

## ITEM NO. 4A

### MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING APRIL 24, 2018

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, LaBelle, and Jennings. Also present were City Administrator Crawford, Public Works Superintendent Bowman and City Attorney Biggerstaff.

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 following consent agenda items:**

**A. Regular Meeting Minutes of April 10, 2018**

**B. Financial Report**

**C. First Quarter Building Activity Report**

**Ansari seconded the motion. Ayes 5. Motion carried.**

**D. Excelsior Park and Dock Patrol Services – Jennings pulled this item for discussion.**

**Jennings and Crawford discussed Item 4D.**

**Anderson moved to approve Item 4D. Jennings seconded the motion. Ayes 5. Motion carried.**

5. **MATTERS FROM THE FLOOR**

None.

6. **SPECIAL BUSINESS**

None.

7. **PUBLIC HEARINGS**

A. Variance Request – Netley, 35 Fairhope Avenue

Crawford stated that there are multiple variance requests for a single-family home and accessory structure at 35 Fairhope Ave.

Breanne Rothstein, City Planner, explained the variance requests and variance criteria review, the land dimensions of 35 Fairhope Ave and of the neighboring properties and the reasons for recommending approval and denial of the various variances. She also commented that if these variances were approved, the next step would be to apply for conditional use permits and explained the necessary conditional use permits.

LaBelle and Rothstein discussed the current structure on the property.

Rothstein defined ordinary high water level.

Ansari inquired about the environmental impact. Rothstein described the numerous factors and how they may impact the environment.

De La Vega commented that there are two houses on the island which have utilities. Rothstein acknowledged this fact.

LaBelle asked Rothstein's opinion of Section 1011.02. Rothstein stated that because this section specifies the extension of utilities, she would defer to the City Engineer or the Public Works Superintendent. She continued that there is no current variance request for Section 1011.02.

De La Vega reiterated the variances the Council will be voting on.

De La Vega opened the public hearing.

Bruce Meyer, 75 Fairhope Ave, asked for clarification on the role Rothstein has in the City. De La Vega explained her role and Nick Preisler's, City Engineer, role.

Stuart Campbell, 29 Fairhope Ave, stated that he has no issue with the principal structure; however, it is his opinion that his property value will decrease if the accessory structure were to be built.

Howard Root, 25 Fairhope, agreed with Campbell's statement. In addition, he voiced concerns of the hardcover for this project. Preisler discussed the hardcover for the property.

Susan Campbell, 29 Fairhope Ave, indicated that if the accessory structure were built, it would limit their lake view; therefore, decreasing their property value.

Mike McAnally, 55 Fairhope Ave, stated he agrees with the previous comments. McAnally commented that he was previously told that the island could not be built on.

Denny Manrique, 45 Fairhope Ave, noted that it was previously communicated to him that structures could not be built on either side of his house on the island. Furthermore, the bridge to 35 Fairhope Ave was built illegally and sits on his property.

Hearing no other comments, De La Vega closed the public hearing.

Sven Gustafson, Stonewood, LLC, 153 East Lake Street, Wayzata, and Kristy Raasch, Alexander Design Group, 401 East Lake Street Wayzata were present. Gustafson recapped the history of this project, discussed the principal and accessory structures and expressed his client's viewpoint of building the accessory structure on the island.

LaBelle agreed with staff's recommendations; in favor of allowing the principal structure variances and denying the variance for the accessory structure and explained his reasons.

Jennings, Biggerstaff and Crawford discussed the setback variance and the potential conditional use permit for the accessory structure. Jennings and De La Vega discussed the setback ordinance.

LaBelle described the history of building the 45 Fairhope Ave house on located on the island.

Gustafson explained the design of the proposed structures.

Jennings and LaBelle discussed how the applicants may scale back the size of the structures.

Ansari remarked that the accessory structure would have a negative impact on the area and explained her opinion.

LaBelle noted that the Council should determine at what size is an accessory structure too large. It was LaBelle's opinion that by allowing the accessory building

variances, a large accessory structure would be built. Thus, having a negative impact on the surrounding property values. Jennings agreed.

De La Vega stated he agrees with staff recommendations.

**Anderson moved to direct staff to prepare a resolution for the requested lot width and front and rear yard setback variance for the principal structure at 35 Fairhope Ave. based on the findings of fact listed in the report Items 1 through 8 as well as meeting the recommended conditions Items 1 through 6. Ansari seconded the motion. Ayes 5. Motion carried.**

**Anderson moved to direct staff to prepare a resolution of denial for the request for a rear setback variance for an accessory structure in the Shoreland Overlay District at 35 Fairhope Ave. based on the following findings of fact listed in the report Items 1, 2 and 3. LaBelle seconded the motion for discussion purposes; he indicated the applicant should be allowed to submit a revised plan. Anderson amended the motion to table the accessory structure variance request. Ansari seconded the motion. Ayes 5. Motion carried.**

**Anderson moved to direct staff to prepare a resolution stating that the City Council has interpreted that the legislative intent of Section 1011.02, subd. 2(a) of the City Code is to prohibit the extension of utilities, specifically water and sewer, to an accessory structure.** Biggerstaff stated that the Council has not thoroughly discussed this subject and that this question hinges on where an accessory structure can be built and recommends waiting to vote until the accessory structure plans have been finalized. Crawford stated that the applicant may not want to run water and sewer to a smaller structure; thus, nullifying this action. **Anderson withdrew the motion.**

## **8. OLD BUSINESS**

### **A. Water Treatment Plant Project Timeline**

Nick Preisler, City Engineer, discussed the water treatment plant project timeline and estimated costs.

De La Vega stressed that it needs to be determined how much of the project may be paid using reserve funds and when the City needs to obtain outside funding. Preisler described the costs of the project.

Preisler was seeking guidance as to whether a proposal should be created to begin work on the water treatment plant.

De La Vega asked about available reserve funds. Crawford answered that staff recommend using \$470,000.00 of reserve funds.

De La Vega summarized that the project may begin because the City can pay the first portion using reserve funds and to continue researching outside funding sources.

De La Vega inquired how this project can begin. Preisler described the procedure and indicated that if this was started soon, the project could be one month ahead of schedule.

De La Vega and Preisler discussed loan options.

Bowman, De La Vega and Preisler discussed rearranging projects within the timeline.

**Anderson moved to direct staff to prepare a proposal to perform engineering design specifications and construction inspections for the complete water treatment plant project. LaBelle seconded the motion. Ayes 5. Motion carried.**

Preisler stated that it may take approximately four to six weeks for the proposal to be drafted, the proposal could possibly be brought back to the last May or first June Council meeting.

B. Amend Resolution 09-23, Liquor Fund Balance

Crawford discussed the history of the liquor fund resolutions. Additionally, at the April 10, 2018 meeting, Council directed staff to amend Resolution 09-23, Liquor Fund Balance. Staff determined a specified amount to be transferred but Council may amend the amount. Crawford explained the options Council may consider regarding Resolution 09-23. It is staff's recommendation to transfer \$194,421.58 but leave a minimum balance of \$130,000.00.

LaBelle, Anderson and De La Vega discussed the liquor fund.

**Anderson moved to amend Resolution 09-23, with Resolution 18-12 allowing the balance of the Liquor Fund to fall below \$278,000.00. LaBelle seconded the motion. Ayes – Anderson, Ansari, Jennings, LaBelle and De La Vega. Motion carried.**

**9. NEW BUSINESS**

A. Amend Section 301 – Right-of-Way Management

Crawford stated that per Council direction, Section 301 has been proposed to be amended and detailed the changes.

Jennings inquired about the removal of trade secret information from the ordinance. Biggerstaff explained why this was removed.

Anderson asked about degradation fees. Biggerstaff described degradation fees and its removal from the ordinance.

**Anderson moved to waive the second reading of Ordinance 2018-07 Chapter III, Building, Housing and Construction, Section 301, Right-of-Way Management and to approve Ordinance 2018-07 Chapter III Building, Housing and Construction, Section 301, Right-of-Way Management. Jennings seconded the motion. Ayes 5. Motion carried.**

**Anderson moved to approve Resolution 18-13 authorizing summary publication of the ordinance amending Chapter III, Building, Housing and Construction, Section 301, Right-of-Way Management. Jennings seconded the motion. Ayes – Anderson, Ansari, Jennings, LaBelle and De La Vega. Motion carried.**

B. City Hall Monument Sign

Crawford discussed the current and proposed City Hall monument sign.

De La Vega inquired if the brick on the sign could closely match the brick on City Hall. Crawford replied yes.

The Council and Crawford discussed the color of the wording and face of the sign and the placement of the sign.

**Anderson made a motion to approve the quote from Sign Source to construct a City Hall monument sign not to exceed \$9,818.00 in appropriate design selection. Jennings seconded the motion. Ayes 5. Motion carried.**

**10. MATTERS FROM THE FLOOR**

None.

**11. REPORTS**

A. Administrator's Report – Crawford stated there needs to be a formal motion

for John Tingley's employment.

**Anderson made a motion to accept the employment agreement between the City of Tonka Bay and John Tingley. Ansari seconded the motion. Ayes 5. Motion carried.**

Crawford discussed the first quarter revenue/ expenditure report.

B. Jeff Anderson – Finance, Fire Lanes and Public Access, Technology – No report.

C. Elli Ansari – Parks and Playgrounds, LMCD, Sanitation and Recycling – Ansari stated she attended the Push In ceremony for the new fire truck. Also, she has been contacted by residents regarding speed bumps and stated that she could assist Jennings in his research.

D. Adam Jennings – EFD, Commercial Marinas, Municipal Docks – Jennings commented on the new fire truck Push In ceremony and detailed the reason for the increase of ladder length. He indicated that residents have contacted him regarding speed bumps and he will present this topic in May. Lastly, there is an EFD budget work session April 25.

E. Bill LaBelle – Building Inspection, Municipal Buildings and Grounds – No report.

F. Attorney's Report – No report.

G. Gerry De La Vega –SLMPD, Administration, Public Works – De La Vega updated the Council on the SLMPD; the results of the SLMPD audit, the surplus and the authorization to purchase new equipment.

## **12. CLOSED SESSION**

De La Vega announced the closed session. Anderson moved to enter into closed session at 8:34 PM pursuant to MN Statute Section 13D.05 subd. 3 paragraph (b) as the discussion constitutes a matter involving the performance of an employee. The following persons were in attendance:

1. Gerry De La Vega, Mayor
2. Jeff Anderson, Councilmember
3. Elli Ansari, Councilmember
4. Adam Jennings, Councilmember
5. Bill LaBelle, Councilmember
6. Lindy Crawford, City Administrator
7. Robin Bowman, Public Works Superintendent
8. Andrew Biggerstaff, City Attorney

**LaBelle seconded the motion. Ayes 5. Motion carried.**

**Anderson moved to adjourn the closed session at 8:58 PM. Jennings seconded the motion. Ayes 5. Motion carried.**

**Anderson moved to terminate Mike Wegner effectively Friday, April 27, 2018. Jennings seconded the motion. Ayes 5. Motion carried.**

**13. ADJOURNMENT**

**There being no further business, it was moved by Anderson to adjourn the meeting at 9:00 PM. LaBelle seconded the motion. Ayes 5. Motion carried.**

Attest:

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Clerk