

**MINUTES
TONKA BAY CITY COUNCIL
REGULAR MEETING
May 13, 2008**

1. CALL TO ORDER

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

2. ROLL CALL

Members present: Acting Mayor Marceau and Councilmembers Tessness, Folley, and De La Vega. Mayor LaBelle was absent. Also present were City Administrator Loftus and City Attorney Penberthy.

3. APPROVAL OF AGENDA

De La Vega moved to approve the agenda as submitted. Folley seconded the motion. Ayes 4. Motion carried.

4. CONSENT AGENDA

De La Vega moved to approve the consent agenda as presented. Folley seconded the motion. Ayes 4. Motion carried.

5. MATTERS FROM THE FLOOR

None

6. SPECIAL BUSINESS

A. Lake Minnetonka Conservation District Quarterly Update – Doug Babcock, LMCD Representative stated meetings will be held in the near future to discuss the proposed boat density ordinance. The LMCD is increasing patrols to find cases of milfoil infestation, and milfoil harvesting continues this spring and summer. The 2009 budget will be available before July 1. Marceau asked if the majority of the funding for milfoil harvesting comes from the homeowners. Babcock stated the majority (75%) does come from homeowners, and the LMCD funds \$10,000 per bay. Babcock stated there is a 5-year plan for treating the bays with a 4-year maintenance treatment program. He stated homeowners can opt-out of having the area in front of their homes treated. In response to a question from Folley about the proposed budget, Babcock stated he doesn't foresee a double-digit increase for 2009. Marceau asked Babcock to make sure the city sees the proposed budget before it is certified by July 1.

B. Audit Presentation – Stuart Bonniwell, City Auditor was present to review the 2007 audit report. He stated the management letter was sent separately to the Council. He stated the audit report is based on the cash/regulatory basis which has been approved by the State of Minnesota. He reviewed the General Fund summary and special revenue fund balances. He reviewed receipts and disbursements. A conscientious effort was made in 2007 to increase the General Fund reserves to meet any future needs. He reviewed Enterprise Funds. He noted there were slight losses in

the water and sewer funds in 2007 due to unexpected repairs and maintenance. The other enterprise funds operate at a break-even basis. He stated the City is generating enough cash to pay their bills. Outside of the fact that the city uses the cash basis for accounting, there is nothing unusual in this year's audit. He stated the cash position hasn't changed much from one year to the next. The City is fairly conservative. He stated operating transfers of \$120,000 to the General Fund were made from the liquor, antenna, and dock funds. He stated property taxes account for 73% of our operating revenues. Ten percent were the transfers from other funds. The city did an excellent job of budgeting for the year. He reviewed disbursements for 2007. There was a slight negative variance (less than one percent). The Public Safety Department cost accounted for 54% of the city's expense in 2007. He stated there is a \$542,000 fund balance which is a commendable percentage. The State allows for anywhere from 35-50%. He reviewed the special revenue funds (liquor and antenna funds). The liquor fund was set up to make sure the \$400,000 is always available and increases based on the cost of living. One of the antenna leases was cancelled in 2007. He asked the Council for their questions. Penberthy asked how long it will be before the capital improvement fund is in the black. Bonniwell explained it should be a positive balance by 2008. De La Vega asked why the engineering costs aren't at a wash. Bonniwell believed it probably is and explained the receipts and disbursements aren't "matched". De La Vega asked what the protective services contract is. Bonniwell stated it is a state contract for building inspections. It is a timing issue, because permit fees are collected, but the timing of payment is at a later date. Marceau asked if the filing to the State is on time this year. Bonniwell stated the deadline is June 30.

7. **PUBLIC HEARINGS**

None

8. **OLD BUSINESS**

A. Landscaping in Firelane at 30 Florence Drive – Loftus stated Rich Kofski, 30 Florence Drive, has withdrawn his request to landscape in the firelane. She noted once the grading and turf are established, the drainage should be functional. Staff is asking Council to consider approval of a license agreement protecting the City's interests after they have had a chance to review the document. It would be put on the May 27 consent agenda after the Council has had a chance to give their comments to the City Administrator. **De La Vega directed staff to prepare a license agreement between Rich Kofski and the City of Tonka Bay which will be brought back to the next Council meeting for approval. Tessness seconded the motion. Ayes 4. Motion carried.**

B. Dock Removal Extension Request at 245 Woodpecker Ridge Road – **Gary Van Cleve, attorney representing Robert and Justine Haselow, owners of 245 Woodpecker Ridge Road** was present to discuss his clients' request for an extension on

the dock removal request from June 1 to September 1. He stated the Haselows have agreed not to use the dock during this time period. He stated the issue was set to the side while the road improvement issues were decided. Tessness stated he would be willing to agree to the extension to allow more time for additional information. Penberthy stated there are many issues involved with this request which will take time to research. Marceau stated he would be willing to agree to an extension, but he believed three months was excessive. He believed a 30-day extension would be more appropriate. De La Vega stated he believed the Haselows' attorney should be given the time to research. He was in favor of a 60-day extension. He appreciated the Haselows' offer to not use the dock. **De La Vega moved to approve a 60-day extension. Marceau seconded the motion. Folley was not in favor of a 60-day extension. Tessness also believed sixty days would be excessive. Marceau stated he would like to see thirty or 45 days. Ayes 4. Motion carried.**

9. **NEW BUSINESS**

A. **Outdoor Seasonal Sales Permit at Tonka Village – Severs** – Loftus reviewed the request for the annual outdoor seasonal sales permit for Severs Farm Market at Tonka Village Shopping Center. The time period proposed is June 20 through August 4. The time period will overlap with the Linder's request which hasn't been an issue in the past. **Tessness moved to approve the outdoor seasonal sales permit at Tonka Village for Severs Farm Market. De La Vega seconded the motion. Ayes 4. Motion carried.**

B. **2009 Budget Timeline** – Loftus reviewed the recommended dates proposed to review the 2009 budget. The Primary Election is September 9, so the Council meeting on that date must be rescheduled. She recommended Wednesday, September 10. She stated the November 11 meeting falls on Veterans' Day and must also be rescheduled. She suggested November 12. **De La Vega moved to approve the recommended Council workshop dates of July 22 at 6 p.m., August 12 at 6 p.m. November 12 at 6 p.m. and reschedule the September 9 Council meeting to September 10 and the November 11 meeting to November 12. Folley seconded the motion. Ayes 4. Motion carried.**

C. **Excelsior Seasonal Park & Dock Patrol Services** – Loftus stated the City of Excelsior is requesting the SLMPD provide seasonal park and dock patrol services over and above what is provided in the joint powers agreement. They need the other cities that are part of the joint powers agreement to approve this request every year. **Tessness moved to approve Excelsior's hiring of the SLMPD for seasonal park and dock patrol services. De La Vega seconded the motion. Ayes 4. Motion carried.**

10. **MATTERS FROM THE FLOOR**

None

11. **REPORTS**

A. Loftus – Loftus stated the Open Book meeting was held on May 1. There were fifteen residents in attendance which is higher than last year's attendance. Overall, things went very well. There were fifty phone calls after property tax statements were received. The Strategic Action Plan is provided in the packet to notify the Council of the meeting on May 14. The CSO progress report was also provided which appears to be a great program.

B. Marceau – Finance, Marinas, - no report

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

D. Folley - Animal Control, LMCC, Technology – The Strategic Action Plan meeting is on May 14.

E. De La Vega - EFD, Parks, Sanitation, and Southshore Senior/Community Center – The Parks Committee met and finalized a gifting program which will be presented to the City Council. The Southshore Senior Center group met. EFD will begin review of the 2009 budget.

F. Attorney's Report – no report

G. LaBelle - Public Works and SLMPD - absent

11. ADJOURNMENT

There being no further business, it was moved by De La Vega to adjourn the meeting at 8:04 p.m. Folley seconded the motion. Ayes 4. Motion carried.

Attest:

Clerk