

CITY OF TONKA BAY ITEM NO. 4A

MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING February 23, 2010

1. **CALL TO ORDER**

The regular semi-monthly meeting of the Tonka Bay City Council was called to order at 7:00 p.m.

2. **ROLL CALL**

Members present: Mayor LaBelle, Councilmembers Marceau, Tessness, Folley, and De La Vega. Also present were City Administrator Kohlmann, City Attorney Penberthy and Public Works Superintendent Kluver

3. **APPROVAL OF AGENDA**

Marceau moved to approve the agenda as submitted. De La Vega seconded the motion. Ayes 5. Motion carried.

4. **CONSENT AGENDA**

LaBelle questioned the 2008 audit payment in the Accounts Payable. Kohlmann explained the auditor never billed for that year. Tessness moved to approve the consent agenda as presented approving the regular meeting minutes of February 9, 2010, Accounts Payable, Resolution 10-04, and Resolution 10-05. De La Vega seconded the motion. Ayes 5. Motion carried.

5. **MATTERS FROM THE FLOOR**

None

6. **PUBLIC HEARING**

None

7. **OLD BUSINESS**

None

8. **NEW BUSINESS**

A. **MGM – Liquor Violation** – Kohlmann stated that SLMPD conducted a liquor compliance check on MGM in September, 2009. The seller has pled guilty to selling to a minor, and the owner has agreed to follow the conditions as set forth. Kohlmann noted an ID scanner has been purchased, and employees will have to attend

training through SLMPD in the future. If the conditions are met, the City will not take any further actions against MGM. **Steve Sloan, MGM** was present in the audience. He noted the employee was terminated that day. De La Vega asked how many employees are at the liquor store. Sloan indicated that he has six employees, and they will all attend training on March 6. LaBelle stated we take these issues seriously. Sloan indicated that corporate MGM has a policy of zero tolerance. LaBelle asked if the scanner is in use currently. Sloan indicated it is in use. De La Vega asked if there is any further criminal action pending against the former employee. Sloan stated it is between the individual and the police. De La Vega believed the proposal and resulting actions are adequate, and he was fine with the recommendations. Folley stated he was impressed with the proposal. **De La Vega moved to adopt Resolution 10-06. Folley seconded the motion. Ayes – Tessness, Folley, Marceau, De La Vega and LaBelle. Motion carried unanimously**

B. Water Meter Change-out Discussion – Kluver stated that the water operating budget for 2010 has identified the change-out of the remaining 540 old water meters throughout the city. He stated the new meters will improve the accuracy of water sold and optimize efficiency in the meter reading and billing process. A 12-15% water loss is identified every year. The change-out program is an important step to eliminate the water loss. There are currently 680 accounts, and 140 of them already have the new meter either through a new building permit or change-out due to a faulty or damaged meter. The proposed plan would be to change-out one-third of the meters. He discussed the proposed plan to replace the meters. He stated it would take about two hours to read the meters with the new system. Currently, in the fall it takes 2-3 days to read them all. He reviewed the costs for the software and training from Banyon in the amount of \$1,592.44. The low bid for 1/3 of the meters would be \$40,594.06 from HD Waterworks Supply. The water operating budget identifies \$42,500.00 for the first year's cost. In response to a question from Folley, Kluver explained the batteries used in the remotes. De La Vega asked if it would eliminate the need for meter readings from residents. Kluver stated it would eliminate the need for the cards. Folley asked if there was a measurable savings after the 140 were first installed. Kluver stated there is a 98% accuracy rate for the readings on the meters. Marceau asked if something catastrophic would take place, would we be bound to this. Kluver stated we would not. We will be approaching this on a year-by-year basis. De La Vega asked if we are using Banyon now. Kluver stated the software we currently have does not accept the handheld now, so we have to enter the readings individually. The new process will be much more streamlined. De La Vega asked if Banyon is the only software provider. Kluver stated we currently have Banyon, and it would be the cheapest alternative to stay with them. It will be able to read any kind of meter. Folley asked if there is an annual maintenance fee. Kluver stated there is an annual maintenance fee for the Banyon software. De La Vega asked if there is a warranty on a meter. Kluver stated to begin with, there is a 20 year

warranty on the meter. De La Vega asked how many hours it would take to replace the meters. Kluver stated they are looking at replacing two or three a day. LaBelle asked if there is a policy in place for replacement. Kluver stated a policy will be developed once this is approved. Something will be included in the newsletter. Marceau asked if there are other distributors around. Kluver stated there are, but distributors have their own areas. He stated this is what is in place now in 140 homes. De La Vega asked if there is any cost to residents. He stated there will be no cost to residents. Council discussed their concerns about being in the program and being locked in to whatever the company wants to charge for meters in year two or three. Kluver stated the cost since 1999 has only increased only two percent. **Folley moved to accept the quote from Banyon Data Systems, Inc. in the amount of \$1,592.44 (meter device interface and annual support) and the low quote from HD Waterworks Supply in the amount of \$40,594.60 (160 water meters, radios, handheld software and training); and in the event a contract is needed, authorize the Mayor and City Administrator to enter into said contract. De La Vega seconded the motion. Ayes 5. Motion carried.**

9. **MATTERS FROM THE FLOOR**

None

10. **REPORTS**

A. Administrator – Kohlmann stated he included the expenditures portions in the packets and has added an updated revenue portion this evening. He stated the Council had discussed the 27 pay periods and the fact one was not budgeted for which threw off the expenses. The balance of the expenditures shows we under spent the budget. In the big picture we appear to be in good financial condition. He stated an update from Mediacom is also provided relating to products and franchise fees.

B. Marceau – Finance, Marinas – Marceau stated Tonka Bay resident Helen Heiland passed away recently.

C. Tessness – Buildings, Building Inspection, Fire Lanes and Municipal Docks – no report

D. Folley - Animal Control, LMCC, Technology, and Southshore Senior/Community Center – no report

E. De La Vega - EFD, Parks, Sanitation, and LMCD – no report

F. Attorney's Report – no report

G. LaBelle - Public Works and SLMPD – LaBelle stated the MCWD is working on some of their Rules, and it is important we get an understanding of them. He will attend a meeting at Shorewood on Wednesday night. All are welcome to attend. Mound will also host a meeting in the future.

11. **ADJOURNMENT**

There being no further business, it was moved by Marceau to adjourn the meeting at 7:45 p.m. De La Vega seconded the motion. Ayes 5. Motion carried.

Attest:

Clerk