

**DEEPHAVEN CITY COUNCIL MEETING  
MONDAY, DECEMBER 7, 2015  
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 Darel Gustafson, Steve Erickson, and Tony Jewett

ABSENT: Councilmember Keith Kask

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 Erickson to approve the Consent Agenda, consisting of the following items:

- A. Approve November 16, 2015 Minutes
- B. Approve December Verifieds
- C. Adopt Resolution No. 53-15, Authorizing 2016 Group Health Plans
- D. Adopt Resolution No. 54-15, Approving 2015 Transfers
- E. Adopt 2016 Investment Policy
- F. Adopt 2016 Internal Control Policy
- G. Approve Tort Liability Limits
- H. Authorize Purchase of 2016 Equipment & Vehicles
- I. Authorize Plans & Specifications on 2016 Improvement Projects

Seconded by Councilmember Gustafson. Motion carried 4-0.

4. **MATTERS FROM THE FLOOR**

There were no Matters from the Floor this evening.

5. **PUBLIC HEARING**

- A. **Truth in Taxation**

City Administrator Young presented the proposed 2016 General Fund Budget revenues and expenditures. He said that the city is proposing a 4.45% levy increase in 2016 to support

General Fund activities and the Capital Improvement Fund. A PowerPoint presentation detailed 2016 General Fund revenues, expenses, a review of each General Fund Department budget, the Capital Improvement Fund, the impact of the proposed sales tax exemption, the proposed tax levy of \$2,111,731 and the property tax impact of the 2016 Budget.

As there was no one from the public in attendance, Mayor Skrede closed the public hearing at 7:30 p.m.

**B. Adopt Resolution No. 55-15, Adopting the Final 2016 Tax Levy**

Motion by Councilmember Gustafson to adopt Resolution No. 55-15, A Resolution Adopting the Final 2015 Levy, Collectible in 2016 in the amount of \$2,111,731. Seconded by Councilmember Erickson. Motion carried 4-0.

**C. Adopt Resolution No. 56-15, Adopting the 2016 Budget**

Motion by Councilmember Erickson to adopt Resolution No. 56-15, A Resolution Adopting the 2016 Budget in the amount of \$4,435,602. Seconded by Councilmember Gustafson. Motion carried 4-0.

**6. UNFINISHED BUSINESS**

**A. Approve Six Month Probation for Police Secretary Elizabeth McColl**

Police Chief Johnson stated that Police Secretary Libby McColl will complete her 6 month probation period tomorrow on December 8, 2015. He stated that Libby is doing an excellent job and is picking up on all the many aspects of the job. She has excellent customer service skills and an upbeat personality. He stated that it is his recommendation that Ms. McColl be removed from probationary employment status to Permanent Employee, which enables her to receive a pay increase from \$3,406.15 to \$3,585.43 per month.

Motion by Councilmember Gustafson to approve the successful completion of Elizabeth McColl's probationary period and a pay increase from \$3,406.15 to \$3,585.43 per month. Seconded by Councilmember Jewett. Motion carried 4-0.

**B. Authorize Final Payment to Hydro Klean for the 2015 Manhole Repair Project**

Administrator Young noted that the original bid for this project was \$57,195.00. He stated that, from all reports, the project went very well.

Motion by Councilmember Erickson to authorize Final Payment to Hydro Klean, Inc. in the amount of \$57,060.00 for the 2015 Manhole Rehabilitation Project. Seconded by Councilmember Gustafson. Motion carried 4-0.

Mayor Skrede noted that he would like to see engineering costs associated with these projects presented along with the final payment request.

**C. Other**

There was no other Unfinished Business this evening.

**7. NEW BUSINESS**

**A. Discuss Alternate Dates for 2016 Council Meetings**

Administrator Young stated that there are five regularly scheduled Council meetings in 2016 that conflict with a major holiday or conflict with election preparations. Staff would recommend that these five dates be rescheduled as follows:

Date	Event	Alternate Date
Monday, January 18, 2016	Martin Luther King Day	Cancel
Monday, February 15, 2016	President's Day	Cancel
Monday, July 4, 2016	Independence Day	Tuesday, July 5, 2016
Monday, September 5, 2016	Labor Day	Tuesday, September 6, 2016
Monday, November 7, 2016	Election Day Eve	Thursday, November 10, 2016

Motion by Councilmember Jewett to approve the alternate dates for the rescheduled 2016 Council meetings. Seconded by Councilmember Gustafson. Motion carried 4-0.

**B. Discuss Appeals from 90-Day Rule**

Administrator Young stated that Section 900.07, Subd. 2 of the Deephaven City Code require all permit holders to use their watercraft space for a minimum of 90 days. Failure to meet this requirement results in the non-renewal of their boating permit for the upcoming season unless they request an appeal in writing before the City Council on or before Friday, November 28<sup>th</sup>.

He stated that one permit holder failed to comply with Section 900.07, Subd. 2 but did not submit the required letter of appeal so no action is required by the Council since there was no appeal to the revocation of the 2016 Boating Permit of Greg Lipps, 19035 Azure Road, for Slide Space #18 in St. Louis Bay.

**C. Other**

There was no other New Business this evening.

**8. DEPARTMENT REPORTS**

**A. Police Department**

Chief Johnson provided a summary of the November Police Incident Report.

**B. Excelsior Fire District**

Councilmember Erickson provided a brief summary of the November 18<sup>th</sup> EFD Board meeting.

- Call volumes are up for the year, primarily owing to storm damage calls earlier this year.
- The Fire Relief Association is currently 111% reserved.
- There will be continued station maintenance in 2016 as well as further discussion on the purchase of an aerial truck, which is scheduled to arrive in 2018.

**C. Public Works**

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

**D. Administration**

Administrator Young provided a brief summary on the following items:

- Required reports and publications
- January Newsletter
- The annual Holiday party will be held on Thursday, December 17<sup>th</sup>
- There will be no increase in the cost of the 2015 audit
- Interest in the possible establishment of a Lake Improvement District
- The Fall Cleanup of yard waste on November 14<sup>th</sup> went well.
- The EFD bond refinancing is on track for the sale of the bonds the week of December 7<sup>th</sup>.

**9. ADJOURNMENT**

Motion to adjourn the Regular Council meeting by Councilmember Erickson, seconded by Councilmember Gustafson. Motion carried 4-0. The meeting adjourned at 8:15 p.m.

**10. CLOSED EXECUTIVE SESSION**

The Council recessed to go into Closed Executive Session to discuss litigation pursuant to Minn. Stat. 13D.05 Subd. 3(B) to discuss settlement and litigation strategy regarding City of Shorewood vs. City of Deephaven, Tonka Bay, Excelsior & Greenwood.

**11. ADJOURNMENT**

Motion to adjourn the Closed Executive Session by Councilmember Erickson, seconded by Councilmember Jewett. Motion carried 4-0. The meeting adjourned at 8:55 p.m.

Respectfully submitted,

Dana H. Young, City Administrator