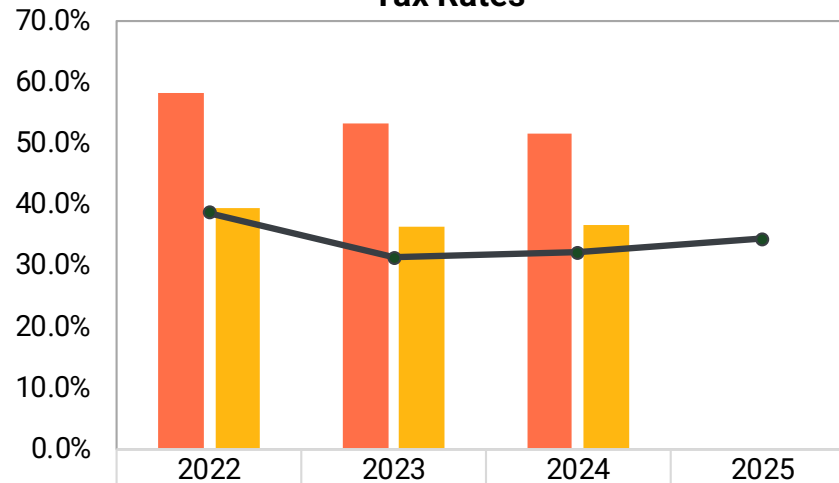
Cash and Investments Balances



KEY PERFORMANCE INDICATORS

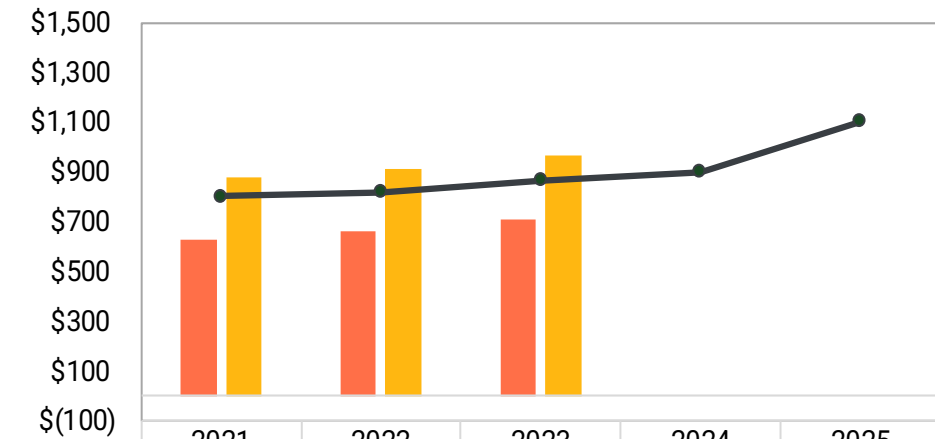
Taxes

Tax Rates



Class 4 Cities	58.4%	53.4%	51.5%	N/A
Cities in Hennepin County	39.3%	36.3%	36.8%	N/A
City of Mound	38.7%	31.3%	32.2%	34.4%

Taxes Per Capita

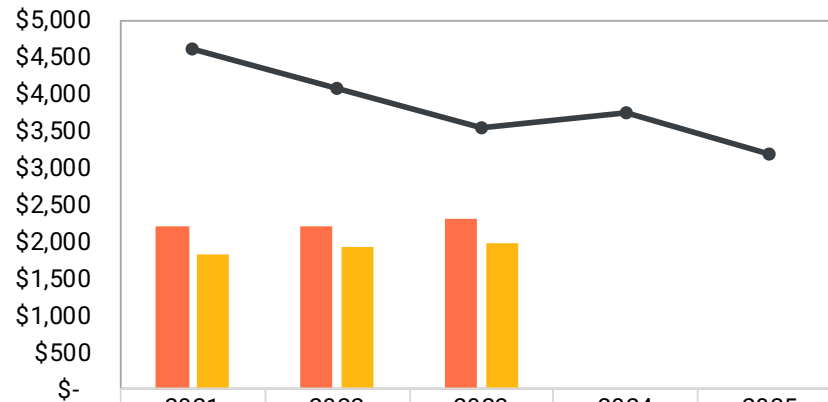


Class 4 Cities	\$630	\$664	\$710	N/A	N/A
Cities in Hennepin County	\$878	\$918	\$967	N/A	N/A
City of Mound	\$805	\$823	\$871	\$902	\$1,107

KEY PERFORMANCE INDICATORS

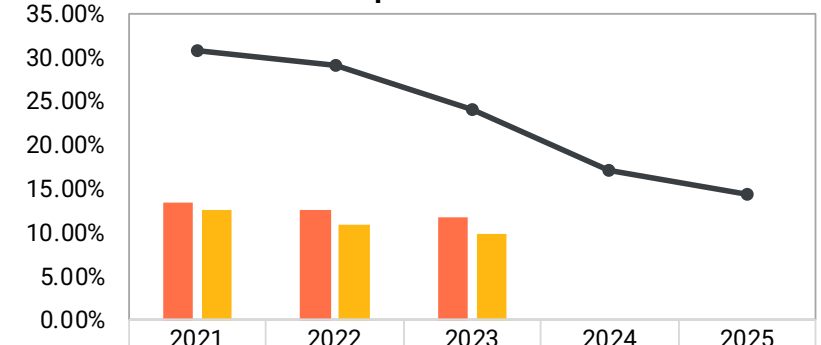
Debt

Debt Per Capita



Class 4 Cities	2021	2022	2023	2024	2025
Cities in Hennepin County	2021	2022	2023	2024	2025
City of Mound	2021	2022	2023	2024	2025

Debt Service Expenditures as a Percent of Total Expenditures

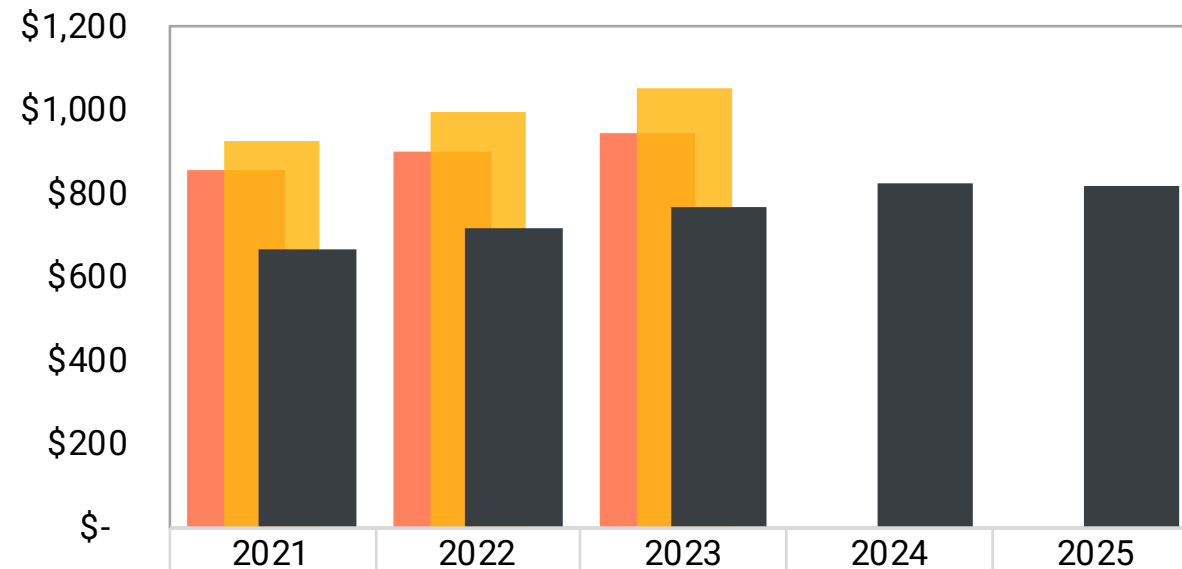


Class 4 Cities	2021	2022	2023	2024	2025
Cities in Hennepin County	2021	2022	2023	2024	2025
City of Mound	2021	2022	2023	2024	2025

KEY PERFORMANCE INDICATORS

Expenditures

Current Expenditures Per Capita



■ Class 4 Cities	2021	2022	2023	2024	2025
■ Cities in Hennepin County	\$856	\$901	\$948	N/A	N/A
■ City of Mound	\$929	\$995	\$1,055	N/A	N/A
	\$669	\$716	\$769	\$825	\$816

Your Abdo Team



Justin
NILSON
CPA - Partner



Alex
TRIPPEL
CPA - Manager



Alex
WITTWER
Associate



Kayley
O'LEARY
Associate



Joseph
HINTGEN
Intern



City Council Item 6c.

To: Honorable Mayor and Council Members
From: Jesse Dickson, City Manager
Date: October 27, 2026
Subject: ALPR (Flock) Cameras Discussion

PURPOSE

Receive information on ALPR (Flock) cameras and other Orono Police topics.

INFORMATION

Staff has received questions regarding the use of ALPR (Flock) cameras in the City. Orono Police Chief Chad Stensrud will provide an update on the current usage and answer Council's questions on the topic as well as any others the Council may have.

FUTURE ACTION

No action necessary.



City Council Item 6d.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Laila Imihy, AICP – Deputy City Manager

Date: October 27, 2026

Subject: Presentation of the Neogov Trailblazer Award

PURPOSE

To present the City Council with the 2026 Trailblazer Award from Neogov

INFORMATION

Annually at their user conference, the City's hiring platform Neogov recognizes local governments who have agencies and individual leaders who demonstrate an innovative spirit through the early adoption of human resources technology, process improvements, and commitment to providing vital input for product enhancements.

This year, Deputy City Manager Imihy and the City of Mound received the Trailblazer award for the City's shift from a paper-based to a technology-based hiring process. This has resulted in higher than ever applications for City positions, shorter recruitment timelines and time staffed by HR staff.

Neogov shared that DCM Imihy and the City were nominated for the "leadership and initiative you've shown in positioning the City of Mound as a true technology trailblazer and setting your team up for success."

Tonight, Staff presents the award for acceptance to the City Council.

FUTURE ACTION

None.



City Council Item 6e.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Laila Imihy, AICP – Deputy City Manager

Date: October 27, 2026

Subject: Water Treatment Plant Additional Funding Information

PURPOSE

To provide additional context related to available financing options for the water treatment plant.

INFORMATION

Background

At the City Council meeting on [October 13, 2026](#) the City authorized entering into a contract with Gridor Construction to construct a water treatment plant. At that meeting staff presented options to repay the debt service on the water treatment plant should the City Council approve the contract.

At that meeting staff presented a plan to maintain planned water rate increases per the City's financial management plan and to raise franchise fees to pay the debt service on the loan for the plant. Questions were raised about other mechanisms that could be used to pay for the debt service, such as property taxes or special assessments. Tonight, Staff will share why these options were not modeled or considered and answer any questions about updates to the Financial Management Plan which will be presented in November.

Existing Context

The City has worked with municipal advisor Ehlers to model ways to repay the debt service, this has been done with the following limits and assumptions:

- **Limiting modeling to feasible alternatives:** To be stewards of taxpayer dollars, staff has not asked Ehlers to model alternatives which are not legally feasible, would result in higher borrowing rates or "what if" scenarios. Utilizing Ehlers can be costly, and Staff uses their time mindfully.
- **Reducing long-term debt:** The water, sewer and stormwater funds all carry existing debt. All scenarios work to both provide a water treatment plant and continue the City's ongoing efforts to bring these funds out of debt.
- **Use of a loan from the PFA:** Borrowing money from the Public Facilities Authority (PFA) can be done at a significantly lower rate than bonding for a project. A lower interest rate reduces the annual debt service on the project,

lowering the overall cost of the project. Using this type of loan limits the ways the City can pay back the debt on this project.

- **PFA Grant:** The City assumes a \$5 million dollar loan from the PFA, however if the City does not use the PFA for the low-interest loan, it will not receive this grant increasing the cost of the project.

Scenarios Not Considered

With the above limitations and considerations, the City has not modeled issuing a special assessment or raising property taxes for this project. The reasons are as follows:

- **Special Assessments:**
 - ***What is it:*** A special assessment is a one-time mandatory fee charged to property owners to pay for major projects that property taxes do not cover. Residents must pay the full assessment within the year it is assessed, or add it to their property to be paid annually with interest over a period of time.
 - ***Why was this not presented to the Council:*** Assessments are allowed using the statutory authority granted under MN Statutes Chapter 429 and 444. A water plant falls under that authority, and the City could theoretically use that method. However, the process by which a city assesses requires that the city issue general obligation debt that the assessments are dedicated to repay this debt. The low-interest loan from the PFA does not meet that requirement, and the City would instead need to bond for the plant.
 - ***What if the City did this anyways?*** The City could choose this, however the project costs would increase by several million to cover the increased interest, the lost PFA grant and administrative charges associated with bonding.
 - ***What would it cost if we did this?*** Staff considered this a non-viable solution given the increased cost, and so this was not modeled by Ehlers.
- **Property Tax Revenues:**
 - ***What is it:*** The money paid to the City annually, based on the assessed value of a property.
 - ***Why was this not presented to the Council:*** Minnesota State Statute 444 prohibits the use of property taxes to pay for financial obligations of the water fund. The use of property taxes to fund a water treatment plant is not legal, as this type of facility is considered by the state an item that is needed by the water fund and should be paid for with water fund revenues.

Scenarios Considered

Given the above information, the City has limited ways to generate revenue to pay for a water treatment plant. The following scenarios have been modeled:

- **Raising Water Rates:** The water treatment plant is an obligation of the water fund. Water funds must rise to bring the fund out of debt and could rise further to pay for some or all of the debt service on the water treatment plant.
- **Raising Franchise Fees:** Franchise fees are a fixed fee which appears on a customer's gas or electric utility bill and is then paid to the City from the utility company. The utility company is not responsible for paying this fee, and all of

the fee is collected by the City. The City could raise these fees to offset raises to water bills.

This presentation is informational, and tonight, the Council is not asked to make any decision on water treatment plant debt repayment.

FUTURE ACTION

The City Council will review detailed debt repayment scenarios for the water treatment plant at their regularly scheduled meeting on November 10, 2026



Community Development Department

City Council Item 7a.

To: Honorable Mayor and Council Members
Jesse Dickson, City Manager

From: Sarah Smith, Comm. Development Director and Public Works Director
Ryan Prich

Date: October 22, 2026

Subject: Public Hearing – Vacation of City Easement for Sanitary Sewer/Lift Station
on Property at 1604 Dove Lane

RECOMMENDED ACTION - Review/action on request to vacate easement for sanitary sewer/lift station purposes at 1604 Dove Lane.

MOTION to approve Resolution No. 26-73 vacating certain easements located in the City of Mound, County of Hennepin, State of Minnesota.

DISCUSSION

At its October 27, 2026 meeting, the Mound City Council will hold a public hearing to consider an application from the City of Mound to vacate a perpetual easement for sanitary sewer lift station purposes that encumbers the property at 1604 Dove Lane owned by Beth Luther. The easement is requested to be vacated as the sanitary sewer lift station was recently removed and a new/ replacement lift station was constructed in an alternate location. Therefore, the current easement for sanitary sewer/lift station purposes is no longer needed. See below aerial graphic of the property at 1604 Dove Lane from the Hennepin County Property Information website.

The lift station was located in the northwest corner of the property near the intersection of Dove Lane and Woodland Road. Please see below aerial graphic of the property at 1604 Dove Lane from the Hennepin County Property Information website.



Details about the proposed easement are contained in Planning Report No. 26-10 which has been included as an attachment.

NOTIFICATION

The required publication and mailing requirements to hold the public hearing for the easement vacation have been satisfied. Notification about the City Council public hearing for the requested vacation was also emailed to staff/departments/consultants/public agency/utility review. In addition to comments previously received that are summarized in the Planning Report, the City received an additional email from Christina Neel from Hennepin County Transportation that they have no concerns or objections to the easement vacation.

OVERVIEW OF PLANNING COMMISSION REVIEW AND RECOMMENDATION

Staff provided an overview of the request which includes vacation of an easement for sanitary sewer/lift station in the corner of the property at 1604 Dove Lane. The lift station was removed and moved to another location so the easement is no longer needed. As this is a City easement, the City is the applicant. Beth Luther, the owner of the property at 1604 Dove Lane where the easement is located, was present at the meeting. No other persons were present. Ms. Luther would like to install a fence in the subject and was previously granted a variance. The vacation of the easement will allow her to complete her fence project.

Based on its review, the Planning Commission unanimously voted to recommend City Council approval of the vacation request as recommended by Staff. Details about the Planning Commissions' review of the easement vacation are included in the draft October 6, 2026 meeting minutes which have been included as an attachment.

SUPPORTING INFORMATION

- Resolution
- (Draft) October 6, 2026 Planning Commission meeting excerpts
- Planning Report No. 26-10.

ADDITIONAL INFORMATION

- a 4/5's vote of the entire City Council is required (4 members) to approve a vacation when there has been no petition.

**CITY OF MOUND
RESOLUTION NO. 26-73**

**RESOLUTION VACATING CERTAIN EASEMENTS
LOCATED IN THE CITY OF MOUND,
COUNTY OF HENNEPIN,
STATE OF MINNESOTA**

WHEREAS, currently there is a perpetual easement for sanitary sewer lift station purposes over, under, and across that property legally described on attached Exhibit A ("**Easement**"); and

WHEREAS, a public hearing regarding the vacation of the Easement was held by the City Council on the 27th day of October, 2026, at which hearing all persons interested to be heard thereon were given an opportunity to be heard; and

WHEREAS, the Easement is no longer needed by the City and a vacation of the Easement is in the best interest of the public; and

WHEREAS, the vacation of the Easement was reviewed by the Planning Commission at its October 6, 2026 meeting and recommended for approval as recommended by Staff to include conditions and findings of fact.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mound, Minnesota that the Easement is herein and hereby vacated, which vacation shall not become effective until: (i) the comments from the City Engineer are addressed, to the satisfaction of the City Engineer, as part of the City Council's action on the easement vacation; and (ii) a Notice of Completion Vacation Proceedings bearing the City's seal is recorded in the Office of the Hennepin County Recorder and/or the Hennepin County Registrar of Titles. The recording of a Notice of Completion of Vacation Proceedings shall be evidence that all conditions of this Resolution have been satisfied. Upon recording of a Notice of Completion Vacation Proceedings any existing sanitary sewer facilities located within the Easement shall be considered abandoned and not City property.

NOW, THEREFORE BE IT FURTHER RESOLVED, the City Council of the City of Mound's approval of the vacation of the Easement based on the following finding of fact:

1. There is no public benefit to retaining the sanitary sewer easement as the lift station was removed and a new lift station was constructed in another location.

Adopted by the City Council on this 27th day of October, 2026.

Jason R. Holt, Mayor

Attest: Kevin Kelly, City Clerk

EXHIBIT A

Legal Description of the Easement

A perpetual easement for sanitary sewer lift station purposes within the Northeasterly 20 feet of the Northwesterly 30 feet of Lot 24, Block 10, WOODLAND POINT ADDITION, according to recorded plat thereof, Hennepin County, Minnesota, as described in Document No. 794369, filed in the Office of the Registrar of Titles, Hennepin County, Minnesota.

MEETING MINUTES (DRAFT) EXCERPTS
REGULAR PLANNING COMMISSION
OCTOBER 6, 2026

Call to Order

Chair Goode called the meeting to order at 6:00 p.m.

Roll Call

Members present: David Goode, Kathy McEnaney, Samantha Wacker, Drew Heal, and Kristin Young

Members absent: Nick Rosener and Jason Baker

Staff present: Sarah Smith and Johnny Menhennet

Others present: Beth Luther, 1604 Dove Lane

Board of Adjustment and Appeals

Review/Discussion/Recommendation – Planning Case No. 26-10

Vacation of Perpetual Sanitary Sewer Easement for City Life Station, 1604 Dove Lane

Community Development Director Sarah Smith presented a city-initiated request, with the Director of Public Works as applicant, to vacate a sanitary sewer and lift station easement in the northwest corner of 1604 Dove Lane. The lift station was recently decommissioned and its infrastructure removed. Some abandoned equipment remains underground, filled and sealed, and will not be removed. Since the easement is no longer needed, staff recommended releasing it.

Community Development Director Smith noted that state statute does not require Planning Commission review of a vacation request but Mound's process includes Planning Commission review prior to City Council review and public hearing. Notice for the City Council public hearing is being published in the local paper on October 10 and 17, 2026 and written notice will be sent to affected property owners. The City Council public hearing is scheduled for October 27, 2026. Comments from MCES, Hennepin County, and the Fire Chief raised no objections. The property owner has been in discussion with the City for some time and previously received approvals to install temporary fencing in the area, which she can now complete.

In response to a question from a Planning Commission member, staff confirmed that leaving abandoned equipment in place was the plan when the infrastructure was removed. The property owner spoke briefly during the discussion.

MOTION by Commissioner Heal, seconded by Commissioner Wacker, to recommend approval of the vacation application, as recommended by Staff. All voted in favor. **MOTION** passed unanimously.



PLANNING REPORT

TO: Planning Commission

FROM: Sarah Smith, Community Development Dir.; Public Works Dir, Ryan Prich

DATE: September 30, 2026

SUBJECT: Vacation - Perpetual Easement for Sanitary Sewer Lift Station Purposes at 1604 Dove Lane

APPLICANT: City of Mound

PLANNING CASE NUMBER: 26-10

ZONING: R-1A Single Family Residential

COMPREHENSIVE PLAN: Low Density Residential

SUMMARY

At its October 6, 2026 meeting, the Mound Planning Commission will consider an application from the City of Mound to vacate a perpetual easement for sanitary sewer lift station purposes that encumbers the property at 1604 Dove Lane owned by Beth Luther. The easement is proposed to be vacated as the sanitary sewer lift station was recently removed and a new/ replacement lift station was constructed in an alternate location. Therefore, the current easement for sanitary sewer/lift station purposes is no longer needed. See below aerial graphic of the property at 1604 Dove Lane from the Hennepin County Property Information website. The lift station was located in the northwest corner of the property near the intersection of Dove Lane and Woodland Road:



INFORMATION/DISCUSSION

- Vacation. Minn. Stat. § 412.851 states that a statutory city may abandon ownership or control over all or any part of the land they have set aside, dedicated or used as streets or alleys. This action may be initiated by the City Council by resolution or by the submission of a petition by the owners of at least 50 percent of the surrounding land area. Procedurally, state statutes require that the City Council must hold a public hearing on the proposal following two weeks of published notice and posted notice. The City must also provide written notice to each affected owner at least ten days before the public hearing.

If the street, alley, public grounds, public way, or any part thereof that is proposed to be vacated terminates at or abuts upon any public water, no vacation shall be made unless written notice of the petition or proposed resolution is served by certified mail upon the Commissioner of Natural Resources at least 60 days before the hearing on the matter. The notice is for notification purposes only and does not create a right of intervention by the Commissioner of Natural Resources.

As the easement being vacated does not terminate or abut any public water, Staff has determined the 60-notification to the MnDNR does not apply. The MnDNR did receive standard notification of the vacation request as part of the City's staff/consultant/agency review process.

- The process for vacating a public easement is the same process used for a public road.
- The date for the City Council public hearing for consideration of the easement vacation is Tues., October 22, 2026 at 6:00 p.m.
- There is no required timeline in Minnesota Statutes or City Code that require action on a vacation application within a specific time period.

MEETING NOTIFICATION

An informational notice about the October 6th Planning Commission meeting and review of the vacation application was mailed on September 30th to neighboring property owners.

STAFF/CONSULTANT/PUBLIC AGENCY/PRIVATE UTILITY REVIEW AND COMMENTS

Copies of the request and supporting materials were forwarded to involved staff/departments/consultant/public agency/private utilities for review and comment. Comments received are provided below:

Matt Bauman, City Engineer

Portions of the old lift station have been abandoned in place with the metal structure remaining several feet below grade and filled with suitable fill. Resident should acknowledge existence of old structure.

- ***Scott Landsman, City Attorney***

The vacation is governed by Minn. Stat. § 412.851 that allows vacation of public grounds if it appears to be in the interest of the public.

Andy Drilling, Mound Fire Department

Ok for the fire department.

Christina Neel, Hennepin County Transportation

*No comments from us, as this request does not abut a county roadway.
Thanks for sending this over for our review.*

Chris Remus, Metropolitan Council Environmental Services

Thank you for the opportunity to review the above referenced. Metropolitan Council - Interceptor Engineering has no facilities near the property in question and will be providing no comments relating to this project. Others departments within the Metropolitan Council may still provide comments if they deem necessary.

RECOMMENDATION

Staff recommends that the Planning Commission recommend City Council approval of the sanitary sewer/lift station easement vacation located in the northwest corner of the property at 1604 Dove Lane, subject to the following conditions:

1. Comments from the City Engineer shall be addressed as part of the City Council's action on the easement vacation.
2. The Notice of Completion of Vacation Proceeding of the easement vacation shall be prepared and recorded at Hennepin County. Upon recording of a Notice of Completion Vacation Proceedings any existing sanitary sewer facilities located within the Easement shall be considered abandoned and not City property.

In recommending approval to vacate the utility easement for sanitary sewer/lift station purposes, the following findings are offered:

1. There is no public benefit to retaining the sanitary sewer easement as the lift station was removed and a new lift station was constructed in another location.

CITY COUNCIL REVIEW

The City Council public hearing for review of the proposed vacation of the perpetual easement for sanitary sewer/lift station purposes is scheduled for Tuesday, October 22, 2026 at 6:00 p.m. following completion of the required publication and mailing requirements to hold the public hearing for the proposed vacation.



2415 Wilshire Boulevard, Mound, MN 55364
Phone 952-472-0600 Fax 952-472-0620

VACATION APPLICATION

Application Fee and Escrow Deposit required at time of application.

Planning Commission Date

10/6/20

Case No.

26-10

City Council Date

10/22/20

Please type or print clearly

APPLICANT	Name <u>City of Mound Ryan Prich</u> Email <u>Ryanprich@CityofMound.com</u> Address <u>2415 Wilshire Blvd Mound, MN 55364</u> Phone (Home) _____ (Work) <u>952-472-0614</u> (Cell) _____ E-Mail Address <u>Rprich@MoundMN.gov</u> Fax _____
ADJACENT PROPERTY (APPLICANT'S PROPERTY)	Adjacent Address <u>1604 Dove Lane Mound MN 55364</u> Name of Business _____ Lot <u>23, 24</u> Block <u>1</u> Subdivision <u>Woodlyn Point</u> PID# <u>13-117-24-12-0216</u>
ZONING DISTRICT	Circle: R-1 ☒ R-1A R-2 R-3 B-1 B-2 B-3
AREA TO BE VACATED	<u>Vacation of utility easement in northwest corner.</u>
REASON FOR REQUEST	<u>Lift Station moved to another property.</u>
IS THERE A PUBLIC NEED FOR THIS LAND?	<u>NO</u>

I certify that all of the statements above and statements contained in any required papers or plans to be submitted herewith are true and accurate. I acknowledge that I have read all of the information provided and that I am responsible for all costs incurred by the City related to the processing of this application.

Ryan Prich
Print Applicant's Name

[Signature]
Applicant's Signature

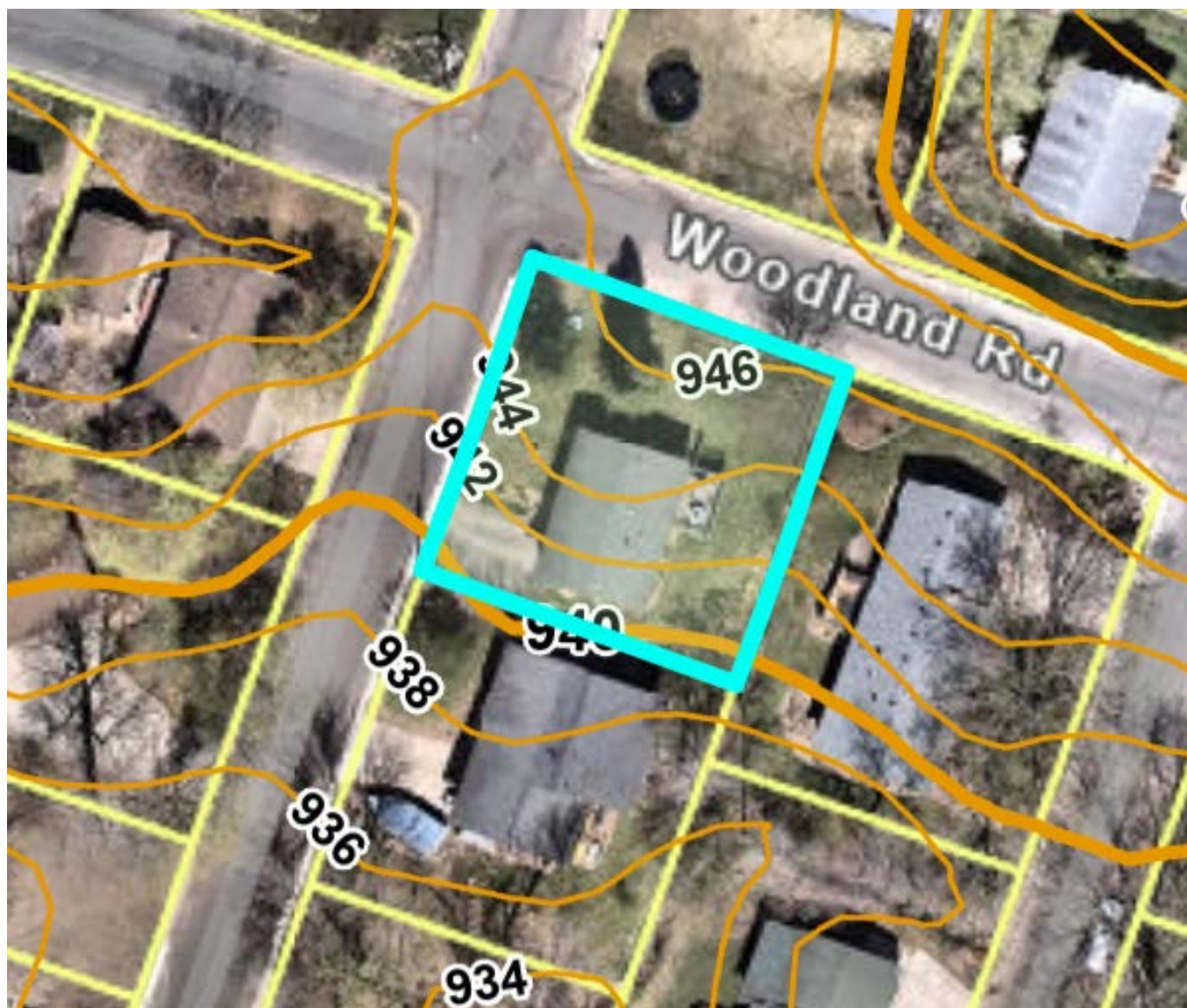
9-16-26
Date

Print Applicant's Name

Applicant's Signature

Date

See below aerial graphic of the property at 1604 Dove Lane
Source: Hennepin County Property Information Website



412.851 VACATION OF STREETS.

The council may by resolution vacate any street, alley, public grounds, public way, or any part thereof, on its own motion or on petition of a majority of the owners of land abutting on the street, alley, public grounds, public way, or part thereof to be vacated. When there has been no petition, the resolution may be adopted only by a vote of four-fifths of all members of the council. No vacation shall be made unless it appears in the interest of the public to do so after a hearing preceded by two weeks' published and posted notice. The council shall cause written notice of the hearing to be mailed to each property owner affected by the proposed vacation at least ten days before the hearing. The notice must contain, at minimum, a copy of the petition or proposed resolution as well as the time, place, and date of the hearing. In addition, if the street, alley, public grounds, public way, or any part thereof terminates at, abuts upon, or is adjacent to any public water, written notice of the petition or proposed resolution must be served by certified mail upon the commissioner of natural resources at least 60 days before the hearing on the matter. The notice to the commissioner of natural resources does not create a right of intervention by the commissioner. At least 15 days prior to convening the hearing required under this section, the council or its designee must consult with the commissioner of natural resources to review the proposed vacation. The commissioner must evaluate:

- (1) the proposed vacation and the public benefits to do so;
- (2) the present and potential use of the land for access to public waters; and
- (3) how the vacation would impact conservation of natural resources.

The commissioner must advise the city council or its designee accordingly upon the evaluation. After a resolution of vacation is adopted, the clerk shall prepare a notice of completion of the proceedings which shall contain the name of the city, an identification of the vacation, a statement of the time of completion thereof, and a description of the real estate and lands affected thereby. The notice shall be presented to the county auditor who shall enter the same in the transfer records and note upon the instrument, over official signature, the words "entered in the transfer record." The notice shall then be recorded with the county recorder. Any failure to file the notice shall not invalidate any vacation proceedings.

History: 1949 c 119 s 102; 1953 c 735 s 12; 1957 c 383 s 1; 1967 c 289 s 15; 1969 c 9 s 85; 1973 c 123 art 2 s 1 subd 2; 1973 c 494 s 11; 1976 c 181 s 2; 1986 c 444; 1989 c 183 s 4; 1990 c 433 s 2; 2005 c 4 s 105; 2005 c 117 s 2

Quit Claim Deed.
Individual to Corporation.

Form No. 28-M.

Miller-Davis Co., Minneapolis, Minn.
Minnesota Uniform Conveyancing Blanks (1931).

4881

794369

This Indenture, Made this 17 day of Sept, 1963,
between George A. Matton and Glenda O. Matton, Husband and Wife,

of the County of Hennepin and State of Minnesota
parties of the first part, and the Village of Mound, a Municipal
corporation under the laws of the State of Minnesota, party of the second part,

Witnesseth, That the said parties of the first part, in consideration of the sum of One Dollar and other good and valuable consideration DOLLARS,
to them in hand paid by the said party of the second part, the receipt whereof is
hereby acknowledged, do hereby Grant, Bargain, Quitclaim, and Convey unto the said party of
the second part, its successors and assigns, Forever, all the tract or parcel of land lying and being
in the County of Hennepin and State of Minnesota, described as follows, to-wit:

A perpetual easement for sanitary sewer lift station purposes, including
the right to open, lay out, construct, maintain and service the same,
and the right to remove trees, brush, and soil therefrom, over, under,
and across the Northeasterly 20 feet of the Northwesterly 30 feet of
Lot 24 in Block 10, Woodland Point, according to the plat thereof on
file or of record in the office of the Register of Deeds in and for
said Hennepin County.

Also:

A temporary grading easement for public sewer utility and other utility
purposes, including the right to open, lay out, construct the same and
the right to remove trees, brush, and soil therefrom, over, under, and
across the Northwesterly 40 feet of Lot 24 in Block 10, Woodland Point
according to the plat thereof on file or of record in the office of
the Register of Deeds in and for said Hennepin County.

Said temporary construction easement to expire January 1, 1965.

Party of the second part, and its agents, shall deposit any excess fill
at the East end of said premises and level the same. Party of the
second part, and its agents, shall completely remove such trees as are
downed or damaged as a result of said construction.

State Deed Tax Due Hereon \$ None

To Have and to Hold the Same, Together with all the hereditaments and appurtenances there-
unto belonging or in anywise appertaining, to the said party of the second part, its successors and assigns,
Forever.

In Testimony Whereof, The said parties of the first part have hereunto set their
hand, & the day and year first above written.

In presence of

Le Roy Williams
Jameson Brackner

George A. Matton
George A. Matton

Glenda O. Matton
Glenda O. Matton