

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, JUNE 3, 2019
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 Melissa McNeill, Tony Jewett, and Steve Erickson

ABSENT: Councilmember Kent Carlson

STAFF: Police Chief Cory Johnson, Zoning Coordinator Dale Cooney, 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 May 20, 2019 City Council Minutes
- B. Approve Verifields
- C. Approve April 2019 Treasurer's Report
- D. Adopt Resolution No. 17-19, Approving Deephaven Local Surface Water Management Plan

Seconded by Councilmember McNeill. Motion carried 4-0.

4. **MATTERS FROM THE FLOOR**

Jan Callison, Hennepin County Commissioner, stated that she is here this evening to provide an update on five recent County Board activities.

- An assessment report was presented showing the continued property valuation growth in Hennepin County
- The Hennepin County Board is considering a change in their tobacco ordinance, which would increase the legal age of purchasing tobacco from 18 to 21. Commissioner Callison noted that this would only affect five cities throughout Hennepin County who do not have local authority to set the age for tobacco sales.

- Staffing in the area of child protection services has been increased, which has resulted in fewer child protection reports in Hennepin County.
- Efforts are underway to implement new affordable housing initiatives.
- The legislative session ended without Hennepin County receiving additional funding for transportation or public safety projects.

Mayor Skrede stated that he is also disappointed that there wasn't a mini-bonding bill this year. He added that there isn't much that the City of Deephaven can do about affordable housing.

Commissioner Callison agreed that the cost of land in Deephaven makes affordable housing a challenge.

The Council thanked Commissioner Callison for her update.

5. PLANNING & ZONING REQUESTS

Zoning Coordinator Cooney presented the staff report. He said that, in May, the City Council reviewed a proposal for an impervious surface variance at 19120 Park Avenue. Cooney said that the builder had built the spec house to the maximum allowable impervious surface area, leaving no allowance for a rear yard deck or patio. He said that the City Council requested that the Planning Commission explore ordinance revision options to prevent this type of situation in the future. Cooney said that the Planning Commission discussed the issue at their May 21 meeting and recommended the following changes to the Shoreland Management District: All new construction houses should reserve 2% of the maximum allowable impervious area for hardcover uses that are exclusive of the house and driveway footprint. Cooney said that, if the City Council is supportive of the proposed changes, staff would further recommend an upper limit of square footage required to be reserved and would set that limit at 500 square feet. Cooney concluded his staff report.

Councilmember McNeill said that it was a Planning Commission discussion and that they would put forward a formal draft ordinance if this was a direction the City Council supported.

Mayor Skrede asked why this was only an applicable change for the Shoreland Overlay District. Cooney said that hardcover expansions in other parts of the city require only mitigation and would not necessarily have to come through the city for a variance.

Councilmember Erickson said that properties in those areas could build to 35% or 40% impervious as long as they provided appropriate mitigation. Cooney said that was correct.

Mayor Skrede said that he has reservations about how much emphasis the city has put on mitigation solutions that may or may not work 10 years down the road.

Councilmember Erickson said that the builder avoided tripping the variance and mitigation requirements by staying at 25%.

Mayor Skrede asked if the intent was for a 23% impervious limit. Cooney said it was not the intent, but instead was to reserve hardcover for non-house, non-driveway hardcover uses.

Councilmember McNeill said that there was consideration of some very detailed regulation ideas, but that this was a simpler approach for compliance. Councilmember McNeill said that this idea would help avoid variances and required mitigation. She said that the Planning Commission is less enthusiastic about exceeding hardcover and requiring mitigation since there is some skepticism about it as well.

Mayor Skrede said that he was concerned about enforcement on mitigation.

Councilmember Erickson said that the job of mitigation is to put water where the city wants it, not where it is easiest place to send it.

Mayor Skrede said that the Certificate of Occupancy is the city's lever to make sure this gets done. He asked who inspects for compliance of variance items.

Councilmember Erickson said that the property at 19035 Lake Avenue has not met our requirements yet. He said that there is no process in place to ensure that these requirements are adhered to.

Mayor Skrede said that he is more interested in insuring compliance.

Councilmember McNeill said that a Planning Commissioner has come up with some enforcement ideas.

Cooney said that it is his responsibility to ensure that mitigation is provided, and that if a variance condition isn't met or if mitigation is not installed it is his fault for not overseeing the process well enough.

Mayor Skrede asked if Cooney ensures that the variance conditions are met before Certificate of Occupancy. Cooney says that he does and that the mitigation improvements are shown on the as-built surveys. Mayor Skrede said that he would want a site visit to confirm compliance.

Cooney said that the current process is to have the city engineer inspect the system at one point during construction.

Councilmember Jewett said that the city does not require a specific mitigation system and that perhaps that there should be only a few that are allowed. He said that these properties are being designed to be at the maximum allowable impervious. He said that 2% impervious reservation on a 10,000 square foot property is only 50 square feet.

Mayor Skrede said 2% is just a conversation starter and that the number could be fixed, but it is the merit of the idea that is being discussed.

Councilmember Jewett said that he looks at a variance on its own merits and that mitigation is not a consideration in his decision-making. He said that there should be some notice of hardcover limitations to a potential buyer.

Councilmember McNeill said that there was a desire among the Planning Commissioners to protect the homeowners and not leave them without options in this kind of situation.

Mayor Skrede said that he doesn't like making rules if they can't be enforced.

Councilmember Erickson said that the city makes assumptions about driveway width and that expects that those would likely come through for a variance.

Cooney said that he might see these issues in a plan, but that he does not have legal authority to require any changes. He said that the original point of the mitigation was to recognize that the variances were happening and how could the city offset some of the negative consequences. Cooney said that mitigation itself was never a justification for the variance.

Mayor Skrede said that he doesn't think the answer is changing the laws, but enforcing the laws we already have on the books.

Councilmember Jewett said that he would prefer to narrow down the types of allowable mitigation. Mayor Skrede said that he is not interested in picking winners and losers. He said that the mitigation methodology being used might be worth addressing.

Councilmember Erickson said that the goal of mitigation is simply to retain one inch of water before it runs into the street. Jewett said that maybe the systems should stay simple.

Mayor Skrede asked the councilmember's for their input to the Planning Commission.

Councilmember Jewett said that he is interested in narrowing the scope of allowable mitigation systems.

Councilmember McNeill said that she might be interested in narrowing the scope of allowable mitigation systems in the future after we see what has worked. She said that she is interested in adopting some kind of assumed hardcover inclusions, similar to Orono's regulations so that homeowners are not put into a bind. She said that she would like to have Planning Commissioner Wilcox discuss some enforcement options with the City Council.

Councilmember Erickson said that he is interested in enforcement, not in narrowing options. He said that most mitigation systems are low tech. He said that he is more interested in making sure that what we have asked for is there now.

Mayor Skrede said that he is more interested in current enforcement. He said that he would like to know which variances recently passed are enforceable. Mayor Skrede said that he would be interested in seeing the variances the city has issued over the last year that are enforceable versus those that are a bit more problematic. Mayor Skrede said that a joint work session with the City Council and the Planning Commission is also something that could be considered.

6. NEW BUSINESS

A. Approve Burn Training at 3980 Walden Shores Road

Administrator Young stated that the proposed live burn training at 3980 Walden Shores Road has been cancelled.

B. Other

There was no other New Business this evening.

7. UNFINISHED BUSINESS

A. Adopt Resolution No 18-19, Awarding Bid for 2019 Minnetonka Blvd Project

Mayor Skrede stated that the following bids were received for the 2019 Minnetonka Blvd Project and Carsonwood Avenue:

<u>Bidder</u>	<u>Total Bid Amount</u>
Bituminous Roadways	\$1,160,932.00
Northwest Asphalt	\$1,189,975.22
GMH Asphalt	\$1,272,997.70
Valley Paving	\$1,281,999.99
C.S. McCrossan	\$1,332,196.80

Mayor Skrede had a question regarding the abstract of bids where they were duplicate line items for mobilization and traffic control costs.

Administrator Young stated that he assumed the duplicate line items represent the Minnetonka Blvd and Carsonwood Avenue portions of the project. He stated that he would confirm this with the City Engineer.

Councilmember Jewett noted that significant costs associated with the clearing & grubbing costs of removing several very large trees.

Discussion was held regarding a proposed starting date for the project.

Administrator Young stated that the starting date will be finalized at the preconstruction meeting but the City Engineer informed him today that the contractor plans to start the project in mid-July.

Motion by Councilmember Erickson to adopt Resolution No. 18-19, a Resolution Accepting Bids and Awarding a Contract to Bituminous Roadways in the amount of \$1,160,932.00 for the 2019 Minnetonka Blvd & Carsonwood Avenue Project. Seconded by Councilmember McNeill. Motion carried 4-0.

B. Discuss Alternate Date for September 3, 2019 Council Meeting

Administrator Young stated that both he and Mayor Skrede will be out-of-town for the regularly scheduled September 3, 2019 Council meeting. He suggested rescheduling the Council meeting to September 10th and cancelling the regularly scheduled Council meeting on September 17, 2019 unless urgent business is required.

Motion by Councilmember Erickson to approve September 10, 2019 as the date of the first Council meeting in September. Seconded by Councilmember Jewett. Motion carried 4-0.

C. Review 2020 Budget Schedule

City Administrator Young presented the following proposed schedule for the Council's review of the 2020 Deephaven City Budget:

Monday, June 17 - 2020 Budget Overview, 2020 Salaries, General Fund Revenues, General Fund Expenditures, Capital Improvement Budget, General Government, Elections, Administration, City Hall, Police Budget, Fire Budget, Planning & Zoning, Streets & Roads, Public Works, Parks & Recreation, Wildlife Management

Monday, July 1 - Budget Review & Revisions

Monday, August 19 - Budget Review & Revisions

Tuesday, September 10 - Final Budget Review, Adopt Preliminary Tax Levy

Monday, October 21 - Park Improvement Fund, Marina Fund, Recycling Fund

Monday, November 18 - Water Fund, Sewer Fund, Storm Water Fund

Monday, December 2 - Truth in Taxation Hearing, Adopt Final 2020 Tax Levy, Adopt 2020 Budget

The Council approved the proposed 2020 Budget Schedule.

D. Other

There was no other Unfinished Business this evening.

8. DEPARTMENT REPORTS

A. Police Department

Police Chief Johnson provided an update on the May Incident Report.

B. Excelsior Fire District

EFD Liaison Erickson provided the following update on the May 29, 2019 EFD Board meeting:

- The EFD Board reviewed the 2020 Budget in anticipation of the City Budget Review meeting on June 26th.
- The EFD Board hired Curtis Mackey as the new Fire Chief.

Councilmember Jewett thanked Councilmember Erickson for helping to provide Ladder Truck 11 for the demonstration at Deephaven Elementary School.

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:

- Population & Household Estimates
- 2020 City Budget
- July Newsletter
- 2020 Woodland Contract Negotiations
- City Cleanup Day Update
- 2019 Street Improvement Project Update
- Emerald Ash Borer Update

9. ADJOURNMENT

Motion to adjourn by Councilmember Erickson, seconded by Councilmember McNeill. Motion carried 4-0. The meeting adjourned at 8:24 p.m.

Respectfully submitted,
Dana Young
City Administrator