

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, FEBRUARY 7, 2011
MINUTES**

1. **CALL MEETING TO ORDER:** Mayor Paul Skrede called the meeting to order at 7:00 p.m.

PRESENT: Mayor Paul Skrede, Council members Josh Hackney, John Wheaton, Keith Kask and Darel Gustafson

STAFF: Police Chief Cory Johnson and City Administrator Dana Young

2. **PLEDGE OF ALLEGIANCE**

The Council recited the Pledge of Allegiance.

3. **APPROVE CONSENT AGENDA**

Motion by Councilmember Kask to approve the Consent Agenda, consisting of the following items:

- A. Approve Minutes of January 3, 2011
- B. Approve Verifieds
- C. Reappoint John Flynn to Park Committee
- D. Approve 2011 Park Committee Chair & Vice-Chair
- E. Approve 2011 Contract with Lake Management for Aquatic Weed Control
- F. Adopt Resolution No. 07-11, a Resolution of Appreciation to Steve Adams

Seconded by Councilmember Wheaton. Motion carried 5-0.

4. **MATTERS FROM THE FLOOR**

Mayor Skrede presented a Resolution of Appreciation and a plaque to former Councilmember Steve Adams in appreciation of his four years of service to the City of Deephaven.

5. **UNFINISHED BUSINESS**

- A. **Other**

There was no other Unfinished Business this evening.

6. **NEW BUSINESS**

- A. **Approve Park Avenue Lease Agreement with Minnetonka Yacht Club**

Administrator Young stated that on July 7, 2005, the Deephaven City Council entered into a five-year Lease Agreement effective on April 1, 2006 with the Minnetonka Yacht Club that established the terms and conditions for the lease of city-owned property to allow the Yacht Club to install a dock at the end of Park Avenue in St. Louis Bay. He stated that the Lease Agreement is set to expire on April

1, 2011 and a 5-year extension of the Lease Agreement is proposed this evening that includes the following terms and conditions:

- The Yacht Club is required to pay \$1,440.00 in rent per year for two shore spaces.
- The use of the dock is limited to (1) A boat rack; (2) A transient boat dock for persons coming to and from the Yacht Club's island facilities; (3) The temporary landing and parking at the boat dock of boats or other watercraft (without a limit on size) used in transportation of persons to and from the Yacht Club island facilities and for transportation to and from other Yacht Club events; (4) Access from Park Avenue to the boat rack and boat dock; and, (5) Permanent mooring of no more than two boats no larger than 16 feet in length.
- The City, at its option, may require the Club to vacate the Leased Premises to enable the City's reconfiguration of its dock area on St. Louis Bay. In consideration of exercising this option, the City will lease unto the Club, or otherwise provide to the Club, sufficient dock space to allow Yacht Club watercraft to "pick up" and "drop off" Club members and guests and (b) mooring for two Club owned 16 foot watercraft.

Councilmember Gustafson asked if the lease payment is comparable to the lease paid by other residents.

Administrator Young stated that the Yacht Club's lease payment is based on the same per lineal foot cost that other leaseholders pay for leasing Shorespace, which is \$48 per foot. He added the only difference is that the Yacht Club is allowed to have two boats moored at their dock so they pay double the lease fee.

Mayor Skrede stated that another difference between the Yacht Club's mooring lease agreement and other leaseholders is that the Yacht Club is permitted to use their dock for transient boat traffic and they are required to provide liability insurance.

Councilmember Hackney asked why there was a difference in the required amounts of liability insurance in the Park Avenue Lease Agreement and in the Carson's Bay License Agreement.

Administrator Young stated that he had updated the insurance requirements in the Park Avenue Lease Agreement to make the insurance limits similar to the City's tort liability limits of \$1,500,000 and the City Attorney had drafted the Carson's Bay License Agreement that included lower liability limits of \$1,000,000.

Councilmember Kask noted that the Yacht Club has a significant property tax burden that they are required to pay due to the fact that their island properties are assessed at a commercial rate, a rate that had been established because the island properties are accessible from the land. He stated that this accessibility is largely owing to the St. Louis Bay dock that is located on land leased to them by the City. For that reason, he didn't see a need to require the Yacht Club to pay a higher lease fee since they are already paying such high property taxes due to their commercial status.

Councilmember Gustafson stated that he doesn't particularly buy into that argument since many of our residents are paying very high property taxes as well. He stated that his only concern is that the Yacht Club should pay the same lease rate as other residents and that they are not paying a reduced rent. He added that the other consideration in this discussion regarding lease fees is that the Yacht Club also generates significantly more vehicle traffic than other leaseholders.

Councilmember Wheaton stated that he would be willing to explore a reasonable alternate to the Yacht Club's proposed lease fee and suggested that it could be tied to the cost of a \$750 dock slip and a \$100 canoe rack fee for their additional boat rack. He stated that this fee would tie it into what other residents are paying for dock fees and also recognizes that the Yacht Club has been good member of our community for a long time.

Mayor Skrede stated that the proposed lease fees that the Yacht Club would be paying under the Lease Agreement are already tied in with our lease pricing. He stated that the Yacht Club's lease fee is based on what other Shorespace leaseholders are paying, which is \$48 per lineal foot of shoreline.

Motion by Councilmember Kask to approve a five-year Lease Agreement with the Minnetonka Yacht Club effective until April 1, 2016. Seconded by Councilmember Hackney. Motion carried 5-0.

B. Approve Carson's Bay License Agreement with Minnetonka Yacht Club

Administrator Young stated that the recent survey of Carson's Bay marina has shown that the Minnetonka Yacht Club have several dock & mooring structures that extend across the City's eastern property line. He stated that Mayor Skrede, Council Member Keith Kask and Administrator Young met with Minnetonka Yacht Club Commodore Harry Campbell on January 5th to discuss this issue as well as the Yacht Club's expiring Park Avenue Lease.

He stated that since the encroachment does not appear to effect the City's future application for the redesign of the Carson's Bay marina or the marina facility itself, it was recommended that the Council might be agreeable to entering into a License Agreement with the Minnetonka Yacht Club that would allow the Yacht Club to retain the encroaching dock & mooring facilities under the following conditions:

1. The Yacht Club would be able to perform simple and routine maintenance to the dock & mooring facilities on City Property but may not make any permanent improvement or further encroachment with prior approval of the City.
2. The City may terminate the agreement upon 60 days written notice.

Mayor Skrede stated that it would also be advantageous to establish a License agreement due to adverse possession concerns.

Councilmember Wheaton added that the agreement also provides full disclosure and a clear understanding to the Yacht Club of what the City would permit with their encroaching structures.

Minnetonka Yacht Club Commodore Harry Campbell stated that although he has emailed the License Agreement to the Yacht Club Board, they have not had the opportunity to review the Agreement at an official meeting. He stated that the License Agreement is scheduled for discussion at their upcoming meeting next Tuesday.

Councilmember Wheaton suggested that the Council table discussion of the License Agreement until next month.

Councilmember Kask also suggested that the required liability limit in the License Agreement should be increased to \$1,500,000 to make it similar to the liability limit required in the Park Avenue Lease Agreement.

Discussion was held on the proposed length of the License Agreement.

Administrator Young recommended that the length of the License Agreement could extend to April 1, 2016, which would mirror the length of the Park Avenue Lease Agreement.

Motion by Councilmember Kask to table further action regarding the proposed License Agreement with the Minnetonka Yacht Club until the next Council meeting on March 7, 2011. Seconded by Councilmember Wheaton. Motion carried 5-0.

C. Approve Purchase of Speed Trailer

Police Chief Johnson stated that the Deephaven Police Department has been trying to borrow a speed trailer for years and felt that a speed trailer would be used quite often by his Department. He stated that a speed trailer would be small enough to fit along side the road and it would greatly benefit his Department by reducing the manpower that is needed for speed enforcement.

He stated that his Department has typically responded to speeding complaints by installing a traffic counter and conducting frequent radar enforcement. He stated that dedicating a patrol officer to an area for radar enforcement can be difficult for such a small department and the speed trailer can be installed in an area to monitor speeds rather than always having to station an officer. He stated that if the speed trailer doesn't work to effectively slow down speeds in this area, he could then station an officer to patrol that area. He stated that although he doesn't have any specific data demonstrating how well a speed trailer works, but he has been told by other agencies that it works.

Police Chief Johnson stated that our current monitor, the Traffic Counter, is getting old and the recording software is very difficult to review. He stated that the Speed Trailer would provide an immediate response to speeding concerns by our residents and would be welcomed by both our residents and Woodland residents.

He stated that he has received the following quotes on Speed Trailers:

Applied Concepts-Stalker	-	\$7,300.00 Approx
Kustom Signals	-	\$7,635.00 Approx
Decatur Electronics	-	\$8,000.00 Approx.

Mayor Skrede stated that it is surprising how many residents coming in to complain about speeders already assume we have a Speed Trailer. He stated that he really appreciates the fact that it is small enough to fit along side such a narrow street as Ridgewood Road.

Councilmember Wheaton stated that he drives by a Speed Trailer every day and felt that it has a definite effect on speeding and would successfully slow down residents. He noted that he felt the Speed Trailer would have more of an impact if it were moved around the community, as opposed to being positioned for a long time at just one location. He stated that it would be particularly beneficial as a safety reminder when school is out for the summer. He stated that he thought a Speed Trailer would be a great benefit for \$7,200.00.

Mayor Skrede stated that he would support the purchase of a Speed Trailer regardless of the available funding. He stated that it is no longer something that we would like to have but it is now something that we need to have.

Councilmember Wheaton asked who would move the trailer around and where would it be located.

Police Chief Johnson stated that the Police would move the trailer around town and they would primarily locate the trailer in residential neighborhoods. He stated that his Department already does sufficient traffic monitoring on Vine Hill Road and Minnetonka Blvd and that the Speed Trailer would serve most effectively in neighborhoods where most of the speeding is done by neighbors rather than out-of-towners.

Councilmember Gustafson noted that the Police Chief is not requesting solar panels or a wheel lock with the Speed Trailer.

Police Chief Johnson stated that he didn't want solar panels and that the trailer operates on batteries that are good for up to 18 days. He stated that he does want a wheel lock but will order a less expensive model from Northern Hydraulics.

Councilmember Kask stated that the purchase of a Speed Trailer would add value to our contract with Woodland and recommended that a sign or lettering should be placed on the trailer that reads "Deephaven Police Department".

Motion by Councilmember Wheaton to approve the purchase of a Speed Trailer from Applied Concepts-Stalker in an amount not to exceed \$7,300.00 with the options as described. Seconded by Councilmember Hackney. Motion carried 5-0.

D. Other

There was no other New Business this evening.

7. DEPARTMENT REPORTS

A. Police Department

Police Chief Cory Johnson stated that the Police Incident Reports are now available for Council review. He stated that one recently purchased squad car is already on the road and they expect to receive the second squad car at the end of February.

Further discussion was held on new handgun purchasing requirements.

B. Excelsior Fire District

EFD Liaison Darel Gustafson provided a brief summary of the January 26th Fire Board.

Discussion was held regarding the \$40,365.51 in unspent construction funds held by the City of Shorewood that had been left over from the construction of the Fire Facilities. Administrator Young stated that the City of Shorewood has reimbursed the Excelsior Fire District this amount in January by deducting \$40,365.51 from the first half Fire Facility bond payments.

Mayor Skrede stated that there has been some discussion on the Fire District Board about possibly using this \$40,365.51 in unspent construction funds towards some other purpose, such as towards the

Building Fund. He stated that he personally agreed with the Greenwood City Council's decision to request to have the \$40,365.51 returned to the cities. He stated that the City's have already contributed sufficient funding within the 2011 EFD Budget towards bonded debt payments and the most appropriate use of the surplus funds would be to return it to the cities.

Motion by Councilmember Wheaton to recommend that the Excelsior Fire District Board return the \$40,365.51 in unspent construction funds to the cities. Seconded by Councilmember Gustafson. Motion carried 5-0.

C. Public Works

Administrator Young provided an update on recent and upcoming public work activities.

Mayor Skrede noted that he has received numerous compliments on the excellent snow removal efforts of our public works crew.

Discussion was held on the possibility of clearing snow from the ice rinks over the weekend. The use of the city crew, private contractors or volunteers was discussed.

Mayor Skrede suggested that further discussion on this issue could be held at the next Public Works Committee meeting.

D. Administration

Administrator Young provided a brief summary on the following items:

- 2010 Financial Summary
- 2010 Building Permit Revenue Summary
- Deer Management
- Property, liability & auto insurance coverage has been renewed with the League of MN Cities
- Xcel Energy held an Open House on January 13th at the Bayview Event Center to present information on their proposed Transmission Rebuild Project.
- The MCWD postponed comments on the Draft Plan Amendment until February 4th to allow further public comments.

Mayor Skrede provided a brief update on a Mayor's breakfast with MCWD representatives last Thursday morning.

Councilmember Hackney provided a brief summary of the action taken at the last Planning Commission meeting.

8. ADJOURNMENT

Motion to adjourn by Councilmember Wheaton, seconded by Councilmember Kask. Motion carried 5-0. The meeting adjourned at 8:45 p.m.

Respectfully submitted,
Dana H. Young, City Administrator