APPROVED

City of Minnetonka Beach
REGULAR CITY COUNCIL MEETING
Monday, July 11, 2011
MINUTES

Roll Call
Mayor Joann Anderson, Council Members: Jill Bartel, Michelle Kroll, Linn Ferguson, and Mike Taylor, and Treasurer Rick Skalla.

City Council Agenda
1. Call to Order
Mayor Joann Anderson called the meeting to order at 7:08 p.m.

2. Approve Agenda
2.1 Council Meeting Action Notes
Mayor Anderson reported the cleanup of the area by Docks 5-7A would not be done by volunteers because of the scope of the cleanup needed. Public Works Director Ben Young, Administrator Susanne Griffin, Dock & Lift owner Tim Latterner will be assessing the site for the cleanup and report back next month.

Mayor Anderson asked if letters had been sent notifying the four property owners of the required new service hook ups with the alternate route on Lafayette Road for the water project. They have been sent.

The agenda was approved as written **(Ferguson motion, Bartel second; all ayes).**

3. Approve Minutes
3.1. Regular Meeting of June 13, 2011
(Ferguson motion, Bartel second to approve the minutes as written; all ayes).
Council discussed sending a pre-emptive letter to the Lake Minnetonka Cable Commission (LMCC) thanking them for speaking at the June meeting, but the city is not interested in having fiber to the home. Another suggestion was to notify our LMCC Rep. Leonard MacKinnon their concerns about the cost. In the end they decided not to send a letter and instead requested that Rep. MacKinnon attend the September Council meeting to give an update regarding the Mediacom contract and fiber to the home.

4. Open Forum
Park Commissioner Amy Johnson updated Council on the Margaret Dahl Library project. Volunteers have cleaned out the library of books (saving some children's and the older, rarer books). They cleaned and painted walls, and plan to also have a history area in the library. There are about 40 older, rarer books and they would like to pursue selling them. Some of these are first edition books. Researching the internet has found estimated values at $15 to $400-$500. She hopes selling the books would help pay for some of the

renovations and to replace the lighting. They are requesting permission from Council to sell the older rarer books. In addition to looking for children's through teenage books donations, they are looking for historical information for the walls and will be reproducing old pictures for the historical section.

Amy Johnson reported the library volunteers plan on holding book drives and are also seeking cash donations. Mayor Anderson said the easiest way to handle cash donations would be through Civic. Administrator Griffin reported if the city were to receive cash donations, every donation would require a resolution. Running donations through the Civic Committee will need to be discussed at the Civic meeting this week. **(Bartel motion, Kroll second to authorize the library volunteers to sell the older, rarer books and to use those funds for the library; all ayes).** Donation checks would go through Civic with a "Library" notation. Residents can be notified in the Beachcomber about the library needs.

For accessibility for library use, Amy said the library might be open a couple days a week and they are also looking at installing a lockbox on the door to hold the building key so people can stop by when it is not staffed with a volunteer.

Council thanked Amy for the work she and the other volunteers have been doing on the library.

5. Police Report

5.1 Police Report – June

Sergeant Tony Wittke reported there were 22 incidents on the report in June, including one theft in the city of a cedar lounge chair. The Orono Police helped with the Dakota Trail enforcement saturation on June 25th. The Orono City Council gave approval to hire two part time police officers, Eric Dyer and Bill Persell, both former employees who had been laid off previously due to budget cuts. The police department needed to hire because they found they didn't have enough police to cover vacations and time off, and the amount of calls are up 8% over last year.

On July 6th police found three juvenile teenage girls had climbed to the highest point of the water tower. The girls' parents were contacted and were released per parent instructions. Ben Young reported the area at the bottom of the ladder is closed off, but they would have climbed on the outside of the caged ladder until they could squeeze inside the caging for the rest of the climb. The police report advised the City to install "No Trespassing" signage and police can then give citations. Council directed Ben Young to post "No Trespassing" signs on the water tower, and installation of the signs will be added to the Council Action Notes.

5.2. Three Rivers Park District Police Report

Three Rivers Park District (TRPD) police officer Josh Faust reported on police calls from June 11th to July 11th. He said three kids were cited last week for jumping off the Arcola Bridge (there is an ordinance against bridge jumping). There were over 80 call contacts on the trail for the reporting period; 60 verbal warnings, 22 written warnings and

2 administrative warnings. He said the police have been pretty active on the trail. The next saturation day will be July 15th from 4 to 8 pm. He noted there is interest from other cities in also keeping the saturation days going. Boe Carlson from TRPD said during the saturations they educate people about stopping for stop signs and give verbal warnings or tickets.

Mayor Anderson said regarding removing the signs at the two driveways on the trail on the west side of the city, one of those residents called to request the signs not be removed for sight line and liability reasons. Those households using those two driveways had been notified via letters the signage was going to be removed. Mayor Anderson said if it was up to her she would leave the signs there so it is uniform within the city. For continuity Council wanted to leave the signage as is. **(Taylor motion, Kroll second to keep the stop signs on the trail at the Kloss and Young/Horoshak driveways on the west end of Northview Rd.; all ayes).**

6. Consent Agenda

6.1. Fire Report – June
6.2. Resolution 2011-30 Support of Hennepin County 9-1-1 Communications Center
6.3. City Assessor Contract Renewal, Rolf Erickson
6.4. LMCD 2012 Budget
6.5. LMCIT Tort Liability Waiver
6.6. Business Associate Agreement (BAA) with Gallagher, Inc. to meet HIPPA requirements
6.7. Deer Population Control Procedures

Regarding the Deer Population Control Procedures, Bartel requested items 6 through 10 be bullet points under item 5 as they are the procedures to use if due to circumstances immediate action is necessary. **(Bartel motion, Kroll second to approve the consent agenda with the changes made to the Deer Population Control Procedures; all ayes).**

7. Treasurer's Report

Treasurer Rick Skalla reported Bonestroo has been paid almost $50,000 this month ($75,780 year-to-date) which can be reimbursed to the General Fund once bonding for the water project takes place. The City received a property tax settlement in the amount of $389,708.42, making the total in the 4M Fund $741,414.57 as of July 5th, including the settlement.

7.1. Approve Checks

Treasurer Skalla asked for approval of the checks for the month. **(Ferguson motion, Taylor second to approve 43 checks, numbers 12866-12908 in the total amount of $109,919.93; all ayes).**

7.2. Year to Date Budget Report

Treasurer Skalla said in the first week of August he will meet with Administrator Griffin to go through the budget line item by line item to have a better feel where the city budget will be up at year end. Mayor Anderson noted there are several things to do before approving the preliminary budget in September; budget line-by-line scrutiny, reviewing

recommended capital improvement items for next year's budget, and looking at the reserves with the recommendation from the Finance Committee regarding replenishing. Treasurer Skalla, Administrator Griffin, Mayor Anderson and Councilor Bartel will meet on July 21st to look at the budget and August 8th at 6:00 p.m. was set for a Council 2012 budget work session before their regularly scheduled meeting that evening.

Ferguson asked if water project expenses from 2010 could be repaid to the General Fund once bonding for the project takes place. Administrator Griffin reported they can.

Treasurer Skalla reported there is a policy resolution regarding reserves for Council's consideration and adoption. He distributed the policy resolution which included outlines of the different types of funds, and a recommendation of holding 65% of the total budget in reserves. It was a sample policy from our auditors and Treasurer Skalla personalized it for the city. Mayor Anderson recommended discussing the resolution during the work session on August 8th, then passing it at the regular meeting later that evening. It will be put on the action notes for the August agenda.

7.3. Quarterly YTD/Previous Year Comparison
No comments were made regarding the comparison.

8. Planning and Zoning

8.1. Public Hearing Continued – Street Vacation – Public Right-of-Way – Lafayette Club
Mayor Anderson directed the public hearing be continued until such time the Lafayette Club provides the City with a final plat. She reported she has signed the agreement with the Club for the easement and the street vacation which Council authorized last month.

8.2. Resolution 2011-29 – Consider Ordinance 76 Amending Side Setbacks and Authorizing Summary Publication of Ordinance 76, 2nd Series – Tabled to a Future Meeting

9. Old Business

9.1. Water System Improvements Update-City Engineer, Darren Amundsen, Bonestroo
Darren Amundsen reported he knows for sure there will be at least two bids coming in tomorrow for the water project, and there could possibly be four or five.

The City won't have the required Minnesota Health Dept. review because of the State shut down, and the water project won't be able to proceed until it is reviewed. On July 7th Mayor Anderson went before Special Master Kathleen Blatz in a hearing to have the court authorize the MN Dept. of Health review of plans and specifications of the project in spite of the shut down. The city was denied at this time on the basis that a few more weeks without doing the project would not cause imminent danger. The City cannot go ahead with the project without facing a heavy fine. Engineer Amundsen estimated after

the shutdown is over there would be a three week turnaround by the Health Dept. before a permit is received.

Mayor Anderson wanted to know how long the bids would be good for and Amundsen reported 60 days or longer if it is in writing. The Mayor also wanted to find out when the city started talking about doing this water project and asked staff to go back through Council minutes starting two years ago. Not knowing how long the state shut down would be, she wanted the information for when she would be going back for another hearing with Special Master Blatz. She asked Administrator Griffin to call and try to set a hearing appointment for August 1st.

Amundsen reported the city has received a construction storm water permit for the water project from the MN Pollution Control Agency which will be transferred over to the contractor once the state gets back to work and the project is awarded. Resident Dennis Klohs asked what happens if the bids are disappointing and Amundsen said Council can turn them down if they are too high and go out for bids again in the winter.

9.2. Public Utilities Billing Policy

Council received a public utilities billing policy prepared by City Clerk Regnier that sets out how, when and why utility billing fees are charged to properties. Council asked for clarification and made changes to the policy in a number of areas. Council pointed out when houses are demolished; the city is still being billed for garbage pickup and recycling from our waste hauler. Council directed that everyone who has a water meter should pay the base water fee, sewer fee, garbage fee, garbage tax, recycling fee, and the charge for leaf pick up regardless if water is shut off to the property. When a property has been demolished and has no water meter on the property, the property would not be charged the water base fee, water usage, or sewer fee, but will still be charged for garbage service, the garbage tax, recycling, leaf pick up, and water test fee because the city still incurs costs for providing these services.

City Clerk Regnier will make the changes Council directed and bring it back to the August 8th Council meeting under the consent agenda.

9.3. Special Events Policy and Procedures Update

Administrator Griffin reported Council had asked the Park Commission to prepare guidelines for use of public property due to requests for use of the parks for events. The Park Commission submitted a permit application for special events using public property at the May 9, 2011 City Council meeting. Some of the information the permit requested included the type of event, the park requested, event details, number of guests, what would be brought on-site for the event, number of vehicles expected, parking, neighbors notification requirement, and a signed waiver requirement. A permit fee of $75.00 for residents and $150.00 for non-residents, along with a $500.00 damage deposit for both residents and non-residents is also part of the permit application process. Council made changes to the policy/procedures permit at their May meeting and asked staff to have the city attorney review it.

Karla Vehrs, City Attorney's office, recommended pulling out some of the ordinance information listed on the permit and provide that information on a separate sheet. She noted there would need to be justification for charging non-residents a higher fee than residents. It was found some of the other cities that have special events permits also have ordinances regarding special events. Attorney Vehrs felt an ordinance supporting the permit application would be important. She stated while the city might not face immediate risk from not having an ordinance in place, it would make the permit process vastly easier to defend and uphold if were ever challenged.

Taylor thought it would be defendable to charge non-residents $250.00 because of what the city pays for keeping the milfoil cleaned out at the swimming beach and based on what residents pay in taxes for upkeep of the parks. Park Commission Chair Patty Rezabek said since residents pay to maintain the parks they may have more commitment to clean up an area than non-residents. Public Works Director Ben Young noted if it is a public park then anyone can use it.

Mayor Anderson had concerns about having residents pay to use their parks. She noted part of the property taxes is for infrastructure and that includes parks. She said she couldn't justify in her mind a resident having to pay $75.00 and then an additional $500 deposit to have a family reunion. Chair Rezabek commented with a deposit given, what would be the criteria for how much they would get back if the city had to clean up or repair something in a park. She said if there were a special event held during rainy weather and damage occurred to the boulevards, fixing the damage could be an expense. She gave the example of that type of damage happening recently during an estate sale. She said estimates to fix the damaged boulevards started at $4,500. The cost for repair will be paid by the estate.

While Council can see charging a fee for use of the ice rink by organized players, some of the Council members were on the fence regarding charging for special events and wanted more time to think about it. They wanted to table it for now, but put the topic on the Council action notes for future agenda items. **(Taylor motion, Bartel second to table to a future meeting Special Event Policy & Procedures for Use of Public Property; all ayes).**

10. New Business

10.1. Park Commission Reports:

10.1.1. Clean Up of Public Land at Docks 5-7A

Ben Young, Administrator Griffin along with Tim Latterner will look at the area and assess what should be done, how it would be done, and the estimated costs. Park Commission Chair Rezabek said the area is covered by brush and trees right now so the area isn't as visible. She noted nowhere else are the parks being used like a dumping area as this area is and she recommended not waiting too long to get to the area cleaned up. There are two sheds in the area thought to be owned and used by two different families. Ferguson commented whoever owns the sheds they should get them out of there. Another suggestion was to find out what is in the sheds, clean them out and put a lock on them. Taylor noted kids are using the area and having bonfires, and his son took a

garbage bag and cleaned out some of the debris. Administrator Griffin will report back next month.

10.1.2. Tobacco-Free Parks Policy
Chair Patty Rezabek reported the Park Commission had a presentation from Orono students, part of a Tobacco-Free Youth organization, on why the city should have tobacco free parks. The organization is a joint project with Hennepin County Public Health and a tobacco free group in Ramsey County which is student led. Chair Rezabek noted there were a lot of cigarette butts at the swimming beach removed during the spring clean up so people are smoking in the park. Having more signage in the city was a concern of the Park Commission so they are recommending posting only one sign at the swimming beach. Location would be on an existing post with a "Parking by Permit Only" sign. Ray Peters Park already is posted for no smoking by the warming house. An educational piece would be prepared for residents about the tobacco-free parks policy. Councilor Bartel and Mayor Anderson both thought there should be a sign posted at Half Moon Park, too. Mayor Anderson directed bringing the policy the Park Commission is recommending to Council next month for consideration for adoption, and to have the Tobacco-Free Youth organization give a five minute presentation during the open forum section on the agenda.

11. Staff Reports

11.1. Director of Public Works Report

11.1.1. Water Pumped vs. Sold Report – 2nd Quarter
The report showed more water being sold than pumped by 26%. It will be researched further. It was noted there is unmetered water at the city hall, the city hall garden irrigation, and the public works building.

The lowest bid of three for repaving Lafayette Ridge Rd. was $19,000. The City is waiting to see where the water project bids come in before going forward with the paving.

11.1.2. Water Main Break
There was a water main break on July 4th at the Schultz residence, 2933 Westwood Rd. The break repair was the city's expense as it was before the resident's service to the house. Ben Young was out of town but was reached by the homeowner, and Ben called Orono because they were on-call for the weekend. Anyone can call police dispatch if Ben can't be reached, and the police would contact the person who is on-call for Orono. The water from the break was starting to go across County Rd. 15, but because there is a catch basin located in that area and Ben estimated there was probably over 1 million gallons of water pumped into the lake. It was the second break on that water main in three years.

There was another service break on the Doyle property, 2554 Arcola Lane on July 8th. The costs of repairing this break were the homeowner's responsibility.

11.2. Clerk's Report

No report given.

11.3. Administrator's Report

City Administrator Susanne Griffin reported:
The Civic Picnic will be on Sunday, July 17th, and the MCWD is bringing educational materials including a miniature put-put golf course to the event. The City has issued a permit to Civic for the event.

12. Council Reports

12.1. Mayor's Report

Mayor Anderson said she wouldn't be able to attend the Civic meeting this month and Councilor Kroll said she will be attending.

12.2. Council Liaison Reports

There will be a Fire Commission meeting on July 20th, 11 - 1 p.m. Councilor Taylor and none of the other Council members will be able to attend. Administrator Griffin will attend the meeting.

Ferguson reported on the June Planning Commission meeting. He said there were updates to some of our ordinances. He noted new rulings from the state regarding lot divisions and setbacks are confusing, are in conflict with what the City has, and needed clarification. While our city's hardcover limit is 30%, the state ruling calls out 25% in specific circumstances. The ordinance changes were tabled until Planning and Zoning Administrator Krier would be in attendance and could get it sorted out for the Planning Commission.

Ferguson also reported he and administrator Griffin have researched employee health insurance for 2012, including checking on costs for small group coverage and leaving the large LOGIS group. He is recommending going with LOGIS again next year because there will be a 17% reduction in premiums with LOGIS switching to Blue Cross Blue Shield. They found going out for small group coverage wouldn't find any better numbers for the same coverage.

13. Adjournment

(Bartel motion, Taylor second to adjourn the meeting 11:02 p.m.; all ayes).

Public Present:
Patty Rezabek, Dennis Klohs, Darren Amundsen, Sgt. Tony Wittke, and TRPD Officer Josh Faust
Note: The above list is not a complete list as not everyone signed in.

Staff Present:
City Administrator Susanne Griffin, City Clerk Marilyn Regnier, and Public Works Director Ben Young. Minutes recorded by City Clerk Regnier.