

**Monday, September 11, 2017 7:00 PM**  
**CITY OF MINNETONKA BEACH**  
**CITY COUNCIL MEETING MINUTES**

**Roll Call:** Mayor Mike Taylor; Council Members: Jill Bartel, Paul Kozloski, and Jaci Lindstrom; Treasurer Steve Howarth. Absent: Council Member Andrew Myers

**Staff Present:** City Administrator Susanne Griffin, City Clerk Heidi Honey, Public Works Superintendent Brian Berent

**Guests:** Police Sargent Chad Stensrud; Three Rivers Parks District Chief Hugo McPhee; Resident Jeff Steinke; Park Commission Vice Chair Patty Rezabek

- 1. Mayor Taylor called the meeting to order at 7:00 p.m.**
- 2. Treasurer Howarth led the Pledge of Allegiance.**
- 3. Approve Agenda for the September 11, 2017 City Council Meeting.**  
Mayor Taylor stated that former Mayor Rick Skalla recently passed away and he asked for a moment of silence to honor Rick and his family. He then read the following statement:

**Perspective**

There have been a lot of tragic events over the past 30 days or so that hit closer to home than most:

- The passing of our former mayor leaving his family and friends without his presence
- The tragic death of a Wayzata police officer leaving a family behind without their loved one
- The struggle several friends are having with health issues as they fight the good fight to get well
- Those with friends and family who have suffered losses at the hands of Mother Nature with the natural disasters Irma and Harvey have wrought in Texas and Florida
- And surprisingly with all the disasters closer to home there was barely airtime for the devastating earthquake in Mexico last week
- And last but not least, today is the anniversary of the 9/11 tragedy

These events have caused me to step back and take stock of my life and the lives of my friends and neighbors here in Minnetonka Beach. We are fortunate to have healthy, happy (mostly), loving families, more in the way of material things than most in the world have or will ever have and are living in one of the best places in the State of MN.

So....why the missive? Because more than ever I have recently seen so much time, energy, money and emotion spent on things that will mean nothing if and when any of the tragedies outlined above was happen to me or one of you. So, going forward, to the best of my ability, and I am not perfect, I plan to spend my energy doing the things most important in my life, loving and spending time with family and friends, helping those who are in need, rekindling friendships lost and making Minnetonka Beach the best it can be as I enter the final third of my life.

I hope you will join me in stepping back and taking stock of your lives. Don't take so seriously things that won't matter and spend the limited amount of time on this earth on the things that really matter to you as a person, friend, father, mother, etc. before the opportunity to do so is lost.

**A motion was made by Council Member Bartel and seconded by Council Member Lindstrom to approve the agenda. With all members voting in favor, the motion carried.**

**4. Approve Minutes –**

4.1. Regular Meeting of August 14, 2017

Council Member Lindstrom noted an incomplete sentence on page 7. Bartel also noted a typo on page 5. Clerk Honey will listen to the audio and make the corrections.

**A motion was made by Council Member Lindstrom and seconded by Council Member Kozloski to approve the August 14, 2017 Regular City Council meeting minutes as amended. With all members voting in favor, the motion carried.**

**5. Police Report**

5.1. **Police Report – August 2017**

Sgt. Stensrud reported on car break-ins at Lafayette Club and property damage on the 7<sup>th</sup> green. He reminded residents to lock home and car doors to prevent opportunistic crimes. Wayzata Police Officer Mathews was killed in the line of duty and the service is at 11 am at Wayzata Free Church on Thursday. There will be some roads shut down and heavy traffic in the area.

5.2. **Three Rivers Park District – Dakota Trail Representative – Chief McPhee**

Chief McPhee reported that there have been 90 contacts and eight saturations on the trail since April 1. People are paying attention to the fact they are ticketing. The ride for James J Hill days on September 10 went smoothly. Howarth mentioned that the Planning Commission is working with Hennepin County on a safe crossing. Griffin added that the Safe Crossing Subcommittee has indicated that they will be reaching out to Boe Carlson of Three Rivers about the crossing.

**6. Recognition of Outgoing Park and Planning Commissioners – Jody Sperduto and Jeff Steinke**  
Mayor Taylor thanked Jeff Steinke for his nine years of service on the Planning Commission. Mr. Steinke thanked the City for the opportunity to serve and he thanked city staff for all the work they do. Jody Sperduto was unable to attend the meeting.

**7. Open Forum –**

Christie Larson, WeCAN – Guest Speaker

Ms. Larson is the Executive Director for WeCAN which provides services for 12 cities including Minnetonka Beach. They serve families that are living 200% at or below poverty guidelines, which would be \$47,000 for a family of four. WeCAN offers emergency services and family programs such as the 225 backpacks they provided for low income children and the upcoming coat donation drive where they hope to collect 1,000 coats/boots. They also offer food programs: Meals on Wheels, Mobile Market Food Shelf and a kids food program to provide food when kids are not in school. Their employment program offers job search, resume and interviewing assistance. WeCAN's annual budget is \$618,000 with most funding coming from private, church, and family foundation donations. Hennepin County provides \$30,000. Their wine tasting fundraiser at Saturday, October 14<sup>th</sup> from 6 pm to 9 pm at Voyageur Camp in Minnestrista.

Resident Nell Mathews, 2643 Arcola Lane

Mathews discussed a request she made for an audit of services provided by Sambatek and the City Attorney because she had some concerns about billing practices. She stated that the process to deal with her concerns was agreed upon at the June Council meeting but it has since changed. Even though legal counsel advised the City to change the process, she thought the discussion should have happened at a public meeting. She is concerned that the Mayor is no longer involved in the process. She wants to know the new process and who is involved in the process.

Mathews went on to express concerns about Sambatek's proposal for updating the Comprehensive Plan because it has been referred to the Planning Commission and she does not believe they understand the concerns she previously raised to Council about the vendor. She requested that the Comp Plan work be put out for bid or not be referred to the Planning Commission without knowledge of her concerns.

She then expressed concerns about a project at 2637 Arcola Lane and claims the Zoning Administrator approved steps to be built which she believes would be over hardcover. She asked Council to address the issue. Griffin stated that the City has not yet received approval from the Zoning Administrator. Taylor said he received an email from Mathews which he did not have time to review yet. He plans to send the email to Sambatek and Justin Templin for comment and response. Taylor wants perspective of the other officials involved. Bartel suggested that the Zoning Administrator should have recused himself from this issue. Howarth suggested a written response from Gozola regarding Mathews allegations so they can understand his position. Kozloski stated they need facts before moving forward.

Resident Joann Anderson, 3150 Northview Road

Anderson expressed how beautiful City Hall looks with the new accessible sidewalk and plantings.

## **8. Treasurer's Report**

### **8.1. Consider Motion to Approve September Checks**

**A motion was made by Council Member Bartel and seconded by Council Member Lindstrom to approve 42 checks numbered 16298 through 16339 in the amount of \$96,703.32 for September 2017 expenses. With all members voting in favor, the motion carried.**

### **8.2. YTD Budget, Previous Year Comparison Reports**

Howarth noted Item # 2060, Legal Fees, are at 154%. Howarth said to project a full year, they need actual expenses through September. He will work with Griffin and the Finance Committee to review the 2017 projected actuals for 2018 budget discussions. He will have more information at the October Council meeting. He also discussed the complexity of working on a cash basis and is looking into the feasibility of switching to an accrual basis. Lindstrom is concerned that the City isn't budgeting enough for repairs.

Resident Mathews thought it may be helpful to break out attorney fees by LMCIT, the prosecutor, and Wally Hilke. She also suggested breaking out the gross and net billing for vendors so residents can more easily find the amount paid to vendors. Howarth stated he could have the Finance Committee review the possibility of adding a line item to capture the gross billing less the portion billed to residents.

### **8.3. Outstanding Accounts Receivable Report**

Council discussed charging interest for unpaid bills. Griffin will ask Attorney Hilke if that is allowed.

## 9. Commission Reports

### 9.1. Planning Commission – Chair not in attendance.

Taylor received a detailed process from the City of Orono for determining if and where speed bumps should be placed when residents request them. Orono Police set up a data collection machine on Lafayette Road which tracks speed and vehicle counts.

Griffin reported on the Safe Crossing Subcommittee meeting on August 24. A Hennepin County representative provided a memo with options and data. They proposed a median island off of CSAH 15 near Arcola Lane. Howarth expressed concern that it could potentially be unsafe for vehicles because it is already a tricky intersection. A median would allow people to cross halfway safely and then cross the other half safely. The City would need to provide a path for pedestrians to get to the crossing area. Taylor directed Griffin to forward the Hennepin County memo, the meeting minutes and photos to Council. Council would like public input before going further. Taylor will talk with Planning Chair Orehek about how to proceed with a public input process.

### 9.2. Park Commission - Vice Chair Patty Rezabek

Rezabek reported that she is working on a formalized three year tree planting and trimming plan. She, arborist Erik Paulsen, and John O'Reilly from Otten Brothers are focusing on specific areas of the City to determine locations and varieties for planting. The map in the packet shows the proposed plantings. If a resident is not interested in having a tree planted on their boulevard, Rezabek keeps track of the suggested locations for future plantings. Views are considered as part of the planting plan. From the list of 12 trees to be planted, one person has a drain issue and three don't want trees planted there. The four trees will be planted at other locations. Lindstrom expressed concern about #4 being impacted by future storm sewer work. Council suggested Parks consult with public works on the tree plan. Lindstrom suggested Parks should also consider adjoining neighbors views. Taylor asked what the City should do if residents don't want trees. Currently the City has many areas that need trees. Pagano said the Comp Plan is a bit contradictory because it encourages tree lined boulevards but also protects views. Rezabek explained that they are focusing on specific areas to plant each year and this year's focus is on Huntington Point. The cost of the planting is \$3,877 which is in their budget. Council was comfortable with the 2017 plan and directed Rezabek to proceed as long as she checks that all ancillary views are protected and that public works is consulted. Council would also like to see the three year plan when Parks has completed it and made a recommendation.

Rezabek also stated that Parks is reviewing the Comp Plan, working on EAB, reviewing the beach cleanup contract, is involved in the safe crossing, and wanting to increase the number of commissioners. The ordinance amendment to increase membership will be at the October meeting.

### 9.3. Civic Committee – Jaci Lindstrom

Lindstrom stated the next meeting is Wednesday, September 13.

### 9.4. Finance Committee – Chair Steve Howarth

Howarth said they reviewed the preliminary budget. They reviewed the fee schedule and recommended that all residents, the Lafayette Club and residents supplied by Orono water pay the same water usage fee. They also discussed allocating more water revenue to cover more debt

service costs. Water rates currently pay 36% of debt service costs and the rest is covered out of general fund taxes. Ehlers said that other cities utility revenues cover more of their utility debt. Howarth explained that at the Finance meeting, the fee schedule was incorrect and showed the Club being charged less than residents so they were trying to equalize the fees. Kozloski suggested that the Club be raised the same percentage as the residents, which is 6.4% and \$3.51 per 1000 gallons.

Howarth went on to describe a conversation he had with Finance Committee member, Erik Bender, where he explained budget surplus and mandated cash reserves. The Finance Committee will continue to review the proposed 2018 budget before the levy is set.

## **10. Consent Agenda**

- 10.1. Fire Report –August
- 10.2. LMCC 2018 Budget
- 10.3. **Resolution 2017 - 38** – Set Truth in Taxation Hearing for December 4, 2017
- 10.4. Drug & Alcohol Policies – DOT and Non-DOT per Personnel Policy

**A motion was made by Council Member Bartel and seconded by Council Member Lindstrom to approve the Consent Agenda items. With all members voting in favor, the motion carried.**

## **11. Old Business**

11.1 **Resolution 2017 – 36** Adopting Ordinance No. 115, 2<sup>nd</sup> Series, 2018 Fee Schedule and Authorizing Summary Publication.

Council discussed the Fee Schedule under the Finance Committee Report. They amended the water use fee for the Lafayette Club to \$3.51 per 1,000 gallons.

**A motion was made by Council Member Kozloski and seconded by Council Member Bartel to approve Resolution 2017-36 Adopting Ordinance No. 115, 2<sup>nd</sup> Series, 2018 Fee Schedule and Authorizing Summary Publication as amended with the Lafayette Club water use fee at \$3.51 per 1,000 gallons. With all members voting in favor, the motion carried.**

## **12. New Business**

12.1. **Resolution 2017 – 39 – 2018 Preliminary Budget and Proposed Tax Levy**

Bartel said that City Staff offered to buy rugs and a vacuum and care for the rugs to save \$1,000. She thinks it is out of line and, in the winter, they will not be able to keep them dry. Lindstrom agreed. Bartel went on to discuss the Post Office and she said parks cost the City \$13,000 per year and she doesn't use the parks. She uses the Post Office and it only costs the City \$5,000 per year. People use the Post Office and it is part of the City's identity. She handed out a comparison of use and costs between City parks and the Post Office. Lindstrom is not in favor of closing the Post Office. Kozloski also does not want it closed and said the City should respect all residents' needs.

Lindstrom is concerned about the fire department increase of 5.3%. Taylor suggested they set a meeting before the end of the year with Mound Fire Chief Pederson. Kozloski suggested an out clause or cancellation clause. The contract follows the same format as the old police contract. Howarth, Myers and Kozloski will meet with Chief Pederson.

Bartel asked if they have enough in the budget for repairs. Kozloski said they need to support the infrastructure. He wants to quantify the impact of an increase in the budget. The impact of a 9% city tax increase on a \$1,000,000 home is approximately \$280. Kozloski suggested adding a cushion in

the budget tonight that they can reduce later. Berent said a forced main break (main that carries from a lift station to the next gravity manhole) on August 9<sup>th</sup> near Lafayette Club cost \$3,400. The lift stations are being repaired over time and are 20-25 years old. He doesn't know the cost to completely rebuild a lift station but he estimated \$35,000-60,000 per station. Most cities pay water upgrades out of the utility fund and bond for this type of work. He went on to say that most cities flush hydrants two times per year but the city flushes every other month in the summer. He suggested some things may need to be updated at the plant. Howarth recommended Bartel meet with Berent and Young to discuss projections and examining potential future maintenance issues. He went on to say you usually don't budget for catastrophic events. Griffin said Young reviewed the preliminary budget and raised the lift station repair from \$5,000 to 7,000 but actual expenses over the last two years have been no more than \$5,000 per year. She also stated the City has insurance for some repairs. She explained that replacing lift stations is a capital expense and the Utilities Commission may want to be involved. After discussion, Council agreed to a \$50,000 increase for Item 2726 Water Repairs, resulting in a 14.3% overall increase. Taylor stated that of all the taxing authorities, including Hennepin County and the school district, the City is the lowest increase tax entity for residents. The 14.3% increase seems large but the actual effect on resident taxes is not a large dollar amount. Finance will update actuals for discussion and recommendation for the final 2018 budget. Kozloski said the residents should be educated and he also suggested they understand what services they are receiving for the amount they pay in taxes.

**A motion was made by Council Member Lindstrom and seconded by Council Member Kozloski to approve Resolution 2017-39 – 2018 Proposed Tax Levy Certification with General funds - \$976,842.72, Bond Levy - \$118,392.75 and a Total Proposed Tax Levy of \$1,095,235.47. With all members voting in favor, the motion carried.**

#### **12.2. Amend Outside Employment Policy – Responding to Fire Calls**

**A motion was made by Council Member Lindstrom and seconded by Council Member Bartel to table amending the Outside Employment Policy- Responding to Fire Calls. With all members voting in favor, the motion carried.**

**A motion was made by Council Member Lindstrom and seconded by Council Member Bartel to amend Lindstrom's motion to table Outside Employment Policy- Responding to Fire Calls to the October Council meeting. With all members voting in favor, the motion carried.**

Griffin stated Berent will not be responding to fire calls during his training period.

### **13. Action Notes and Staff Reports**

#### **13.1. Council Meeting Action Notes**

Taylor reviewed the Action Notes. Item #3 needs the complainant to sign a waiver to allow the city to share the information with Council that Griffin has complied on the complaint. Regarding item #8, Taylor stated that he will provide an update at the next meeting using the proposed tax increase from tonight to determine the tax impact for residents. Council discussed use of the fire lane for launching watercraft at the beach. Griffin reported that the City Attorney stated the City is not required to allow access at the fire lane for emergency vehicles. The ordinance states it can be used by ATVs and snowmobiles to access the frozen lake, it can be used by emergency vehicles (but it is not required), and it can be used for installing docks.

13.2. Director of Public Works Report

Berent reported that residents have big expectations and he is looking forward to taking care of them. He would like to get a trailer for the asphalt roller. Young had intended on replacing it and the cost is approximately \$1,500 to \$2,000. He then discussed an abandoned 6" clay tile line that may have been installed by a resident years ago and it is not a city pipe. There is settling in the road over the pipe so it either needs to be replaced or removed and filled. It is located between 2319 and 2325 Huntington Pt. Rd. West. After the last rain, the area drained fine. The residents at 2323 have concerns about their parking area and retaining wall sinking. Young does not think the retaining wall issue is related to the pipe. There is a catch basin near the fire lane that needs to be replaced also. Young got an estimate of \$5,050 to replace the line from 2319 all the way to the fire lane and includes three catch basins. Council discussed who is responsible to pay for the repair. Taylor asked Griffin to ask the City Attorney who is responsible to pay for the repair.

13.3. Clerk's Report

Honey stated the copier lease is expiring in October and the updated pricing for a new lease and maintenance program would save the City approximately \$67.53 per month based on current usage. Howarth noted earlier that the Finance Committee recommended approving the contract. She requested Council approve the new copier lease. Council was supportive.

13.4. Administrator's Report

Administrator Griffin explained that due to data practices issues, she is unable to disclose the timeline summary she prepared regarding a complaint presented at the August meeting. The complainant needs to sign a waiver to release the information before it can be discussed in a public meeting. She will work with the City Attorney on a written response.

Griffin included estimates for work that was approved as CIP expenses for painting and power washing City Hall, and a required railing for the Post Office entrance.

**13. Council Reports**

**13.1. Mayor's Report**

Taylor said Griffin and Bartel are going to a session on Comprehensive Plan Planning at the LMC. He spoke with several past mayors about forming a committee to help guide the process.

**13.2. Liaison Reports (if necessary): Kozloski – Docks, Bartel – Planning, Lindstrom – Utilities/Civic, Myers – Parks**

Kozloski asked how to deal with a complaint if they can't discuss it. Griffin will send her summary of complaints and action taken to the complainant and see if she is willing to sign a waiver and allow the release of the information to Council. It cannot be part of a public meeting or part of a public packet without her authorization. Taylor assured that her concerns had been addressed along the way.

**A motion was made by Council Member Bartel and seconded by Council Member Kozloski to adjourn the meeting at 10:56 pm. With all members voting in favor, the motion carried.**

**PUBLIC IN ATTENDANCE – Joe Pagano, Sue Kozloski, Christie Larson, Nell Mathews, Patty Rezabek**

**Respectfully submitted,**

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**Heidi Honey, City Clerk**