

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, MARCH 19, 2018
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, Darel Gustafson, and Tony Jewett

STAFF: City Administrator Dana Young

2. PLEDGE OF ALLEGIANCE

The Council recited the Pledge of Allegiance.

3. APPROVE CONSENT AGENDA

Mayor Skrede requested that Item 3C Approving the Request from Excelsior-Lake Minnetonka Chamber of Commerce for July 4th Contribution in the amount of \$2,000.00 be removed from the Consent Agenda and addressed later in the meeting.

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

- A. March 5, 2018 City Council Minutes
- B. Approve February 2018 Treasurer's Report
- C. Reappoint Lindsey Carr to Park Committee
- D. Reappoint Scott Ferguson & Patrick Regan to Park Committee
- E. Approve 2018 Park Committee Chair & Vice-Chair
- F. Authorize Plans & Specs for 2018 Street Improvement Project

Seconded by Councilmember Jewett. Motion carried 4-0.

4. MATTERS FROM THE FLOOR

Commissioner Jan Callison was present to discuss recent Hennepin County Board activities. She stated that one of the County's top 2018 legislative priorities is the construction of a new medical examiner facility. She stated that there is more and more demand for medical examiner services and they need a larger facility. She stated that Hennepin County is requesting \$26 million from the state for this new facility with another \$26 million to be matched by the County.

Commissioner Callison stated that the County is making opioid prevention a top priority by taking a public health approach to the problem by focusing on prevention, treatment and response.

Commissioner Callison stated that the County is requiring every city resident to have the opportunity to recycle organics by 2022. She stated that the County will be reviewing potential ordinances over the next few months and is looking for city input on the process.

Commissioner Callison concluded by noting that construction on the Ridgeview Library will be completed shortly, the Mayor's Forum will be held on April 7th, and that she will present the State of the County on April 10th.

Councilmember Erickson thanked Commissioner Callison for her time and the update.

Mayor Skrede provided Commissioner Callison with an update on two projects supported by Hennepin County grant funds, including a Bikeway Feasibility Grant on Minnetonka Blvd and the upcoming construction of a new warming house at Thorpe Park.

Further discussion was held on several of the challenges with organics recycling including increased wear and tear on city streets and finding adequate disposal sites for organics.

5. UNFINISHED BUSINESS

A. Review Audit of 2017 Financial Statements

Jackie Knowles, representing BerganKDV, was present to provide an overview of the audit of the 2017 Financial Statements for Council review.

Councilmember Gustafson enters at 7:37 p.m.

Motion by Councilmember Erickson to accept the Audit of the 2017 Financial Statements as presented. Seconded by Councilmember Jewett. Motion carried 5-0.

B. Adopt Resolution No. 09-18, 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. At December 31, 2017, the audit report established compensated absences of employees at \$101,062 and the OPEB Liability at \$114,515. For Fiscal Year 2018, compensated absences of employees have been estimated at \$120,000 and the OPEB Liability at \$115,000.

Motion by Councilmember Carlson to adopt Resolution No. 09-18, a Resolution Committing General Fund Balances for Specific Purposes. Seconded by Councilmember Erickson. Motion carried 5-0.

C. Adopt Resolution No. 10-18, Approving Bikeway Study Grant Agreement

Administrator Young stated that the City was notified that the Bikeway Feasibility Study through Hennepin County has been approved. He stated that in order to qualify for the grant, the City must adopt a resolution approving a Cooperative Agreement with Hennepin County and authorizing the Mayor and Administrator to execute the agreement.

He stated that the more pertinent sections of the Agreement include:

1. The County reserves the right to review and comment on the plans, designs or reports of the City or its agents in regards to the Minnetonka Blvd/Vine Hill Road Bikeway Study.
2. The Bikeway Study shall be completed within three years from the date of the agreement execution.
3. Upon completion of the Bikeway Study, the City shall furnish the County with three (3) copies of the completed study.
4. The County's cost participation shall be a lump sum amount of \$20,000.00.
5. Upon completion of the study, the City shall notify of the County and submit an invoice for 100% of the County's share of the costs. Upon review and approval of the invoice, the County shall reimburse the City within 45 days of receiving the invoice.

Councilmember Carlson stated that Hennepin County staff, in their letter informing the City of the grant approval, encouraged the City to look at alternate routes to Minnetonka Blvd.

Mayor Skrede stated that we need an agreement to access property if the Heathcote route is chosen. He stated that we may have to do the same thing in Chimo or Walden.

Councilmember Gustafson stated that the Park Committee reference three trail segments, although there are really only two. He stated that very few people think that Minnetonka Blvd is a viable route for a bikeway. He questioned why we are spending money on something we know is not feasible.

Mayor Skrede stated that the reference to the Minnetonka Blvd/Vine Hill Road bikeway in the Cooperative Agreement may be misleading. He stated that he is more interested in checking the viability of some neighborhood areas for a bikeway.

Councilmember Gustafson stated that the agreement specifically references the Minnetonka Blvd/Vine Hill Road study.

Councilmember Carlson stated that Hennepin County staff have strongly encouraged studying other potential bike routes. The reference to the Minnetonka Blvd/Vine Hill Road study is due to the fact that this was the name on the grant application.

Councilmember Gustafson stated that he is opposed to throwing money away on this study.

Councilmember Carlson stated that Minnetonka Blvd may not be the best option and there may be multiple routes considered. He stated that the grant is there to study a number of routes. He noted that the Council had previously discussed an initial phase to study potential routes with no design options provided as the design phase would come later.

Mayor Skrede stated that the grant funds would also be used to explore the Chowen's Corner to Hwy 101 route. He noted that everyone seems happy with the added width on Vine Hill Road.

Councilmember Gustafson stated that the City has to pay fifty cents of every dollar. He added that we already know you can't safety bike on certain areas of Minnetonka Blvd.

Councilmember Jewett noted the ambiguity of the language in Section V of the agreement pertaining to a lump sum payment of \$20,000 by the County towards the study. Administrator Young agreed that the language was somewhat confusing and noted that he had a discussion with Hennepin County staff to clarify that the \$20,000 grant was a matching grant similar to the Hennepin County Sports Grant.

Mayor Skrede stated that he does have a problem with spending \$40,000 just to get back \$20,000.

Councilmember Gustafson stated that he felt the feasibility study could include Chowen's Corner to Hwy 101 and a bike route from Thorpe Park to other locations.

Councilmember Carlson stated that we need to review all the grant documents and talk with County staff on what the grant can be used for.

Mayor Skrede agreed and referred the matter back to staff to provide more of the grant documents.

D. Approve Request for July 4th Contribution (\$2,000)

Mayor Skrede stated that, in addition to the July 4th fireworks display, the Excelsior-Lake Minnetonka Chamber of Commerce also sponsors the Firecracker Run on July 4th. He stated that the Firecracker Run is starting a half hour later than usual this year and the delay may result in the City having to spend more money on our police officers monitoring the race. He recommended reducing the proposed \$2,000 contribution to the Excelsior-Lake Minnetonka Chamber of Commerce for July 4th fireworks in the event that the City has to spend additional funds on police overtime costs for the Firecracker Run.

Motion by Councilmember Jewett to approve a donation in the amount of \$1,500.00 to the Excelsior-Lake Minnetonka Chamber of Commerce for the July 4th fireworks display. Seconded by Councilmember Gustafson. Motion carried 5-0.

E. Other

There was no other Unfinished Business this evening.

6. NEW BUSINESS

A. Other

Administrator Young asked if the Council wanted to televise the April 16th Board of Appeals & Equalization meeting. He stated that City Assessor Dan Distel noted that other cities are deciding not to televise the Board of Appeals to enable residents to speak more freely at the meeting.

It was the consensus of the Council to continue to televise the Board of Appeal & Equalization meeting as has been the past practice.

Administrator Young stated that he had been contacted by LMCD Representative Jake Walesch that the LMCD Board is considering reducing or eliminating AIS inspections at Carson's Bay ramp and at other ramps throughout the lake.

It was the general consensus of the Council that the LMCD should support finding funding to continue lake wide AIS inspections.

7. REPORTS FROM STANDING COMMITTEES

A. Park Committee

Administrator Young presented a review of the Park Committee meeting held on March 6, 2018 on the following items:

- Appointment of the 2018 Chair & Vice-Chair
- Recommended the reappointment of Patrick Regan, Scott Ferguson, and Lindsey Carr
- Finalized discussions on the Bikeway Feasibility Study
- Reviewed the Playground Equipment Request for Proposals
- Discussed a request to install paddleboard structures at various Deephaven beaches
- Reviewed candidates for Park Committee membership
- Discussed proposed Thorpe Park hockey rink improvements
- Discussed the potential donation of property to the City
- Discussed proposed improvement offered at the ball fields by the Minnetonka Baseball Association

Discussion was held on the reappointment of Committee members whose terms have already expired instead of appointing residents who have submitted an application to serve on the committee.

B. Public Works Committee

Administrator Young presented a review of the Public Works Committee meeting held on March 13, 2018 on the following items:

- Discussed the Thorpe Park Project
- Discussed the 2018 Street Improvement Project
- Discussed the winter clearing of sidewalks
- Discussed potential Eagle Scout projects

8. ADJOURNMENT

Motion to adjourn by Councilmember Jewett, seconded by Councilmember Carlson. Motion carried 5-0. The meeting adjourned at 8:49 p.m.

Respectfully submitted,

Dana H. Young
City Administrator