

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, NOVEMBER 21, 2016
MINUTES**

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

PRESENT: Mayor Paul Skrede, Councilmember's Tony Jewett, Steve Erickson, Darel Gustafson and Keith Kask

STAFF: City Administrator Dana Young

2. **PLEDGE OF ALLEGIANCE**

The Council recited the Pledge of Allegiance.

3. **APPROVE NOVEMBER 10, 2016 & NOVEMBER 14, 2016 COUNCIL MINUTES**

Motion by Councilmember Kask to approve the November 10, 2016 Regular Council minutes and the November 14, 2016 Special Council minutes. Seconded by Councilmember Erickson. Motion carried 5-0.

4. **MATTERS FROM THE FLOOR**

There were no Matters from the Floor this evening.

5. **UNFINISHED BUSINESS**

- A. **Approve 2017-2018 Lifeguard Contracts**

Administrator Young stated that the last two-year Lifeguard Services Contract was negotiated to include an additional seven days of lifeguard services in August of each year at Deephaven Beach. He stated that this resulted in relatively high jump in contract fees in both 2015 and 2016. However, he noted that these additional costs were offset by a corresponding increase in Parking Permit Fees in 2015.

He stated that Dan Berve, Director of Minnetonka Aquatics, is proposing a 3% increase in the 2017 Lifeguard Service Contract to account for operational cost increases and salary increases. The fee for the 2018 Lifeguard Service Contract is proposed to remain the same as the 2017 fee. He stated that there will be no change in the proposed lifeguard days as Sandy Beach and Robinson's Bay Beach are scheduled to have lifeguard services for 65 days and Deephaven Beach for 72 days for each year of the contract.

He stated that the 2017 Budget for Lifeguard Services is \$41,000, so the proposed 2017 contract fee would be \$963.00 less than budgeted. There would be no increase in the 2018 Budget for Lifeguard Services.

Motion by Councilmember Gustafson to approve the 2017 - 2018 Lifeguard Service Contract with Minnetonka Aquatics in the amount of \$40,037 in 2017 and 2018. Seconded by Councilmember Erickson. Motion carried 5-0.

B. Discuss 2017 Garbage & Recycling Contract

Administrator Young stated that the City Council authorized staff to negotiate a one-year contract extension with Waste Management through December 31, 2017 that included a 0% rate increase for our residents. He stated that Waste Management was agreeable to a one-year contract with a freeze in rates but they also wanted the City Council to consider a three-year contract as another potential option. He stated that Waste Management would prefer a three-year contract extension because it provides a stable revenue source and enables them to adequately address the need to replace their aging “scooter” truck.

He stated that in regards to a three-year contract option, Waste Management was informed that while the Council really liked the service that WM provides, there was a growing concern that the garbage & recycling rates were no longer competitive after so many years of contract extensions through negotiated settlements rather than through competitive bids. He stated that Waste Management will attempt to address the Council’s concerns regarding a proposed three-year contract by providing the Council with a rate analysis.

Councilmember Erickson stated that the heavier garbage truck has essentially taken over for the scooter truck. He suggested that the City get quotes on providing garbage service by comparing quotes on the use of heavier garbage trucks rather than the scooter trucks. He stated that if we want to consider competitive prices, we will have to compare heavy truck with heavy truck.

Councilmember Gustafson stated that we need to also take into account the service that Waste Management provides as well. Councilmember Erickson agreed that Waste Management does a great job.

Councilmember Kask stated that Waste Management is the odds on favorite to retain our garbage and recycling service and we definitely want to see the scooter truck back out on the streets.

Councilmember Jewett asked if residents, when using the Waste Management website, are still being offered a lower price than the actual rate being charged for Deephaven residents.

Mayor Skrede stated that the pricing on the website is typically an introductory rate that doesn’t include all the add-on features that residents get here in Deephaven, such as the Spring and Fall Cleanup Days.

C. Review Revised 2017 CIF Fund Budget

Administrator Young presented the 2017 Capital Improvement Fund Budget for Council review. The majority of the discussion centered on the upcoming purchase of a skid steer for the Public Works Department and an overview on the Deephaven Avenue and Park Avenue street improvement projects.

Motion by Councilmember Erickson to authorize the purchase of the 2017 Skid steer in the amount of \$33,000 this year rather than from the 2017 Budget. Seconded by Councilmember Gustafson. Motion carried 5-0.

D. Review 2017 Water, Sewer & Storm Sewer Budgets

Administrator Young presented the 2017 Water, Sewer & Storm Sewer Budgets for Council review.

E. Review Five-Year Utility Projections

Administrator Young presented Five-Year Utility Projections for Council review.

F. Other

There was no other Unfinished Business this evening.

6. REPORTS FROM STANDING COMMITTEES

A. Public Works Committee

Administrator Young presented a review of the Public Works Committee meeting held on November 1, 2016 on the following items:

- Reviewed 2017 street estimates
- Discussed the Northome Bridge Project
- Discussed future storm water improvements.

B. Park Committee

Administrator Young presented a review of the Park Committee meeting held on November 1, 2016 on the following items:

- Discussed the removal of duckweed in Thorpe Pond with Gabrielle Rohde
- S & S Tree Service provided a discussion on Emerald Ash Borer
- Discussed 2017 Park & Beach projects
- Reviewed the Ten-Year Park Plan
- Discussed committee memberships.

7. **ADJOURNMENT**

Motion to adjourn by Councilmember Erickson, seconded by Councilmember Gustafson.
Motion carried 5-0. The meeting adjourned at 8:27 p.m.

Respectfully submitted,

Dana H. Young
City Administrator