

**Monday, November 9, 2015 8:25 PM**  
**CITY OF MINNETONKA BEACH**  
**CITY COUNCIL MEETING MINUTES**

**Roll Call:** Mayor Rick Skalla, Council Members: Jill Bartel, Paul Kozloski, Jaci Lindstrom, Mike Taylor, Treasurer Randy Gilster.

**Staff Present:** City Administrator Susanne Griffin.

**Guests:** Police Sergeant Chad Stensrud; State Senator David Osmek, Hennepin County Commissioner Jan Callison.

**1. Mayor Skalla called the meeting to order at 8:25 p.m.**

**2. Administrator Griffin led the Pledge of Allegiance.**

**3. Approve Agenda for the November 9, 2015 City Council Meeting.**

Mayor Skalla stated that Senator Osmek had to leave due to the lateness of the meeting as did Sgt. Stensrud.

**A motion was made by Council Member Bartel and seconded by Council Member Kozloski to amend the agenda to hold a closed Council session to discuss the Performance Review of City Administrator Griffin at the end of the meeting. With all members voting in favor, the motion carried.**

**4. Approve Minutes**

4.1. Regular Meeting of October 13, 2015

**A motion was made by Council Member Lindstrom and seconded by Council Member Bartel to approve the Council meeting minutes of October 13, 2015. With all members voting in favor, the motion carried.**

**5. Open Forum**

5.1. Guests

5.1.1. State Senator David Osmek was unable to stay, but expressed interest in coming back early next year.

5.1.2. Hennepin County Commissioner Jan Callison

Commissioner Callison reported on the Hennepin County budget and other updates regarding the county. She stated that there will be a 4.5% increase in overall property taxes. Part of the reason for the increase is an increased client load in county social services and changes in state programs. She gave statistics for the period 2010 – 2014 and changes in state programs that affect the County. There are more people qualifying for benefits.

Overall, there was a 42% increase in clients across the county. Minnetonka Beach is an exception to the rule with a 27% decrease in clients. The actual number of clients went from 15 to 11. In Minnetonka Beach, cash assistance clients decreased 15 %, food stamps decreased 78%, and health care clients decreased by 8%. Next year there will be changes in child protection and

more children will be entering the system. The 2016 budget has a 4.5% property tax increase which is larger than in past. The average increase over the last four years has been 0.19%. Increases are driven by case load, labor contracts, and decreases in state aid.

Minnetonka Beach will see smaller property tax increases with an average home increase of 1.4%.

Commissioner Callison discussed the need for a new public safety access point on Lake Minnetonka as a result of issues last July 4<sup>th</sup>. The County is looking for a place to access the lake near Big Island and has talked to both Minnetonka Beach and Orono on possible locations. They hope to have a new access point established by next July 4<sup>th</sup>.

She also mentioned that Westonka Library will be offering appointments for veterans on Tuesdays and Thursdays to help them qualify for benefits.

Council Member Kozloski asked the medium home price in Minnetonka Beach. For 2016, it is \$1 million dollars which is a 4.1% increase in value. Lower value homes will expect to see a smaller property tax increase. The average home value for Minnetonka Beach is \$1.25 million.

## **6. Police Report –**

### 6.1. Police Report – October Report

Sergeant Stensrud had to leave to go on a call so there was no police report.

## **7. Reports**

### 7.1. Civic Committee – Chair Marnie Johnson

Chair Johnson reported that 30 residents are on Civic Committee this year. She stated that they have established Rules of Procedure for Civic. They have set dates for Minnetonka Beach activities for the next season and meeting dates. This information was in the Council packet. Council Member Lindstrom thanked Ms. Johnson and the entire Civic Committee for all that they do for the community.

Mayor Skalla called for a 5 minute recess at 8:35 and returned at 8:41 pm.

## **8. Consent Agenda**

### 8.1. Fire Report – October

### 8.2. Resolution 2015 – 43 Council Action taken on October 13, 2015 relating to Approval of Variance Request at 2932 Northview Road

### 8.3. Resolution 2015 – 44 Annual Tornado Siren Maintenance Contract – Embedded Systems

### 8.4. Prairie Restoration Buckthorn Management Contract

### 8.5. Removal of hazardous tree near Dock 10 Fire Lane

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

## **9. New Business**

### 9.1. Interim Ordinance No. 107, 2<sup>nd</sup> Series, Temporarily Prohibiting (a) Average Minimum Building Setback (AMBS) variance requests and (b) building permit applications for

improvements that are within 20 feet of the AMBS except those previously approved variances.

Zoning Administrator Gozola stated that since he has arrived he has reviewed the City's ordinances and feels the AMBS has been the most contentious and needs to be addressed. He is proposing a moratorium on AMBS variance requests and building permit applications for improvements within 20 feet of the AMBS. Even though the moratorium is for six months, he plans to have a draft for Council in December and hopefully have it completed by January. Council Member Kozloski felt six months was too long. If a new ordinance is adopted, the moratorium would end. The six months would give the City enough time to complete it. Based on meeting schedules, the draft would be presented to Planning Commission in December and to Council in January.

Mayor Skalla stated the moratorium is specific to AMBS and that City Attorney Hilke suggested six months to give the City time to accurately get things done. The intent is to get it done as soon as possible.

Council Member Kozolski asked which issues will be addressed. Administrator Gozola used an example of a property in the community that may be torn down and rebuilt. With the current manner in determining the AMBS and the property's location on the curvature of lakeshore, it will be difficult to argue that the AMBS is where it should be. The home would be much closer to the lake and it may be a point of contention in the community.

Although this doesn't affect the issue tonight and doesn't apply in the appeal of the Zoning Administrator's recent interpretation, it is still a problem that needs to be addressed. Administrator Gozola suggested focusing on building permits and variances because they would be most impactful.

Council discussed having the ordinances written to reflect the intent of the ordinances.

**A motion was made by Council Member Bartel and seconded by Council Member Taylor to approve Ordinance No. 107, 2<sup>nd</sup> Series: An Interim Ordinance Temporarily Prohibiting Acceptance of AMBS Variance Requests, and Issuance of Building Permits within 20 Feet of an Existing AMBS Line. With all members voting in favor, the motion carried**

Administrator Gozola asked for direction from Council as how the code should read regarding the proposed patio appeal earlier tonight. Council discussed things that block views and things that don't block views as well as hardcover and setbacks. The problem may be in the definition.

Administrator Gozola said they should separate landscaping from lawn furniture. Council discussed patio and terrace side yard setbacks. Administrator Gozola then discussed swimming pools in the AMBS.

Council directed Administrator Gozola to analyze the City Code to determine if it supports the intent of the City. He will report to the Planning Commission with recommendations. Council Member Kozloski recommended that anything crossing the AMBS require a variance.

**A motion was made by Council Member Bartel and seconded by Council Member Lindstrom for Council Member Taylor to discuss Side Setback and other issues relating to the AMBS regarding patios and terraces with the Planning Commission. With all members voting in favor, the motion carried.**

## 10. Treasurer's Report

10.1. Consider Motion to Approve November Checks

**A motion was made by Council Member Lindstrom and seconded by Council Member Taylor to approve 46 checks numbered 15283 through 15328 in the amount of \$53,355.28. With all members voting in favor, the motion carried.**

10.2. YTD Budget Report and Previous Year Comparison Report

Treasurer Gilster asked if Xcel Energy updated the inventory of street lights to LED. Administrator Griffin will contact Michelle Swanson at Xcel Energy and report back at the next meeting.

10.3. Outstanding Accounts Receivable Report –

Administrator Griffin stated that there is approximately \$20,000 expected for outstanding utility payments.

## 11. Old Business – 2016 Budget

11.1. Discussion and Direction to Staff on changes from 2016 Preliminary Budget prior to Truth in Taxation hearing on December 7, 2015

There were no changes to the 2016 Preliminary Budget from Council. Any suggested changes need to be given to Administrator Griffin so they can be prepared before the meeting.

## 12. Staff Reports

12.1. Council Meeting Action Notes

Council Member Bartel asked to add Civic Committee meetings to the Action Notes upcoming meeting section. A public hearing was held regarding Wind Energy Systems. No residents attended the hearing. There will be another report on it at the November Planning Commission meeting.

12.2. Administrator's Report

City Administrator Griffin reported on various issues discussed with the City attorney. She is waiting for a response from the new email hosting company Revnet regarding changes to the contract made by the City attorney. The City attorney recommended the City and homeowner cost-share the driveway repair at the McLaughlin property with the City repairing the asphalt portion of the driveway and the resident repairing the concrete portion of the driveway. The damage was due to the area settling from water main repair work done by the City. City Attorney Hilke will draft an agreement with the homeowner stating this is a one-time repair and the City will not take any future responsibility for repairs.

**A motion was made by Council Member Bartel and seconded by Council Member Taylor authorizing Public Works Director Young to repair the asphalt portion of the driveway at 2542 Lafayette Road. With all members voting in favor, the motion carried.**

Mayor Skalla asked Administrator Griffin to send a letter to Ms. McLaughlin stating that Council has authorized the City to repair the asphalt portion of the driveway. If they agree to that, Administrator Griffin will have the City attorney draft an agreement for the repair.

Administrator Griffin reported that City Attorney Hilke suggested the City continue on the current course of action with the accessible ramp contractor but have the contractor commit to a date in which the work will be completed.

She also discussed the criteria for classification of City employees as exempt or non-exempt. The City Clerk and Public Works Director appear to be non-exempt and are eligible for overtime. The personnel policy states the positions were to be classified but this has not been done yet. Council directed Administrator Griffin to discuss this further with the City attorney.

Administrator Griffin handed out a memo regarding post-employment severance pay-out practices in surrounding cities. She recommended that Council establish post-employment health savings accounts to pay out unused sick and vacation rather than through payroll. This benefits both the City and the employee. The City would not have to pay employment taxes and the employee would receive the funds tax free. Mayor Skalla said he would like to discuss this with Public Works Director Young.

Administrator Griffin also discussed the Data Security Survey conducted by the League of Minnesota Cities Insurance Trust Loss Control Unit. The report is in the Council packet. In the past, the LMCIT has examined Public Works and safety issues but this time the focus was on data security. She has 60 days to report back on the recommendations from LMCIT.

#### 12.3. Administrator Gozola Report

Administrator Gozola reported that Laura Chamberlain met with the Met Council regarding the System Statement for the Comprehensive Plan. The Met Council recognized the limitations on development in this community. Zoning will supply the Met Council with the vacant parcel analysis they requested which will show the City is unable to grow in the way the System Statement requests. The Met Council will decrease Minnetonka Beach's household projections which will either lessen or remove the affordability requirement. The affordability component does not require the housing to be built but it does require policies in place for building affordable housing. The City has those policies in place for granny flats. They should be able to proceed with the System Statement once it is amended.

### 13. Council Reports

13.1. Mayor's Report – Mayor Skalla is working on a date to meet with Orono to discuss the police contract in early December. They will be talking about the contract cost being based on police protection needs and not property values. Mayor Skalla and Administrator Griffin met with Michael Noonan from Hennepin County and Greg Nybeck from the Lake Minnetonka Conservation District (LMCD) and walked the area near the Arcola Bridge. Hennepin County is looking for an access point on the shore to transport someone from the lake to an ambulance if needed. Mayor Skalla did tell them that if the City were to entertain such an idea, the City might want some kind of safe crossing. The county is hoping to find a new location by next July 4<sup>th</sup>.

#### 13.2. Liaison Reports-

Council Member Bartel – no report

Council Member Kozloski – no report

Council Member Taylor – Planning Commission discussed the Wind Energy Conversion System and will continue the discussion at the next meeting. He sent a summary of the Mound Fire Department meeting to Council. They want to purchase a ladder truck and they have done a great job in the analysis.

Council Member Lindstrom –Utilities Commission meets in December, Civic meets November 11.

Treasurer Gilster – The Lake Minnetonka Communications Commission (LMCC) passed a resolution approving their new Audio/Visual Support Program. This program allocates funds to each

city to use for improving audio/visual recordings. Treasurer Gilster and City Administrator Griffin have been discussing ways the City could use the \$1,600 including getting a projector or screen.

**A motion was made by Council Member Kozloski and seconded by Council Member Bartel to close the meeting.**

**14. Closed session started at 9:55 p.m.**

**A motion was made by Council Member Taylor and seconded by Council Member Lindstrom to adjourn the meeting at 11:05 pm.**

**PUBLIC IN ATTENDANCE – The following individuals signed the sign-in sheet: Frank Santiago, Kelley Santiago, Drew Torrence, Nell Mathews, Hans Frees, Steve Howarth, Jody Sperduto, Jan Callison, Marnie Johnson.**

**Respectfully submitted,**

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**Heidi Honey, City Clerk**