CITY OF TONKA BAY
ITEM NO. 4A

MINUTES
TONKA BAY CITY COUNCIL
REGULAR MEETING
May 8, 2012

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, De La Vega, Anderson and Holscher. 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 amended: Move Item 9H to 9A. Holscher seconded the motion. Ayes 5. Motion carried.

4. CONSENT AGENDA

Holscher moved to approve the consent agenda as presented approving the regular meeting minutes of April 24, 2012 as amended: Holscher stated the duties for Holscher and Anderson have changed since the first of the year so that the LMCC and Southshore Center are now her responsibilities. De La Vega stated the walkthrough was done of all the parks and not just Manitou Park. De La Vega seconded the motion. Ayes 5. Motion carried.

5. MATTERS FROM THE FLOOR

None

6. SPECIAL BUSINESS

A. Audit Presentation – Stuart Bonniwell – Bonniwell reviewed the 2011 audit report which is a non-qualified opinion. He noted fund balances are sufficient to fund expenses in 2012. LaBelle asked why the recycling fund is operated at a loss. Kohlmann stated part of it is when we moved to single sort, we no longer shared in recycling revenues with Allied. Bonniwell reviewed expenses, special revenue funds, capital improvements, outstanding assessments, fund transfers, JPA, fire pension, general fund balance, property taxes which account for 88% of the general fund, negative variance in revenues, liquor fund transfer and its relationship to the CPI, and general fund surplus. Bonniwell reviewed enterprise fund balances, utility fund transfers to fund improvement projects, and year ending accounts receivable/payable. LaBelle asked what the recommended reserve amount is. Bonniwell reviewed the required reserve

percentage and explained why Tonka Bay's reserve is higher. De La Vega asked if the expenses are even throughout the year. Bonniwell explained there are some seasonal expenses, but the expenses are fairly even throughout the year. LaBelle thanked staff for a job well done once again.

7. PUBLIC HEARINGS

None

8. OLD BUSINESS

A. Second Reading – Repeal Section 1080, General Storm Water Management Ordinance and replace it with Section 1080, Model Illicit Discharge and Connection Ordinance – Kohlmann stated there was some concern from the Council to prepare a public notice for residents. He noted he and Kluver will be meeting with WSB next week to develop a public notice process for residents. Kohlmann stated the reason for the ordinance change is because the MPCA stated our ordinance was insufficient and to develop stricter enforcement of illegal connections to the storm water system. **Marceau moved to adopt:**

RESOLUTION 12-09
A RESOLUTION AUTHORIZING SUMMARY PUBLICATION OF AN ORDINANCE OF THE CITY OF TONKA BAY, MINNESOTA

Holscher seconded the motion. Ayes De La Vega, LaBelle, Marceau, Anderson and Holscher. Motion carried.

9. NEW BUSINESS

H. Investments – Kohlmann discussed the city's desire to invest funds not currently needed for other uses. He reviewed some possibilities for investments. He stated these are not FDIC-insured. He asked for guidance are whether we should continue current practices or to proceed down a different avenue. Bonniwell stated the question is liquidity and how long a term the City wants to invest. He discussed rates available at local banks for CD purchases. Marceau asked Bonniwell what his opinion is on the safety of other investments. Bonniwell stated he did not know of any municipal bonds that have defaulted in Minnesota. If other bonds are rated, they will be safe. Kohlmann stated there is between half and one million dollars available to invest according to Bonniwell. Council and staff discussed possible investment scenarios. In response to a question from LaBelle, Bonniwell discussed the kind of investments other cities have invested in according to his experience. Marceau suggested letting it be known we have $800,000 to $900,000 to invest and getting better offers. Kohlmann discussed making the investment all at once. Bonniwell discussed laddering the investments so they are 2-3-5-7 years out. Marceau stated that has always been our goal,

and he commended Kohlmann for all the work he has put into this issue. Kohlmann believed there are two options – to invest $225,000 tomorrow or to put all into a recommendation to bring back to the next meeting. **Marceau moved to adopt:**

RESOLUTION NO. 12-10
A RESOLUTION ESTABLISHING ACCOUNTS FOR FUNDS ALLOWABLE UNDER MN STATUTUES CHAPTER 118A FOR THE INVESTMENT OF MUNICIPAL FUNDS

Holscher seconded the motion. Ayes - De La Vega, LaBelle, Marceau, Anderson and Holscher. Motion carried.

A. Adopt Resolution Authorizing City Administrator to Execute 2012-2015 Residential Recycling Agreement with Hennepin County – Kohlmann asked for a motion to adopt the resolution to execute 2012-2015 Residential Recycling Agreement with Hennepin County. **Marceau moved to adopt:**

RESOLUTION NO. 12-11
A RESOLUTION AUTHORIZING EXECUTION OF THE 2012 – 2015 RESIDENTIAL RECYCLING GRANT AGREEMENT BETWEEN HENNEPIN COUNTY AND THE CITY OF TONKA BAY

Holscher seconded the motion. Ayes - De La Vega, LaBelle, Marceau, Anderson and Holscher. Motion carried.

B. Manitou Court Sign – Councilmembers reviewed proposed signage for the Manitou sport court sign. It was noted "rollerblades" be changed to "in-line skates". The time will also be changed to 6:30 for consistency purposes. De La Vega discussed his concerns about prohibiting something that cannot be monitored. Councilmembers continued their discussion of the wording on the signage and concurred on the two changes as discussed. **Marceau moved to adopt:**

RESOLUTION NO. 12-12
A RESOLUTION AUTHORIZING THE PLACEMENT OF SPORT COURT SIGNAGE AT MANITOU PARK

Holscher seconded the motion. Ayes De La Vega, LaBelle, Marceau, Anderson and Holscher. Motion carried.

C. City Hall Brick Monuments – Kluver reviewed the request for improvements to the brick monuments, handicapped ramp, front steps and raising the sidewalk in front. He noted the brick would match the building color as much as possible. He reviewed two quotes from Mohler Chimney Repair and Studer Concrete. He stated another bid was received for mud jacking of the sidewalk and replacement of the fascia around the handicapped ramp. The rear steps would be removed as part of this project.

He stated staff is recommending approval of the low bid for the brick monuments to Mohler Chimney Repair in the amount of $3,050 and remainder of project from Hage Concrete Works in the amount of $7,269. He noted this would involve mud jacking the sidewalk, repair of the fascia, and replacement of the rear steps. Kohlmann noted the total of all the projects is over the $10,000 budgeted by about $1800. LaBelle stated these improvements are needed. In response to a question from Holscher, Kluver stated the contractors are very well known companies.

D. **City Hall Painting** – Kluver stated the painting will involve painting of the handrails, doors, and stairwell enclosure. He reviewed two proposals noting the low quote was from Matt Drahos in the amount of $1,350.

E. **City Hall Flagpole Light** – Kluver discussed flagpole lighting options. He noted solar flagpole lights are an option that would be very inexpensive to try. He noted one could be added at Wekota Park. De La Vega stated typically you use three light fixtures, because the flag moves. Marceau agreed we should try to see if this option works. De La Vega stated it is a great option if it works. He recommended a solar light for the flagpole lighting, and if it does work to add up to three. Council determined that one light will be purchased. **Marceau moved to approve the following:**

1. **Low bid from Mohler Chimney Repair in the amount of $3,050 to rebuild brick monuments in front of City Hall;**
2. **Low bid from Hage Concrete Works in the amount of $7,269 for the sidewalk mud jacking, repair of the handicapped ramp fascia, and replacement of the rear steps;**
3. **Low bid from Matt Drahos in the amount of $1,350 for City Hall exterior painting projects;**
4. **Purchase of one solar light in the amount of $155 plus tax from the Solar Store for the city hall flagpole light.**

De La Vega seconded the motion. De la Vega asked if a light is proposed for the brick monuments. Kluver stated that would be brought back to a future meeting. **Ayes 5. Motion carried.**

F. **Office Equipment** – LaBelle suggested staff check out Staples or Office Depot for chairs and shredder. Kohlmann stated these are the chairs proposed by office staff. He stated the biggest item is the computers which need to be replaced. We are also looking at replacing the phone system, but the quote was higher than expected. He noted the computer bid is the State bid vs. the on-line Dell price. He stated two estimates were received for computer installation. LaBelle stated it may be cheaper to go to Best Buy to buy the computer rather than buy on-line from Dell. He suggested checking there first. He recommended $200 per chair be authorized. Holscher stated she just bought a chair from Best Buy in the neighborhood of $200 and felt that was very reasonable. He also suggested $200 be authorized for a shredder as well. **Marceau moved to approve the office equipment purchases as amended. Holscher seconded the motion.**

Ayes 5. Motion carried.

G. City Boundary Entrance Monuments – Kohlmann stated he has contacted Elements, Inc. and several drawings will be provided for free. He stated examples of work they have done has been provided. He stated the bigger the monument, the more it will cost. LaBelle stated he envisions something small but architectural in nature. Kohlmann stated this would be brought back to a future Council meeting. LaBelle stated we also need to determine if we are in the County right-of-way and get necessary approvals. De La Vega suggested the south sign be relocated on the other side of the street closer to Manitou Park. Kluver stated that may be a difficult location because of underground utilities. Kohlmann stated the thought is to replace the sign near Circle Road first.

10. MATTERS FROM THE FLOOR

None

11. REPORTS

A. Administrator – no report

B. Holscher – Buildings, Building Inspections, Fire Lanes – Holscher stated the paint on the side of the building may need to be touched up.

C. Anderson - Animal Control, LMCC, Technology, Southshore Center – no report

D. De La Vega – EFD, Parks, Sanitation, LMCD – De La Vega stated the Park Committee did a walk through of all the parks, and a list has been given to staff. He stated the parks are in pretty good shape. He also noted there will be an EFD budget meeting on the 15th.

E. Marceau – Finance, Marinas, Municipal Docks – no report

F. Attorney's Report – no report

G. LaBelle - Public Works and SLMPD – LaBelle stated the SLMPD Coordinating Committee will be meeting on the 9th. Kluver reported on the number of remaining water meters for replacement.

12. ADJOURNMENT

There being no further business, it was moved by Marceau to adjourn the meeting at 8:29 p.m. De La Vega seconded the motion. Ayes 5. Motion carried.

Attest:

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Clerk