

**DEEPHAVEN CITY COUNCIL MEETING  
MONDAY, MARCH 21, 2011  
MINUTES**

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

PRESENT: Mayor Paul Skrede, Councilmembers John Wheaton. Keith Kask and Josh Hackney

ABSENT: Councilmember Darel Gustafson

STAFF: 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. March 7, 2011 Minutes

B. Rescind the Appointment of Keith Kask and Reappoint David Gross to LMCD Board

Seconded by Councilmember Wheaton. Motion carried 4-0.

4. **MATTERS FROM THE FLOOR**

There were no Matters from the Floor this evening.

5. **UNFINISHED BUSINESS**

A. **Review Audit of 2008 Financial Statements**

Steve Wischmann, with Kern DeWenter Viere, was present to present the audit of 2011 Financial Statements for Council review.

Mayor Skrede stated that he appreciated the timeliness of the audit and asked about the potential impact of Fund Balance Reporting that will now be required beginning with the 2011 audit.

Steve Wischmann stated that with the current State budget situation, there has been some discussion regarding city fund balances. He stated that these fund balances can now be designated for specific purposes.

Councilmember Kask stated that the State may be inclined to look critically at those cities, such as ours, that have a fund balance in excess of 50%.

Steve Wischmann stated that he would recommend a minimum fund balance of 50% but it could be higher depending on the size of the city. He stated that it would be prudent for the City Council to assign a larger percentage of the City's fund balance for a specific purpose.

Mayor Skrede stated that the State's justification for taking reserves in excess of 50% might be their justification for eliminating or reducing Local Government Aid.

Steve Wischmann agreed that this could be the State's rationale, since he is already seeing severe reductions in Local Government Aid throughout the State. He stated that you never know what could happen but felt that taking fund balances would be a last resort.

Mayor Skrede noted that just because the City Council designates fund balances, it doesn't necessarily mean that you have to spend these funds or place the funds in a permanent lockbox.

**B. Adopt Resolution No. 12-11, Awarding Bid & Contract for the 2011 Sewer Rehabilitation Project**

City Administrator Young presented the following bids on the 2011 Sewer Rehabilitation Project:

<u>Bidder</u>	<u>Total Bid Amount</u>
Midwest Trenchless Technologies	\$ 74,652.00
Visu-Sewer	\$ 99,264.00
Infrastructure Technologies, Inc.	\$115,888.84

He stated that the proposed sewer improvements were based on a review of the televised reports of the sewer mains that had been taken over the last couple of years, reports which included about one-third of the entire city. He stated that the project consisted of the following elements:

- 6,800 L.F. of sewer main cleaning
- Repair of 20 joints
- Lining of 29 sections
- Complete excavation & repair of 2 sections of sewer main – one in Chimo East and the other in Northome, with a third possible on Walden Trail.

He stated that a preconstruction meeting will be held after the awarding of the bid this evening and that the City Engineer didn't anticipate any significant problems with traffic control, with the exception of the two sections of sewer main needing complete street excavation.

Further discussion was held on the process for dealing with potential change orders during the construction period.

Administrator Young stated that all significant change orders would have to be approved by the City Council.

Motion by Councilmember Wheaton to adopt Resolution No. 12-11, A Resolution Awarding the Bid and Contract to Midwest Trenchless Technologies for the 2011 Sewer Rehabilitation Project in the amount of \$74,652.00. Seconded by Councilmember Kask. Motion carried 4-0.

**C. Other**

Administrator Young stated that staff has received correspondence from the MN Department of Natural Resources advising the City that the revision of the aquatic plant management rules on April 15, 2009 has sunset the clause allowing nine water bodies, including Carson's Bay and St. Louis Bay, to chemically treat a greater percentage of littoral area than the rest of the lakes in Minnesota is set to expire by April 15, 2014.

He stated that the DNR will be developing a lake vegetation management plan for Carson's Bay and St. Louis Bay in 2011 and is looking to create a drafting committee to develop the lake vegetation management plan consisting of two DNR representatives, three lake association / riparian owners and one other interested party, such as a representative from the City of Deephaven.

Discussion was held on the appointment of a representative from the City of Deephaven on the committee and on the appointment of three lake association / riparian owners.

Mayor Skrede asked if any of the councilmembers had an interest in serving on the committee or whether the Council would prefer to appoint a staff member to this position.

Mayor Skrede stated that he didn't think that one of the representatives on the committee should be the Lake Minnetonka Association. He stated that the management plan for Carson's Bay and St. Louis Bay should be treated separately from the rest of the lake.

Councilmember Kask stated that the Council should request that the DNR appoint residents of the lake to the committee. Councilmember Kask also indicated that he would be interested in serving on the task force.

The Council requested that staff inform the DNR that Councilmember Kask would serve as the representative from the City of Deephaven and to inquire about the proposed membership of the other perspective members of the committee.

**6. NEW BUSINESS**

**A. Fleet Safety Policy**

Administrator Young stated that the attached Fleet Safety Policy has been drafted on the recommendation of loss control specialists with the League of Minnesota Cities and is presented for Council review and approval. He stated that the policy was reviewed and recommended for approval by the Deephaven Public Safety Committee on March 2, 2011.

He stated that the overriding purpose and intent of the Fleet Safety Policy is to:

1. Promote the safety of all employees who drive vehicles for the City of Deephaven.
2. Mitigate, to the extent possible, vehicle accidents that are costly to the City and that may result in injury to employees or other individuals.
3. Promote acceptable driver rules and responsibilities.
4. Promote an optimal operational environment.
5. Improve accident reporting.

He added that the Fleet Safety Policy is intended to augment the Personnel Policy by providing more depth and clarity on defining specific responsibilities and expectations to employees operating a vehicle and on procedures relating to the investigation of all vehicle accidents involving Deephaven personnel

Motion by Councilmember Kask to adopt the Fleet Safety Policy. Seconded by Councilmember Hackney. Motion carried 4-0.

**B. Other**

There was no other New Business this evening.

**7. REPORTS FROM STANDING COMMITTEES**

**A. Public Works Committee**

Administrator Young presented a review of the Public Works Committee meeting held on March 2, 2011 on the following items:

- Reviewed & approved the Fleet Safety Policy
- Discussed the potential threat of spring flooding in Deephaven
- Reviewed the plans & specifications on the 2011 Sewer Rehabilitation Project
- Reviewed the 2011 Street Sweeping bids

Mayor Skrede noted that the Speed Trailer has arrived and is already in service.

Councilmember Wheaton stated that Woody Woodburn has formed a Task Force to review traffic issues relating to the Deephaven Elementary School and he will be serving as a member of the Task Force. He stated that he will keep the Council informed of their progress.

**B. Boat Committee**

Administrator Young presented a review of the Boat Committee meeting held on March 9, 2011 on the following items:

- Reviewed LMCD staff Comments on the Carson's Bay Dock Plans
- Updated the Committee on the Council's actions concerning open buoy spaces
- Discussed sand problems with three Slide Spaces in St. Louis Bay
- Reviewed the make-ready dock layout at the Carson's Bay launch
- Reviewed a report on Fire Lanes

Mayor Skrede thanked Councilmember Kask for his service on the LMCD Board.

Councilmember Hackney gave an update on the Planning Commission's progress on the Liquor Control Ordinance. He stated that the ordinance has worked its way through the Committee, is currently being reviewed by the City Attorney and will be returned to the Committee for their final review in April. He stated that there is a real possibility that the ordinance will be presented to the City Council in May.

8. **ADJOURNMENT**

Motion to adjourn by Councilmember Kask, seconded by Councilmember Wheaton. Motion carried 4-0. The meeting adjourned at 8:32 p.m.

Respectfully submitted,

Dana H. Young  
City Administrator