

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, MARCH 16, 2020
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 Steve Erickson, Kent Carlson, Melissa McNeill, and Tony Jewett

STAFF: 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. March 5, 2020 City Council Minutes
- B. Approve Request for July 4th Contribution (\$2,000.00)
- C. Approve Wendy Duren & Scott Hemink as 2020 Park Committee Chair & Vice-Chair
- D. Approve January 2020 Treasurer's Report

Seconded by Councilmember McNeill. Motion carried 5-0.

4. **MATTERS FROM THE FLOOR**

There were no Matters from the Floor this evening.

5. **UNFINISHED BUSINESS**

A. **Review Audit of 2019 Financial Statements**

The Council postponed the review of the audit of the 2019 Financial Statements until April 6th.

B. **Discuss Proposed Sale of Park Property**

Mayor Skrede stated that the Council needs to be good stewards of public property when a number of people may have an interest in purchasing the park property. He stated that he is interested in restrictions to put on or take off the property, such as setbacks or off-street parking requirements.

Councilmember Jewett noted that Pump Park provides access from Minnetonka Blvd to Montgerie Avenue. He noted that the property owned by Grace Lutheran is plowed and wondered if this area was plowed by the City.

Councilmember Erickson stated that he has only been to Pump Park once and assumed that this was just an assumed pathway and not an actual easement.

Mayor Skrede noted that Kemmetmuller once wanted to use a portion of Pump Park as an outdoor studio.

Councilmember McNeill stated that she had heard that Grace Lutheran plows this pathway.

Councilmember Jewett stated that if there is a backlash on the potential sale of Pump Park, perhaps we need to continue to provide access through the park. He stated that he is not sure what happens when people get to the church property.

Councilmember McNeill stated that assuming there is no easement, which is likely the case; there is still some division on which park to sell. She stated that people are more likely to get behind the sale if the proceeds are used for the Deephaven Beach Restroom Project. She stated that she doesn't know if access across Pump Park would make or break the sale.

Mayor Skrede stated that he would not want access as part of the deal. He stated that he didn't know if you could sell a property if you required access.

David Steingas, 21500 Fairview Street, stated that people cut through Pump Park to access Thorpe Park. He stated that one option would be to give one-half of Pump Park to Kemmetmueller and the other half to him and keep the trail access.

Mayor Skrede asked if the Council is interested in selling one or both of the park properties for the Deephaven Beach project, unless the properties do not generate much in terms of sale price.

Councilmember Carlson suggested getting an appraisal on the properties and stated that he would support the sale if we use the proceeds for another park use. He wondered what type of variances would we have to give on these undersized properties or what other things would we have to give up. He stated that we need to get a fair price for the land.

Councilmember Erickson stated that we can pretty well guess what's going on with these properties. He stated that the properties can only support a certain size building. He stated that he doesn't see underground parking on either of these properties. He stated that if the sale doesn't fund another park project, why sell it?

Mayor Skrede stated that while we certainly want the input of the Park Committee, the final decision on whether to sell these properties is solely the decision of the City Council.

Councilmember McNeill stated that we do have a subcommittee of the Park Committee that has been formed to review the Deephaven Beach Restroom Project.

Mayor Skrede stated that we should move forward with the public hearing to discuss the potential sale of one or both parks.

It was the unanimous consent of the City Council to move forward with a public hearing on the potential sale of Pump Park and/or Hill Park.

Tom Erdmann stated that he has a few questions for the City Council and would like to voice his objections to the sale of these properties.

Mayor Skrede stated that he would like to hear from all residents on this matter and have all opinions voiced at one time at the public hearing. He added that it is difficult to set a date for the public hearing at this time due to the COVID-19 pandemic and would like to postpone a decision on when to hold the public hearing until a later date.

Councilmember Erickson stated that as we move towards the public hearing, we would want to get an appraisal on the property.

Mayor Skrede stated that he will talk to City Assessor Dan Distel on an appraisal.

Kyle Hunt, 18324 Minnetonka Blvd, stated that he has two comments. First, he suggested that the Council could get some idea on the market value of the park properties due to the recent sale of Denali, which is a 50' lot. And second, he stated that when he presented this to the City Council back in October, it was his understanding that he would have the first opportunity to purchase the property.

Mayor Skrede stated that he would watch the tape of the meeting.

C. Adopt Resolution No. 12-19, Committing General Fund Balance

Administrator Young stated that the Fund Balance Policy adopted in 2011 requires the City Council to formalize the commitment of the General Fund balance following the annual audit in order to fund:

- (1) Outstanding compensated absences of city employees (accrued sick leave & vacation), and
- (2) Other Postemployment Benefits (OPEB) to city employees.

He stated that this is done annually after the city audit to determine the audited amount of these committed funds. As of December 31, 2019, the audit report established compensated absences of employees at \$116,013 and OPEB Liability at \$160,209. For Fiscal Year 2020, compensated absences of employees have been estimated at \$120,000 and the OPEB Liability at \$165,000.

Motion by Councilmember Carlson to adopt Resolution No. 12-20, a Resolution Committing General Fund Balances for Specific Purposes. Seconded by Councilmember Erickson. Motion carried 5-0.

D. Discuss Cost Estimate on Connect Website Program

Administrator Young stated that the City entered into a Service & License Agreement with GovOffice in February 2019 to provide for an upgrade and redesign of the City webpage. The cost for the three-year service is as follows:

2019	-	\$4,450.00
2020	-	\$2,225.00
2021	-	\$2,225.00

The agreement can be renewed for an additional three-year period at an annual rate of \$3,800.00.

He stated that Councilmember Erickson obtained some additional pricing from GovOffice in the amount of \$1,800.00 per year for a variety of added services, the most significant being the ability to distribute bulk emails.

Mayor Skrede stated that he likes how the webpage looks and we now have a quote to decide whether we want to purchase this additional service.

Councilmember Erickson stated that this service would provide list management, email blast, phone messaging and noted that emails would be free if connected to the existing website. He stated that residents would be able to subscribe or unsubscribe to any list. Internally, there are templates that can be sent out by staff. He stated that the product is bigger than we need right now but we can grow into it.

Mayor Skrede noted that the cost would be \$1,800.00 for this service.

Councilmember Erickson agreed that this would be the annual fee.

Further discussion was held on getting this service up and running on the City website as soon as possible.

Motion by Councilmember McNeill to accept the Connect Website proposal and purchase additional services in the amount of \$1,800.00 per year. Seconded by Councilmember Carlson. Motion carried 5-0.

E. Other

There was no other Unfinished Business this evening.

6. NEW BUSINESS

A. Review Street Vacation Petition / Adopt Resolution No. 13-20, Calling for Hearing

Administrator Young stated that Andrew & Barbara Mahoney are requesting permission to vacate the western portion of Dale Avenue in order to reconfigure 19390 Walden Trail and 19270 Dale Avenue. Both of these lots are owned by Andrew & Barbara Mahoney. The reconfiguration of these lots would include vacating the existing sanitary sewer easement in favor of establishing a new sanitary sewer easement. In addition, the existing 10' pedestrian easement would also be proposed to be eliminated through the establishment of the new plat.

He stated that the City Engineer reviewed the request to relocate the sanitary sewer easements and didn't see a problem with the proposed force main relocation. They did, however, recommend that the new easement should be equal to the building setback line to make sure there is adequate room if the pipe ever needs to be dug up.

The first step in the vacation process is to review the petition and decide whether to proceed with calling for a public hearing to take official action on the vacation request.

David Steingas stated that there is currently a 60' non-compliant lot that they want to subdivide into a 100' compliant lot. He stated that they hope to create balanced and equal lots by bundling lots into one acre, 40,000 s.f. lot.

Mayor Skrede noted that one lot is proposed to remain as is and the other two lots will become more compliant.

Discussion was held regarding the pedestrian easement and on new easements for the relocated sewer lines. Councilmember Carlson suggested designing a 10' easement across each property line for the new utility easement.

David Steingas stated that he will find out more information on the pedestrian easement.

Councilmember Carlson stated that he likes the plan.

Mayor Skrede agreed that it would provide compliant lots.

Motion by Councilmember Carlson to adopt Resolution No. 13-20, Calling for a Public Hearing to be held on April 20, 2020 to review the street vacation request. Seconded by Councilmember Erickson. Motion carried 5-0.

B. Other

Discussion was held regarding preparations for dealing with Covid-19. Mayor Skrede stated that Emergency Management Director Cory Johnson is recommending the following course of action:

- All non-essential government related meetings will be cancelled through the end of April
- City Hall will be closed to all pedestrian traffic until April 1st. All business will be conducted by phone or email. The date of April 1st will be reevaluated as we get closer to the date.
- The Deephaven Police Department will not be the first responders to calls from residents with flu-like symptoms. The Deephaven Police Department will defer to either the ambulance service or to the Excelsior Fire Department, since both agencies have personal protective equipment.
- The Deephaven Police Department will not respond to any calls from Deephaven Woods or the Lake Minnetonka Care Center except to respond to life threatening calls.

7. REPORTS FROM STANDING COMMITTEES

A. Park Committee

Administrator Young presented a review of the Park Committee meeting held on March 10, 2020 on the following items:

- Recommended approval of an Eagle Scout Project proposing dugout fencing at the Thorpe Park ball field
- Recommended the appointment of Wendy Duren as 2020 Park Committee Chair and Scott Hemink as 2020 Park Committee Vice-Chair
- Reviewed the Bikeway Survey results

- Discussed obtaining direction from the City Council on Park Committee 2020 goals and direction on the Deephaven Beach Restroom Project

Councilmember McNeill stated that the Park Committee is asking for direction from the City Council on what the Council would like the Park Committee to do.

Mayor Skrede stated that the Capital Improvement Plan lays out funding for park projects for the next ten years. He stated that the Park Improvement Fund is not guaranteed funding as it is only funded through park dedications. He stated that the Park Committee could certainly provide input on the Capital Improvement Fund process.

Councilmember McNeill stated that the Committee would also appreciate guidelines on top goals, or even loose parameters on over-arching goals.

Mayor Skrede stated that the Bathrooms by the Beach project is certainly a priority for the Park Committee. He stated that the location of the restrooms have been decided, but the Park Committee could certainly make recommendations on whether to install sand volleyball courts in the Parkway, improve the overall electrical system at the beach, or move garage and recycling containers to the new restrooms.

Councilmember McNeill stated that it would be helpful to give them focus every couple of months. She stated that subcommittee wants to know how they can be involved. She stated that she is assuming the design will be similar to the Thorpe Park Warming House.

Mayor Skrede stated that he and Councilmember Jewett will be touring restroom facilities at Shady Oak Beach and Eden Prairie to get a better idea of the internal design to make sure we have enough space. He stated that he is also hoping to have the restrooms open the entire year.

8. ADJOURNMENT

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

Respectfully submitted,

Dana H. Young
City Administrator