

**DEEPHAVEN CITY COUNCIL SPECIAL MEETING  
WEDNESDAY, MARCH 25, 2009  
MINUTES**

**1. CALL MEETING TO ORDER:** Mayor Paul Skrede called the meeting to order at 4:45 p.m.

PRESENT: Mayor Paul Skrede, Councilmembers Steve Adams, Keith Kask, Kim Crockett and John Wheaton

STAFF: City Administrator Dana Young

**2. UNFINISHED BUSINESS**

**A. Adopt Resolution No. 09-09, Approving the Shorewood Option**

Mayor Skrede explained that the Shorewood City Council has decided to exercise the Shorewood Option within the 1996 Cooperative Agreement to purchase the Southshore Center from the four other participating communities. He stated that once they acquire the Center from the four cities for \$311,000, Shorewood then could sell the Center to the Lake Minnetonka Communications Commission for \$432,000. He stated that the LMCC has requested a Council Resolution from each of the participating communities approving the Shorewood Option by March 25<sup>th</sup>. He stated that this was the reason for this evening's Special Council meeting.

Councilmember Adams asked if Shorewood intended to exercise the Shorewood Option regardless of the sale of the Center to the LMCC?

Mayor Skrede stated that Shorewood's decision is not contingent on the LMCC offer.

Mayor Skrede stated that he had invited former Mayor Howard Bennis to this evening's Council meeting since Howard was on the Deephaven City Council during the approval of the Cooperative Agreement. Howard Bennis stated that it is important to remember that the Shorewood Option was included in the Cooperative Agreement to allow Shorewood to retain the Southshore Center in the event that the Friend's terminated their lease. He stated that the other cities recognized that the Center was on Shorewood's campus and simply wanted the return of their original contribution.

Councilmember Adams thanked former Mayor Bennis for his explanation on how the Shorewood Option came to be included in the Cooperative Agreement.

Councilmember Kask stated that he has no objection to the adoption of the proposed Resolution since Shorewood is simply exercising an option that is clearly provided within the Cooperative Agreement.

Councilmember Crockett noted that one of the conditions listed under the LMCC offer to Shorewood included using the same law firm, which she thought was not a particularly good idea.

Councilmember Adams stated that he would propose an amendment to the last sentence of the Resolution that would include the sentence "subject to the requirement to share the proceeds from future gain as described in Section 6 (c) of the Cooperative Agreement".

Motion by Councilmember Adams to adopt Resolution No. 09-09, A Resolution Approving the Shorewood Option, as amended. Seconded by Councilmember Wheaton. Motion carried 5-0.

3. **ADJOURNMENT**

Motion to adjourn by Councilmember Wheaton. Seconded by Councilmember Crockett. Motion carried 5-0. The meeting adjourned at 5:08 p.m.

Respectfully submitted,

Dana H. Young  
City Administrator