

CITY OF TONKA BAY ITEM NO. 4A

MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING March 13, 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, and Anderson. Councilmember Holscher was absent. 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 submitted. De La Vega seconded the motion. Ayes 4. Motion carried.

4. CONSENT AGENDA

De La Vega moved to approve the consent agenda as presented approving the regular meeting minutes of February 28, 2012. Marceau seconded the motion. Ayes 4. Motion carried.

5. MATTERS FROM THE FLOOR

None

6. SPECIAL BUSINESS

None

7. PUBLIC HEARINGS

None

8. OLD BUSINESS

None

9. NEW BUSINESS

A. Lake Minnetonka Association – Gideons Bay Milfoil Treatment – Dick Osgood – Dick Osgood, LMA reported on milfoil treatment in Gideons Bay. He stated the project has been a wonderful success. They have been able to treat twice what the milfoil harvesting program can remove. He stated the municipal lagoon area will be

treated in 2012. He stated 2012 is the end of the program. He stated he is present this evening to discuss the future of the program and funding. He discussed the possibility of developing a public funding formula. Marceau stated his main concern earlier was the lagoon and was glad to hear it would be treated this year. Osgood stated a determination from the Attorney General was received that contributions from individuals would be tax deductible. LaBelle stated he was encouraged by the earlier success of the program, and we have budgeted for treatment in 2012. De La Vega asked if there is still concern if the harvesting portion should continue, or is that something that can be slowly discontinued. Osgood stated it should be slowly phased out; however, it does have some benefit and value. He noted herbicide treatment lasts several years, while harvesting lasts only one year. He stated herbicide treatments are less expensive as well. Councilmembers discussed the funding amount for this year's herbicide treatment. **De La Vega moved to approve \$5,000 funding for Gideons Bay milfoil treatment with the understanding it includes the lagoon and channel areas. Marceau seconded the motion. Ayes 4. Motion carried.**

B. 2012 Commercial Marina License Renewals – Kohlmann stated the City has received three applications for renewal without change for marinas. He stated he has inspected the sites, and there are no expansions or changes in place. He recommended approval of the licenses. **Marceau moved to approve the 2012 commercial marina license renewals. De La Vega seconded the motion. Ayes 4. Motion carried.**

C. 2012 Sewer Lining – Kluver reviewed the 2012 lining of approximately 1000 feet of sanitary sewer. He discussed the purpose of the lining project. He reviewed proposals received from two contractors. The low quote was received from Visu-Sewer in the amount of \$38,000. He noted the completion date has been extended to November 1, 2012 instead of the June 30 completion date noted in the specifications. He discussed funding for the project. LaBelle asked if there have been any problems with the sewer lining projects over the years. Kluver stated that there have been no problems with the sewer lining. **Marceau moved to approve the low quote from Visu-Sewer, Inc. in the amount of \$38,000 with funding from the Sewer Operating Fund and authorize the Mayor to execute the contract document. De La Vega seconded the motion. Ayes 4. Motion carried.**

D. Antenna Leases – Kohlmann stated staff has contacted a couple third-party antenna lease companies and inquired about expanding the number of leases on the site. They made offers for our existing leases. He gave a background of the leases currently using the tower. He reviewed one proposal from Lyle Company for \$860,000 which is more than the leases are worth to the end of the term. He stated the companies do not act as brokers where they go find other renters for the site. De La Vega noted Lyle Companies are requesting a 40-year right to lease with a 10-year payout while AP Wireless is proposing a 30-year right to lease at \$289,000 with a 3-year payout. He

asked what our "take-home" is in the antennas right now. Kohlmann stated it is about \$50,000 a year with an annual increase. De La Vega stated the unknown factor is technology. LaBelle stated it is something that should be looked at, but he wondered what other cities are doing. Kohlmann stated that it hasn't been done very much except in cases where a city is cash-strapped. He stated he was unaware of any city that has done this that was willing to discuss it with him. He noted the CellNet lease is due to expire this year, and we have not been contacted to renew their lease. De La Vega stated we aren't in a cash crunch to do this. Marceau stated the risk issue is taken away, and he believed this was something to check into more. He stated he would not be voting on this item as a relative works for one of these companies. LaBelle asked if the League offers any counsel on this issue. Kohlmann stated there isn't any information available from the League he is aware of but will research the issue more by contacting someone at the League. LaBelle stated he would like to get some expert counsel on this issue. Marceau stated he would also like to know what would happen if the company goes into bankruptcy. He asked if we would be in trouble if we wait until the CellNet lease expires. Kohlmann stated there is no indication that CellNet would go away at this point, but it is hard to tell. De La Vega stated the offer is good for thirty days. Kohlmann stated he believed they would be willing to extend the offer in order to get additional information on Lyle Companies and AP Wireless. Kohlmann asked if this is something the City Council would like to pursue further.

10. MATTERS FROM THE FLOOR

None

11. REPORTS

A. Administrator – Kohlmann stated he will be out of town from March 24 through March 31.

B. Holscher – Buildings, Building Inspections, Fire Lanes - absent

C. Anderson - Animal Control, LMCC, Technology, Southshore Center – Anderson stated he will be out of town the same week as Kohlmann.

D. De La Vega – EFD, Parks, Sanitation, LMCD – De La Vega stated he will be out of town the first week in April.

E. Marceau – Finance, Marinas, Municipal Docks – Marceau stated Kohlmann is still working on partners to send RFPs to for investments and will report back at the April meeting.

F. Attorney's Report – no report

G. LaBelle - Public Works and SLMPD – no report

12. ADJOURNMENT

There being no further business, it was moved by Marceau to adjourn the meeting at 7:43 p.m. De La Vega seconded the motion. Ayes 5. Motion carried.

City of Tonka Bay
Regular City Council Meeting
March 13, 2012

Attest:

Clerk