CITY OF TONKA BAY
ITEM NO. 4A

MINUTES
TONKA BAY CITY COUNCIL
REGULAR MEETING
May 27, 2014

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 De La Vega, Councilmembers Anderson, Ansari, Clapp and Grothe. Also present were City Administrator Kohlmann and City Attorney Penberthy.

3. **APPROVAL OF AGENDA**
Anderson moved to approve the agenda as submitted. Clapp seconded the motion. Ayes 5. Motion carried.

4. **CONSENT AGENDA**
Anderson moved to approve the consent agenda as presented approving:
A. Regular Meeting Minutes of May 13, 2014
B. Financial Report
C. Resolution 14-15, Amend Resolution 14-01, Official City Appointments
D. Special Meeting Minutes of May 8, 2014.

Clapp seconded the motion. Ayes 5. Motion carried.

5. **MATTERS FROM THE FLOOR**
None

6. **SPECIAL BUSINESS**
A. 2013 Audit

Kohlmann introduced the City Auditor, Stuart Bonniwell who reviewed the 2013 audit.

Bonniwell reviewed fund balances showing a very health fund balance. He discussed revenues and expenses, fund transfers, and capital project funds. He noted there are six proprietary funds which remain in healthy balances with the exception of the recycling fund. He stated current assets

in 2013 were similar to that of the previous year. He stated the water fund had a deficit for the year because of the enormous number of water main breaks. He stated the sewer fund had a surplus of $106,000 most of which was grant money.

Bonniwell reviewed the statement of cash flows for proprietary funds.

De La Vega stated he has always thought of garbage and recycling as one fund. It was suggested the funds be combined as they are a wash when they are reviewed together.

Bonniwell stated the funds are accounted for on a cash basis. It is perfectly acceptable for a small city. He noted the road improvement fund is the only fund with a deficit balance which is improving annually.

Bonniwell reviewed the City's investments, fund balances, budget amounts vs. actual, operating statement, accounts receivable and accounts payable.

In response to a question from Clapp, Bonniwell discussed the levied assessment interest rate.

De La Vega thanked Bonniwell for the audit. He asked if there was a target of fifty percent for the fund balance. Bonniwell stated he did recommend it be kept at fifty percent. He suggested the surplus be transferred to another fund.

De La Vega believed that overall, the City is doing more with the same amount of funds. He believed the garbage and recycling funds need to be worked on.

B. Resolution 14-16, Award Bid – 2014 Sanitary Sewer Improvement Project

Justin Messner, City Engineer reviewed bids received at the bid opening in May. The low bidder was Insituform in the amount of $163,612.10. Tonka Bay's share would be $30,911.20.

Penberthy suggested incorporating the City's share in the resolution.

In response to a question from De La Vega, Messner noted the cost reductions because the contractor will be working in Excelsior.

Kohlmann believed our share is under budget.

Clapp moved to adopt:

RESOLUTION NO. 14-16

A RESOLUTION AWARDING A BID FOR THE 2014 SANITARY SEWER IMPROVEMENT PROJECT

Grothe seconded the motion. Ayes – De La Vega, Ansari, Anderson, Clapp and Grothe. Motion carried.

7. PUBLIC HEARINGS

A. 4240 Circle Road – *Continue Public Hearing*

Kohlmann stated the applicant has requested an additional continuation of this request. He noted there is time before the application expires.

De La Vega opened the public hearing. There were no comments and the hearing was closed.

Clapp moved to continue the hearing. Anderson seconded the motion. Ayes 5. Motion carried.

B. Second Reading – Mediacom Franchise Agreement

Kohlmann reviewed amendments to the franchise agreement. He stated Mediacom would only increase to the PEG fees with the CPI. He stated there are two options where we have the option to increase the PEG fee or not.

De La Vega stated both give us the right to reduce it but only one gives us the right to increase it.

Anderson moved to approve Ordinance 2014-1 approving the 6A1 version. Ansari seconded the motion. Ayes 5. Motion carried.

Anderson moved to adopt:

RESOLUTION NO. 14-17

A RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF AN ORDINANCE OF THE CITY OF TONKA BAY, MINNESOTA SECTION 803, APPENDIX D

Clapp seconded the motion. Ayes – De La Vega, Ansari, Anderson, Clapp and Grothe. Motion carried.

8. OLD BUSINESS

None

9. NEW BUSINESS

A. LMCD Budget

Kohlmann stated the proposed draft 2015 budget is available for review.

De La Vega stated the LMCC is asking us to pay for filming the LMCD meetings when we don't have access to viewing them on cable any more. He didn't have any problem with the rest of the budget. Clapp stated he would bring that up at the next LMCD meeting.

B. Temporary-Seasonal Sales – Sever's Farm Market

Kohlmann stated this is an annual request for Sever's Farm Market.

De La Vega stated this is the same company that has been doing this for years.

Anderson moved to approve the request for Sever's Farm Market. Ansari seconded the motion. Ayes 5. Motion carried.

C. Recycling Grant

Kohlmann stated this is a possibility for a grant opportunity to provide recycling containers at all City parks. He stated there are additional details that need to be researched.

De La Vega asked if Allied Waste (Republic Services) brought this to our attention. Kohlmann indicated other cities have applied for this grant successfully.

Ansari stated Republic Services would be willing to pick up the recycling if Public Works would bring it to City Hall.

Council and staff discussed options for the grant and the ability to apply at other times.

Anderson moved to authorize staff to work with Councilmember Ansari on a grant application to purchase recycling containers for City parks. Clapp seconded the motion. Ayes 5. Motion carried.

D. Excelsior Dock and Park Patrol Services

Kohlmann stated this is a proposal for dock and park patrol services in Excelsior.

De La Vega stated this is a regular request as it is required per the JPA we have with the SLMPD.

Anderson moved to approve the Excelsior Dock and Park Patrol Services agreement. Clapp seconded the motion. Ayes 5. Motion carried.

10. MATTERS FROM THE FLOOR
None

11. REPORTS

A. Administrator – Kohlmann stated we have received a public hearing notice from the City of Shorewood relating to the proposed construction of storage buildings on the Xcel Energy property. Kohlmann stated parking on Circle Road was discussed at a special meeting on May 22nd and was directed to bring it to this meeting for more discussion after the weekend. De La Vega stated he didn't see a need to prohibit parking on Circle Road. Councilmembers discussed the future needs for a task force to discuss restoration and an administrative process to allow parking at some point. Clapp stated there was also a lot of police activity there over the weekend.

B. Anderson - Finance, Fire Lanes and Public Access, Technology – no report

C. **Ansari – EFD, Sanitation and Recycling, Southshore Community Center** – no report

D. **Grothe – Building Inspection, Municipal Buildings and Grounds, LMCC** – no report

E. **Clapp - Parks and Playgrounds, LMCD, Commercial Marinas, Municipal Docks** – no report

F. **Attorney's Report** – no report

G. **De La Vega - Public Works, SLMPD, Administration** – De La Vega suggested to Clapp that an e-mail survey be sent to the dock renters asking if locks are needed at the new gates. Clapp stated he would talk to Clare Link about the possibility. Grothe stated the no fishing signage needs to be placed in the dock area.

12. ADJOURNMENT

There being no further business, it was moved by Anderson to adjourn the meeting at 8:10 p.m. Grothe seconded the motion. Ayes 5. Motion carried.

Attest:

_____

Clerk