

Monday, December 15, 2014 7:00 PM
CITY OF MINNETONKA BEACH
CITY COUNCIL MEETING MINUTES

Roll Call: Mayor Joann Anderson, Council Members: Jill Bartel, Jaci Lindstrom, Rick Skalla, Mike Taylor, and Treasurer Randy Gilster

Staff Present: City Administrator Susanne Griffin; City Clerk Heidi Honey; Public Works Director Ben Young; Planning and Zoning Administrator Richard Krier

Guests: Hennepin County Commissioner Jan Callison; Orono Police Officer Scott Boris

- 1. Mayor Anderson called the meeting to order at 7:00 p.m.**
- 2. City Clerk Honey led the Pledge of Allegiance.**
- 3. Approve Agenda for the December 15, 2014, City Council Meeting.**
 - 3.1. Consider City Attorney's and Zoning Administrator's Request to Table Planning Commission **Resolution 2014 – 47** Denying Variance Request at 2932 Northview Road. Administrator Krier referenced his letter dated 12/25/2014 regarding his request to table the action. He asked Council to table Mr. Gilbert's request on behalf of Mr. Dawson to approve a building permit for 2932 Northview Road. Administrator Krier requested a public hearing date be set for an appeal of an alleged error in the Planning and Zoning Administrator's determination that a variance to Section 207 was necessary for the City to issue a building permit. Administrator Krier also requested the City Clerk notify property owners within 350 feet of Mr. Dawson's property of a hearing to consider and appeal an alleged error of the Planning and Zoning Administrator and publish notice of the hearing in the official newspaper. Applicant concurs with the request to move to January 12, 2015.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to Table until January 12, 2015 Council meeting consideration of Resolution 2014-47. With all members voting in favor, the motion carried.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to table Mr. Gilbert's request on behalf of Mr. Dawson for the approval of the building permit for 2932 Northview Road. With all members voting in favor, the motion carried.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to set a public hearing date to hear an appeal of an alleged error in Planning and Zoning Administrator's determination of the variance to Section 207. With all members voting in favor, the motion carried.

A motion was made by Council Member Taylor and seconded by Council Member Bartel requesting the City Clerk notify property owners within 350 feet of Mr. Dawson's property of a hearing to consider and appeal an alleged error of the Planning and Zoning Administrator and to publish notice of the hearing in the official newspaper. With all members voting in favor, the motion carried. With all members voting in favor, the motion carried.

Council Member Lindstrom requested to add the approval of the December 8th, 2014 Truth in Taxation hearing minutes to the agenda as item 4.2.

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

3.2. Council Meeting Action Notes

City Administrator Griffin stated the item to facilitate work session for P & Z replacement was complete, not in process, as written in the action notes.

4. Approve Minutes

4.1. Regular Meeting of November 10, 2014

A motion was made by Council Member Lindstrom and seconded by Council Member Bartel to approve the Council meeting minutes of November 10, 2014. With all members voting in favor, the motion carried.

4.2. Truth in Taxation Meeting of December 8, 2014

A motion was made by Council Member Bartel and seconded by Council Member Skalla to approve the Truth in Taxation minutes of December 8, 2014. With all members voting in favor, the motion carried.

5. Hennepin County Commissioner Jan Callison

Commissioner Callison presented the Hennepin County Annual report to the City Council. The County's tax levy was set in September at a maximum of a 2.75% increase which is higher than the usual average increase of 0.19%. The two reasons for this are salary increases which had not been done in a while and changes being made to social services areas to make the programs more effective. Adding in the Regional Rail Authority and Housing Redevelopment Authority, the combined increase will be 3.08%. She anticipates they will drop the general operating tax levy to 2.1%, which is a four million dollar reduction due to reduced health care and hospital costs. New development in Hennepin County has increased the tax base. Residential property values are increasing but they outpace the commercial/industrial values. There have been some significant property value increases.

The new county 911 dispatch center is opening Wednesday. They are discussing the possibility of a joint facility for youth sent to the juvenile home schools with Ramsey County. They are trying to keep the youth in the community and send fewer youth to home school.

Council Member Taylor asked about the budget difference due to health care and Commissioner Callison explained they now have a flat rate premium which saved costs. They also paid lower payments to HCMC because there are more people with insurance due to MNSure.

Mayor Anderson discussed the City's recent conversation with Hennepin County about a Hawk system and that brought up questions about speed limit. The speed limit on County Road 15 is 40 mph. Mayor Anderson asked what the process is to change it. Commissioner Callison stated speed is set by state law. You can petition to have the speed changed and that starts with a speed study. They set speed at 80% of the speed cars are traveling. This could be a risk because they could actually increase the speed limit based on the speed study. Commissioner Callison recommended the petition be sent to the County

because that is a county road. The County can help with the petition and then the petition would go to the State. Mayor Anderson asked for any information to help the City get the process started. Commissioner Callison said she will follow up on it.

6. City Clerk Farewell – Diane Tiegs

Mayor Anderson presented Diane Tiegs with a Certificate of Appreciation for her three years as City Clerk.

7. Open Forum

7.1 No discussion

8. Police Report

8.1 Police Report – November report was reviewed by Sergeant Scott Boris and he answered Council Member questions. There were miscellaneous assists. The police assisted a party with a vehicle. A resident had her identity stolen and found accounts were trying to be opened in her name. There was no loss of money. Sergeant Boris will be moving into an investigative position so Sergeant Chad Stensrud will be at the next meeting.

9. Consent Agenda

9.1. Fire Report – November

9.2. **Resolution 2014 – 48** – 2015 City Council Meeting Dates

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

10. Treasurer’s Report

10.1. Consider Motion to Approve December Checks

A motion was made by Council Member Bartel and seconded by Council Member Taylor to approve 54 checks numbered 14758 through 14811 in the amount of \$65,458.24. With all members voting in favor, the motion carried.

Council Member Skalla asked about check #14872 for Lafayette Club. The expense was reimbursement for the Staff holiday lunch.

10.2. YTD Budget Report and Previous Year Comparison Report

Treasurer Gilster reported that the year to date budget comparison to the previous year has been favorable and quarterly comparison has been favorable. Budget is through December 12, 2014 so there may be more expenses prior to the end of the year. Administrator Griffin stated that the largest expense that will come through prior to year end would be for Orono Police and that is \$11,909. She also stated that the City still expects approximately \$6,000 to \$7,000 coming in from utility bill payments. The City will be ending the year positively. The Capital Fund will have extra because they only spent \$10,000 of the \$62,000 that was budgeted. Park Commission also spent less on EAB than was in the CIP. There was discussion about Park Commission’s plan for tree removal and replacement. They will report on that at another meeting.

10.3. Motion to authorize payment of remaining 2014 invoices received December 16 through 31, 2014 to be approved at January 2015 Council Meeting
Administrator Griffin requested a motion to authorize payment of 2014 invoices received December 16 to December 31, 2014 to be approved at the January 12, 2015 Council meeting.

A motion was made by Council Member Lindstrom and seconded by Council Member Bartel to authorize payment of the remaining 2014 invoices dated December 16 through December 31, 2014 with final approval at the January 12, 2015 meeting. With all members voting in favor, the motion carried.

11. Old Business

11.1. **Resolution 2014 – 46** Establishing Process for Filling Council Vacancy

Administrator Griffin referenced a memo in the packet from City Attorney Wally Hilke suggesting a process for filling the council vacancy as well as explanation of what has happened in the past. Based on that, Administrator Griffin created **Resolution 2014-46** which specifies steps to fill the vacancy including announcing the vacancy by emailing it to the City's email list, posting it on the City's website, and publishing it in the Beachcomber, and then requesting any resident interested in being appointed to City Council to send a signed letter of interest by the January 5, 2015 deadline.

The City will communicate to those interested via a letter to come to the January 12, 2015 City Council meeting. The Mayor will want to set parameters for that part of the meeting for presentations and questions. There was discussion about the amount of time that should be allotted per person to present themselves. It was decided that 5 minutes would be allotted per person and the public could make any comments. Administrator Griffin will amend the resolution to include this.

A motion was made by Council Member Taylor and seconded by Council Member Lindstrom approve Resolution 2014-46 Establishing Process for Filling Council Vacancy as amended. With all members voting in favor, the motion carried.

11.2. **Resolution 2014 – 49** Hire Heidi Honey as City Clerk effective December 1, 2014 Griffin requested a motion to hire Heidi Honey as City Clerk effective December 1, 2014.

A motion was made by Council Member Bartel and seconded by Council Member Skalla to approve Resolution 2014-49 Hiring Heidi Honey as City Clerk effective December 1, 2014. With all members voting in favor, the motion carried.

11.3. **Resolution 2014 – 50** Hire Jane Burgess to Fill Part Time Postal and Utility Billing Clerk position effective January 5, 2015

Administrator Griffin requested a motion to hire Jane Burgess as the part time Postal and Utility Billing Clerk effective January 5, 2015. Jane is interested in accepting the position without benefits as the position does not currently offer them. Administrator Griffin would like direction regarding pursuing benefits for part time employees. There was discussion about benefits affecting the City budget and it was decided that benefits are a budget decision and would need to be part of budget discussions.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to approve Resolution 2014-50 to hire Jane Burgess to fill the Part Time Postal and Utility Billing

Clerk position effective January 5, 2015 as proposed. With all members voting in favor, the motion carried.

11.4. Resolution 2014 – 51 Consider Adopting 2015 Final Budget and Tax Levy

Administrator Griffin requested a motion to consider adopting the 2015 Final Budget and Tax Levy. The only change from the preliminary budget is \$3,500 which was discussed at the Truth in Taxation Meeting. They evened out the amount between the Zoning Administrator, City Clerk salary which was a little high and Public Works benefits which was a little low. This budget now reflects more accurate actual costs.

A motion was made by Council Member Taylor and seconded by Council Member Skalla adopting Resolution 2014-51 adopting the final Budget and Tax Levy Certification for the Year 2015 in the amount of \$1,269,005.14 as proposed. With all members voting in favor, the motion carried.

11.5. Resolution 2014 – 52 Authorizing Partial Bond Payment from Water Revenues

Council Member Taylor asked if this is as budgeted. Administrator Griffin verified it is.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to approve Resolution 2014-52 Authorizing Partial Bond Payment from Water Revenues. With all members voting in favor, the motion carried.

12. New Business

12.1. Resolution 2014 – 53 Adopting Ordinance No. 99, 2nd Series, An Interim Ordinance

Temporarily Prohibiting Wind Energy Conversion Systems and Small Wind Energy Conversion Systems

Planning and Zoning Administrator Krier explained the ordinance essentially states that over the next 12 months the City does not need to approve any large or small windmills or energy systems. Large energy systems need to go to the Public Utility Commission at the State level. This ordinance gives the City Council and the Planning Commission 12 months to study the energy system with the ability to extend it to 18 months if the Planning Commission doesn't come up with something by the 12 month deadline. Planning and Zoning Administrator Krier took this to Planning Commission and they recommended approval. Planning and Zoning Administrator Krier asked council to move approval of Ordinance No. 99, 2nd Series.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to adopt Ordinance No. 99, 2nd Series to temporarily prohibit Wind Energy Conversion Systems and Small Wind Energy Conversion Systems. With all members voting in favor, the motion carried.

12.2. Ordinance No. 100, 2nd Series – Prohibiting New Private Wells

Administrator Griffin stated the purpose of this ordinance came from water rates and conservation rate schedules. In other cities, conservation rates affected rates so much that higher users were able to save money by installing new private wells and not paying cities for their water. The other issue with private wells is well head protection. There is only one home in Minnetonka Beach with a private well.

A motion was made by Council Member Bartel and seconded by Council Member Taylor to adopt Ordinance No. 100, 2nd Series Prohibiting New Private Wells. With all members voting in favor, the motion carried.

13. Planning and Zoning

13.1. Planning and Zoning Administrator Replacement – Update

Council Members Taylor, Bartel and Skalla attended the December 1, 2014 properly noticed joint City Council / Planning Commission workshop where they discussed the replacement of the Planning and Zoning Administrator. They determined there are three options: hiring someone part time, partnering with another city and paying them, or having a stable of contractors that do various parts of the P&Z responsibilities. The position responsibilities could be broken out into zoning duties (zoning review and enforcement for building permits) and planning duties (i.e. comprehensive plan). Mayor Anderson asked for clarification for separating P&Z responsibilities. Council Member Taylor stated there was no conclusion reached by the Planning Commission and they are still working on how that would work.

Planning and Zoning Administrator Krier stated the importance of hiring someone with AICP certification. AICP is a certification similar to architects' AIA certification which requires a rigorous testing and approval process which is important in a field that changes frequently.

If another city performed the zoning portion of the job there was concern about the level of service due to being backed up with their own city's responsibilities. Mayor Anderson and Administrator Griffin need to talk with city administrators and mayors to define what we want from them and determine if they can fulfill our expectations. Krier said Orono was not interested because they are too busy, but he feels the City Administrator should still be contacted. Stantec is busy and they are not interested in doing the zoning portion, but they may want to do planning services. The concern is they are expensive. Stantec bills at \$200-250 per hour.

Krier stated that the next steps are for Administrator Griffin to contact the city administrators in Deephaven, Wayzata, Orono, and Mound. Krier contacted the zoning departments in all but Wayzata of those cities. Council Member Skalla said it might be tough for cities because of the budget cycle, but it is worth having a conversation with these cities. Council Member Skalla stated it is difficult to comprehend different roles and services but it will evolve over the next month because we are re-defining the position.

Council Member Bartel stated that Planning Commission felt they did not have enough information to make a recommendation but continued the item to their January 26th meeting when they expect to make a recommendation to Council for the February 9th Council meeting.

14. Staff Reports

14.1. Public Works Director Young reported on Northview Road Sewer and Manhole repairs Public Works Directory Young stated Mike Bloom, 3138 Northview Road, has water coming up in his backyard. The ground is saturated so a leak detection company checked the sewer lines to his house and to the nearby hydrants. Public Works Director Young had the sewer main televised. Everything was fine and there were no leaks detected, however, there is a manhole on the property line that is rotted out on the bottom and needs repair. Public Works Director Young got estimates to put a new bottom in, grout the joints and further televise the sewer lines. The estimated cost is \$2000

to \$2500. Public Works Director Young asked for approval from Council to have the lines televised and have the necessary repairs made and is recommended that this work be done. Administrator Griffin stated that these expenses will likely be eligible for I & I expenditure credits.

Public Works Director Young stated that if it is determined that there are holes or cracks in the pipe, the best thing to do would be to line the pipe. He will check on the cost difference between replacing and lining the pipe but believes it is probably cheaper to line it because the pipe would not have to be removed.

If a major repair/replacement is determined, Administrator Griffin will include it in the CIP for future replacement, and there are grants available for that. Council Member Skalla asked if it could be done this year since there is unspent money in the Capital Fund. Public Works Director Young stated it could be done this year but it would be billed in 2015. Council decided to authorize what needs to be done now and Public Works Director Young will bring estimates to the next meeting if the larger project is needed.

A motion was made by Council Member Taylor and seconded by Council Member Bartel to seal the joints, repair the manhole and televise the lines with estimated costs of \$3,000. With all members voting in favor, the motion carried.

14.2. City Clerk Honey no report

13.3 Administrator's Report – Special Event Policy Direction

City Administrator Griffin stated she is looking for direction on whether Council wants to amend the current special events policy which came up after problems with a home tour last year. Council Member Lindstrom thought the luxury home tour had a very negative impact on the community which followed a very negative building experience. She stated that the Police were there nearly every day for violations of noise, after-hours construction, etc., and then the Luxury Home Tour disrupted the neighborhood for three entire weekends in the summer. Council Member Lindstrom asked Council to review policy for events that last longer than a few hours. Council Member Taylor asked if she has recommendations for changes and she did not, but agreed to study the issue and report back to Council.

Mayor Anderson agreed this was a bad experience because of difficulties with the builder. She thinks the City can handle home tours, have had successful ones in the past, and they can be good for the community. She recommended that the policy be more clear parking and that the policy could be tightened up in spots. Krier stated that in 2002, there was an ordinance considered on special events. While it was never adopted it may be worth looking at again.

15. Council Reports

15.1. Mayor's Report – Civic Committee will meet in January and there will be some changes in membership. Tea and Toddies was a big success. It was Mayor Anderson's last meeting so she thanked Council and Staff for their hard work.

14.2 Liaison Reports- Council Member Lindstrom

Council Member Taylor – no report

Council Member Bartel - no report

Council Member Skalla – Fire Report

Council Member Skalla had never attended the Fire Commission before. He reported that Mound Fire Department has a good force, extended pension plan to help keep people on the force, and have cut down number of crew responding to calls.

In the ISO public protection classification rating, Minnetonka Beach was lowered to a 4 which is good for lowering insurance rates but usually only affects commercial rates. The City's recent water mains improvements really lowered the rating.

Minnesota has highest percent of volunteer fire fighters anywhere in the country. Council Member Taylor discussed the concept of consolidating services and the impact that might have. He has been told that service will improve but costs will remain the same. As long as our service does not go down, the City is ok with consolidating departments.

Treasurer Gilster- no report

16. A motion was made by Council Member Lindstrom and seconded by Council Member Taylor to adjourn the meeting at 9: p.m.

Respectfully submitted,

Heidi Honey, City Clerk