

CITY OF TONKA BAY ITEM NO. 4A

MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING May 26, 2015

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 Crawford and City Attorney Penberthy.

3. APPROVAL OF AGENDA

Anderson moved to approve the agenda as submitted. Ansari 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 12, 2015

B. Financial Report

Clapp seconded the motion. Ayes 5. Motion carried.

5. MATTERS FROM THE FLOOR

None

6. SPECIAL BUSINESS

A. Audit Report

Stuart Bonniwell, Bonniwell and Associates presented the audit report for the City of Tonka Bay for the year ended December 31, 2014. He discussed unassigned fund balances, special revenue funds (former liquor fund), and capital project funds. For the year, those funds increased roughly eleven percent.

Bonniwell reviewed the franchise fee fund which is new in 2014. He also discussed the General Fund statement of receipts, disbursements and changes in fund balance which highlighted a comparison of budget and actual for the year.

Bonniwell reviewed the statement of net position for proprietary funds as well as the statement of revenues and expenses and changes in net position for the same funds. He noticed the totals were significantly less than the prior year. De La Vega asked if he had determined why the significant decrease. Bonniwell stated less water was pumped.

Bonniwell noted the recycling reserve fund reflects a negative balance, and he recommended a transfer from the garbage fund. He also noted increased balances in the storm water and dock funds. He noted on Exhibit E that all the funds are building up cash funds with the exception of recycling.

Bonniwell discussed financial statements notes. He stated there are sufficient funds in all the City funds. Deposits and investments were discussed. De La Vega stated he would like to see funds going into higher yielding accounts. Bonniwell reviewed state guidelines for investments and deposit funds. He stated there is a fair amount of excess cash in the 4M Fund.

Bonniwell suggested a fund balance policy be developed. De La Vega asked if there should be a formal written policy. Bonniwell stated that would be up to the Council to determine. Most cities have gone to a written policy. He noted the City has never had any outside debt in all the years he has been auditor.

De La Vega asked if a franchise fund should be established to reflect the revenue and where the funds are going. Bonniwell stated that would not be a bad idea. De La Vega stated it can be discussed again at budget time.

De La Vega thanked the current and previous City Administrator for getting the City into such a good financial condition. Bonniwell stated residents in Tonka Bay also pay their property taxes in a timely manner. In 2014 the payment rate was 98%.

7. **PUBLIC HEARINGS**

A. **First Reading – Amendment to Section 910, Traffic Regulations**

Crawford reviewed the first reading for amendments to Section 910, Traffic Regulations. She reviewed the minor changes. She noted the previous ordinance did not incorporate the language from Resolution 95-29 which made it difficult for officers to enforce.

Penberthy stated the prosecuting attorney has made these recommendations. The City has always enacted traffic signs by resolution, and there haven't been any issues as a result in the past.

Clapp asked if there were any issues reported. Penberthy stated there weren't any tickets issued or complaints about the signage. Penberthy stated he didn't have any problem with the ordinance.

De La Vega asked if there was any issue why that part of the City was selected. Penberthy stated the boat trailers had always been parked at the Waseca fire lane. It was concentrated on parking at the fire lanes and the marinas. It was at a time when all the marinas allowed launching.

De La Vega stated there are areas like Gideons Point Road which he was unsure would be included. Penberthy stated the way he understood it if a boat trailer is parked on Tonka Bay Road, the police officer is hesitant to ticket because the signage states a resolution number. De La Vega stated the added subdivision is not specific enough and does not indicate a time frame. He stated it is way too onerous and he didn't see the purpose. He asked if the Council thought we should get more information from Ken Potts, our prosecuting attorney.

Penberthy asked if some statistics and/or fact finding could also be provided. De La Vega agreed, and he would also like to see information on enforcement by signage vs. resolution or ordinance.

8. OLD BUSINESS

A. Deer Feeding

Crawford stated this item was continued from the April 28 meeting so a full Council would be in attendance for review.

Clapp stated this seems to be the way cities are going. Anderson asked how this could be enforced. Clapp stated he didn't think there were a lot of people feeding deer. De La Vega stated the enforcement would be residents reporting this to the City to check out. He indicated a few changes to what Shorewood has would give us a policy. He stated prohibiting deer was the highest action on the recent survey. There wasn't any support for any other kind of action like culling the herd. Clapp stated he believed the people of Tonka Bay should be able to do whatever they want yet he doesn't have a neighbor feeding deer. De La Vega believed Mother Nature should feed the deer. Ansari stated she enjoys seeing the deer but did not support feeding

them. Grothe stated he didn't like doing ordinances.

De La Vega suggested submitting the language changes we might have to Crawford to create a policy that can be moved to an ordinance stage.

9. NEW BUSINESS

A. 2016 LMCD Budget Discussion

Crawford stated the 2016 draft LMCD Budget reflect an 11.3% decrease in Tonka Bay's share of the budget. Tonka Bay's portion will be \$10,665. A review of the budget will be held at the LMCD budget at their office this week.

Our LMCD representative, Gregg Thomas, will be at the June 23 meeting for his report and final review of the budget.

B. Adopt Resolution Accepting Plans for 2015 Sewer Lining

Crawford introduced Justin Messner, our City Engineer for comments.

Justin Messner, City Engineer reviewed the project for lining of sewer in Tonka Bay. It is a joint project with the City of Excelsior who will be administering the project. Bids will be opened on June 30, 2015, and bid results will be brought back to the July 14 meeting.

De La Vega asked if there are any grants attached to this project. Messner stated he did apply for a Met Council grant for last year's lining project as well as this year's project, so there will be a 25% reimbursement in 2016.

De La Vega asked if we are moving out of the dangerous falling apart stage at this point. Messner stated we have a very aggressive plan. The areas being done now are the most critical.

De La Vega asked how many more linear feet are left before we get to the PVC pipe areas. Messner stated he did not have that information but could get it from City staff. De La Vega stated as long as they are offering grant money, we should go for it.

Grothe asked if there is a reason the first part of Interlachen Lane is not being done. Messner stated it may have already been done.

De La Vega stated he would like to see a map of what has been done already. Messner stated he can provide that information.

De La Vega asked why our 8" cured-in-place cost is different than

Excelsior's. Messner stated it is based on cost, production, and mobilization.

Clapp asked if we could get this done in April rather than June for a better rate. Messner agreed. He did note the longer the extension, the better as far as rates are concerned.

In response to a question from Ansari, De La Vega explained how the project is paid.

Anderson moved to adopt Resolution No. 15-09 accepting the 2015 sanitary sewer improvement project plans and specifications and ordering advertisement for bids. Grothe seconded the motion. Ayes – De La Vega, Ansari, Anderson, Clapp and Grothe. Motion carried.

10. MATTERS FROM THE FLOOR

None

11. REPORTS

- A. **Administrator** – Crawford presented revenues and expenditures for the first quarter of 2015. Crawford discussed her first week on the job. She also stated she will be off on June 1 to move.
- 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 stated he attended a meeting to review SLMPD operations. The employees are the highest paid in the area. An advertisement has been placed to replace the Interim Police Chief.

12. CLOSED SESSION

De La Vega stated we will now close this meeting because the matters to be discussed constitute the purchase of real property under Minnesota Statutes. No further City Council business will be conducted after the closed meeting other than to adjourn.

The following persons will be in attendance at the closed meeting: Mayor De La Vega, Councilmembers Anderson, Ansari, Clapp, and Grothe, City Administrator Crawford, and City Attorney Penberthy. Members of the audience were dismissed.

Anderson moved to go into closed session at 8:16 p.m. Grothe seconded the motion Ayes 5. Motion carried.

13. ADJOURNMENT

Following the closed session, it was moved by Anderson to adjourn the meeting at 9:00 p.m. Ansari seconded the motion. Ayes 5. Motion carried.

Attest:

Clerk