

**DEEPHAVEN CITY COUNCIL MEETING
MONDAY, MAY 18, 2020
MINUTES
VIA ZOOM VIDEO CONFERENCING TECHNOLOGY**

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, Steve Erickson, and Kent Carlson

STAFF: City Administrator Dana Young

2. **APPROVE MAY 4, 2018 COUNCIL MINUTES**

Motion by Councilmember Erickson to approve the May 4, 2020 City Council minutes. Seconded by Councilmember McNeill. Motion carried 5-0.

3. **MATTERS FROM THE FLOOR**

There were no Matters from the Floor this evening.

4. **UNFINISHED BUSINESS**

- A. **Adopt Ordinance No. 08-08, Establishing Uniform Park & Ice Rink Hours**

Administrator Young stated that Ordinance No. 08-08 was first reviewed by the City Council on May 4, 2020. He stated that the ordinance proposes to establish uniform hours for parks, beaches and ice rinks requiring them to be closed to the public from 10:00 p.m. to 6:00 a.m. The ordinance would also delete the sentence that reads "*except those who, without delay, are traveling on the established walks, paths and streets*" under Park Hours.

He stated that a copy of the proposed ordinance was posted for 10 days as required by law.

Administrator Young stated that Police Chief Johnson asked whether this ordinance would impact the use of the platform courts at Haralson Park, which are often in use beyond 10:00 p.m.

Mayor Skrede asked if the Council would like to make an exception for the use of the platform courts or revisit the issue later if complaints are received.

It was the consensus of the Council to adopt the ordinance now and deal with any issues at a later date.

Motion by Councilmember McNeill to adopt Ordinance No. 08-08, an Ordinance Establishing Uniform Park & Ice Rink Hours. Seconded by Councilmember Carlson. Motion carried 5-0.

B. Discuss the Issuance of Non-Resident Beach Permits

Mayor Skrede stated that we had a lengthy discussion on this issue at the last Council meeting with the decision to wait for further direction from the Governor regarding outdoor gatherings. He noted that we are still in the same situation now until the Governor gives the all clear on outdoor recreation.

It was the general consensus of the Council to not issue non-resident beach permits until the Governor gives the all clear.

C. Other

Mayor Skrede stated that he has two construction-related issues to discuss. He stated that first is a bid from Schneider Excavating to replace a failing storm water structure on Northome Blvd that needs to be replaced prior to the time that street resurfacing begins on Northome Blvd. He stated that Schneider provided a bid in the amount of \$32,112.00 to install a new catch basin, manhole and concrete pipe.

Councilmember Carlson asked if this price included restoration.

Mayor Skrede stated that the property owner would have their own lawn service install sod over the damaged area and send us the bill.

Motion by Councilmember Carlson to approve the bid submitted by Schneider Excavating in the amount of \$32,112.00 to do the necessary storm water repairs on Northome Blvd. Seconded by Councilmember Jewett. Motion carried 5-0.

Mayor Skrede stated that the 2020 Street Improvement Project was budgeted at \$509,000 and the actual bid for the work came in at \$351,781. He stated that due to this surplus, he asked the contractors for a bid on resurfacing the Chowen's Corner parking lot. He stated that the bid is for reclamation due to the poor condition of the surface and the need for concrete work on the sidewalk bordering Minnetonka Blvd. He stated that the bid was for \$75,857 but expects it to come in a little higher due to the concrete work that is needed.

Councilmember Carlson stated that it would make sense to have the contractor do the work since they are already doing work on Northome Blvd.

Mayor Skrede stated that he would like Council authorization to accept the bid not to exceed \$80,000 for the resurfacing of the Chowen's Corner parking lot.

Councilmember Carlson asked if 1.5 inches of base and wear course was enough for the parking lot. He stated that this may not be enough if a lot of heavy trucks use the lot. He recommended discussing this with the contractor.

Motion by Councilmember Erickson to spend up to \$80,000 to authorize Northwest Asphalt to resurfacing the Chowen's Corner parking lot. Seconded by Councilmember Carlson. Motion carried 5-0.

Motion by Councilmember Erickson to authorize Mayor Skrede to spend up to \$25,000 towards any other additional street reconstruction costs that may need to be incurred during the street improvement projects. Seconded by Councilmember Carlson. Motion carried 5-0.

5. NEW BUSINESS

A. Present Ordinance No. 09-28, Deleting the June 1st Deadline & 90-Day Rule

Administrator Young stated that the original regulations establishing dock usage were adopted on November 20, 1989. These regulations established what is now known as the June 1 Deadline requirement (originally June 15th) and the 90-Day Rule (originally 60-days). He stated that the June 1 Deadline requires permit holders to be at their assigned space by May 31st and the 90-Day Rule requires permit holders to use their assigned space for a minimum of 90 days. Both of these provisions are enforced by twice daily inspections by the Deephaven Police Department.

He stated that a recent meeting with Mayor Skrede, Chief Johnson & Lieutenant Whiteside, and staff led to a discussion as to whether the City of Deephaven should eliminate the June 1 Deadline requirement and the 90-Day Rule. The reasoning behind this proposal is as follows:

1. Both of these requirements are trying to get at the issue of boat usage. In reality, it really doesn't do a very good job of determining how often a permit holder uses his or her watercraft; it just establishes requirements on how often the watercraft spaces are used.
2. The Boating Season extends from April 1 to November 1. Twice each day the Deephaven Police send one of their officers to St. Louis Bay, Carson's Bay and all of the Street Ends to record that a registered boat is in their assigned space. It is this daily log that is used to enforce the June 1 Deadline and the 90-Day Rule. Over the past several years, as our Marina Clerk continues to reassign permit holders from one space to another preferred space, the task of keeping the daily log straight is taking up more and more police staffing time.
3. With the advent of the 10-year limit on boat docks, it can be argued that usage requirements no longer matter.
4. The number of permit holders in violation of the June 1 Deadline requirements have averaged only 3 residents per year the past five years and the number in violation of the 90-Day Rule have averaged only 1 resident per year the past five years. An argument can be made that a significant amount of police staff time has been devoted to monitoring boats at their assigned spaces with very little benefit.

5. And finally, as long as the City receives its annual rental fee, does it really matter how the space is occupied?

Mayor Skrede stated that it has become increasingly convoluted as to what dock and slide spaces are open and which ones are not. He stated that he expects a lot of residents to miss the June 1st deadline this year. He stated that during this discussion, Administrator Young asked to look at the bigger picture of whether inspections are even necessary. He stated that we would get better policing if the Police weren't so heavily involved in the inspection process.

Councilmember Carlson stated that he thought that this was a good move and eliminating the inspections would be a more valuable use of police time.

Councilmember Erickson noted that these usage rules have changed with the establishment of the 10-year rule.

Mayor Skrede stated that does the City really care how the space is used as long as we receive the rental fee.

Councilmember Jewett asked whether there are still some grandfathered boats, as people still pay attention to these. He stated that keeping the June 1st Deadline would add some teeth to our regulations.

Councilmember Carlson stated that the other alternative is through pricing. He noted that the City of Minnetonka charges \$3,900 for their slips.

Mayor Skrede stated that he is mindful that the majority of people who don't comply with the June 1st Deadline are new residents.

Councilmember Jewett stated that once the payment is received, there would be nothing left to do under this ordinance change.

Councilmember Erickson reminded everyone that payments for boat spaces are made in November of the previous year.

Mayor Skrede stated that the intent of the grandfathered provision in the ten-year rule was to get the ten-year rule passed.

Councilmember Jewett asked if we are just collecting boat fees, would there be some interest in creating new rules.

Further discussion was held on current boat fees.

Councilmember McNeill stated that it is not worth it if the enforcement of these two rules is taking up too much of the Police's time.

Mayor Skrede agreed that it is a lot of paperwork for very little purpose. He noted that staff will still keep a log on who is in what space and we still have controls through the lease, insurance documents and title information.

Administrator Young stated that he will post the ordinance tomorrow for Council action on June 1st.

B. Discuss the Deephaven Beach Restroom Facility

Administrator Young stated that at their May 5th meeting, the Deephaven Park Committee had an extensive discussion regarding the Deephaven Beach Restroom Facility, much of the discussion evolved from the Committee's analysis of the attached General Plan and Program – Deephaven Beach Project, which had been developed by a Park Subcommittee. At the conclusion of their discussion, the Park Committee made the following motion for Council consideration:

Motion for the City Council to discuss 1) a potential structure that would include restrooms, including diaper changing stations and changing areas, outdoor showers, with the structure to include security provisions; 2) funding to allow for the necessary design of the structure; and 3) determining potential locations for the structure.

He stated that the recommendation was based on the Park Committee's prioritization of the restroom facility, their perception of the need for funding to design the proposed facility, and their continuing efforts to find the optimal location for the facility.

Councilmember McNeill stated that the Park Committee didn't want to include everything into the structure but wanted to keep it basic and add on to it later. She stated that the only hiccup was where the building should be located. She noted that it why the Council received a site map showing three different locations.

Mayor Skrede stated that he doesn't object to a phased-in approach. He noted that depending on what amenities you add, it may impact the size of the building.

Councilmember Carlson stated that we could add a concession area, rent paddleboards, a first aid station, restrooms and changing rooms. He stated that we could create a picnic area and a sand volleyball area by taking out some of the parking lot and creating green space. He recommended looking at other facilities in Minnetonka and Eden Prairie.

Mayor Skrede noted that it is hard to get into these facilities right now. He stated that we may need to contact the City of Minnetonka to see if we could get some design plans on their restroom facilities.

Councilmember McNeill stated that her first concern is taking out the sports court.

Mayor Skrede asked how many of the Park Committee members supported keeping the sports court.

Councilmember McNeill stated about half.

Councilmember Jewett noted that we could have tennis courts anywhere.

Councilmember McNeill stated that the restroom facility is a nice addition to the City and we could find room for another court elsewhere. She asked what the Council would like to take back to the Park Committee.

Mayor Skrede stated that the Council is in agreement that the sports court would be the location for the restroom facility and he would like a discussion on adding more amenities.

Councilmember McNeill stated that the second concern is with parking. She stated that losing parking is not ideal.

Mayor Skrede agreed that we wouldn't want to decrease parking. He stated that he would like to take back to the Park Committee that we appreciate their concerns but the consensus of the Council is to remove the sports court. He stated that he would also like to see it bigger than just two bathrooms at the end.

Councilmember Erickson noted that it is a good list of amenities that the Park Committee developed. He stated that his top three are restrooms, changing rooms and showers. The picnic areas and concessions would be outside of the structure. He stated that the focus should be on these top three items and focus on how the structure should be aligned.

Councilmember Jewett stated that a concession area is not worth the return. He stated that we would be better served with a food truck than with us providing concessions.

Councilmember Erickson stated that he agreed with Councilmember Jewett. He stated that we need to get the architectural team in and have the Park Committee focus on the building and not the accessory items.

C. Discuss 2021 Boat Fees / Park Dedicated Revenue Source Funding

Administrator Young stated that discussion was held at the April 6th Special Council Work Session about the possibility of supporting the ever-increasing costs of upgrading City parks & beaches by increasing boat rental fees and using these proceeds towards annual park & beach improvement projects. The City currently levies \$55,000 per year into the Capital Improvement Fund to support the replacement of existing facilities and equipment for all of the City parks and beaches. A relatively minor initial increase in boat fees could generate approximately \$16,000 per year in new revenues for park & beach projects as shown below.

He stated that implementing these rate changes for 2021 would require amending Chapter 405 on Watercraft Mooring Fees. However, prior to the ordinance amendment, he recommended that all permit holders be notified of the rate changes, the rationale for the rate changes, and provide them with the opportunity to voice their opinions at a public hearing. He added that the intent of the rate increases he proposed would be a good first step in gradually increasing rates.

Councilmember McNeill stated that our boat fees are well below market value and would love to bring our rates closer to market value. She also noted that some cities charge park dedication fees for new home construction and significant remodeling projects, and these fees could also be used for city purposes.

Mayor Skrede stated that our park dedication fee is charged only when there is a new subdivision. He noted that the City brought in \$90,000 for the park dedication fee charged to Deephaven Woods. He stated that he never thought of charging a park dedication fee on new construction or remodeling.

Councilmember Carlson stated that the park dedication fee would actually be paid by the homeowner and not the builder. He noted that all construction projects have an impact on roads and it is not uncommon for development projects to reimburse the community for damage to roads.

Mayor Skrede stated that he would like funds dedicated to parks, which help alleviate some of the angst from raising boat fees. He stated that he would be interested in establishing escrow accounts for damage to streets. He stated that he would be totally on board with looking at keeping park dedication fees for parks, such as one-half of one percent on the price of a new home.

Councilmember McNeill stated that you could take away park dedicated revenue from the boat fees and just increase boat fees. She stated that maybe this would help with turnover.

Further discussion was held on fees and the appropriate increase in boat fees over the next few years.

D. Approve Contribution to Cottagewood Children's Park Upgrade

Mayor Skrede stated that Stephen Streeter is leading a privately funded effort to upgrade the Cottagewood Children's Park fountain and the area immediately surrounding the fountain. He stated that one of his goals is to raise the brick work surrounding the fountain and Steven has asked the City of Deephaven to contribute to this maintenance effort by contributing from \$2,500-\$5,000. He stated that this amount would save public works from having to continually repair the fountain.

Councilmember McNeill stated that this is a perfect follow-up on why we need to increase park revenue.

Motion by Councilmember Jewett to approve funding in the amount of \$2,500 - \$5,000 from park maintenance funds to repair the brick work around the water fountain at Cottagewood Children's Park. Seconded by Councilmember Carlson. Motion carried 5-0.

E. Other

There was no other New Business this evening.

6. REPORTS FROM STANDING COMMITTEES

A. Park Committee

Administrator Young presented a review of the Park Committee meeting held on May 5, 2020 on the following items:

- Discussion was held on the Deephaven Beach Restroom Project
- Discussed 2020 Park & Beach Assignments
- Reviewed the proposed submittal of the Shuck Park Equipment Grant
- An update from the Bikeway Feasibility subcommittee was presented on their plan to develop a 5-Year Bike Plan.

Discussion was held on the possibility of installing asphalt on the hockey rink at Village Hall. Councilmember Jewett asked if public works prefers an asphalt surface or a nature surface for the hockey rink.

B. Public Works Committee

Administrator Young presented a review of the Public Works Committee meeting held on May 12, 2020 on the following items:

- Discussed was held on the installation of Plexiglas at the City Hall counters for COVID-19 prevention.
- Discussed was held on the process of opening of City Hall to the public
- Issued recommendations on the request for a crosswalk, speed limit reduction on Minnetonka Blvd, and a stop sign request at the Vine Hill & Minnetonka Blvd intersection.
- Issued recommendations on storm water improvement requests at 3520 Montgomerie Avenue.
- Issued recommendations on a request for reimbursement for reported storm water damages at 18725 Minnetonka Blvd owing to the resurfacing of Minnetonka Blvd in 2019.
- Discussed expanding the scope of the 2020 Street Improvement Project

- Recommended approval of funding to repair and maintain the bricks around the fountain at Cottagewood Children's Park.

Further discussion was held on the potential coordination of goose control efforts with the Minnetonka Yacht Club and on the eventual return of Council meetings at City Hall.

7. **ADJOURNMENT**

Motion to adjourn by Councilmember Erickson, seconded by Councilmember Jewett. Motion carried 5-0. The meeting adjourned at 9:40 p.m.

Respectfully submitted,
Dana H. Young
City Administrator