

CITY OF TONKA BAY ITEM NO. 4A

MINUTES TONKA BAY CITY COUNCIL REGULAR MEETING August 13, 2013

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 Kohlmann, 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**

De La Vega moved to approve the consent agenda as presented approving the regular meeting minutes of July 23, 2013 as amended: Page 3, 9th line down, change sentences to read: "He didn't believe reserves should be spent on salaries or other continuing cost"; Page 3, 11th line down: "\$10,000 request for undefined purchase"; Page 3, Line 14: "We currently have a snowmobile"; Page 3, Line 19: "The pension is State sanctioned." Last page, Item 11C, Ansari stated she..." Clapp seconded the motion. Ayes 5. Motion carried.

5. **MATTERS FROM THE FLOOR**

None

6. **SPECIAL BUSINESS**

None

7. **PUBLIC HEARINGS**

None

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

A. Set Truth-in-Taxation Meeting Date – Kohlmann stated this is traditionally held the first meeting in December along with the regular meeting. He recommended December 10 at 7 p.m. be set. **Anderson moved to set December 10 at 7 p.m. for the truth-in-taxation meeting. Clapp seconded the motion. Ayes 5. Motion carried.**

B. Apple of the Lake 5K Fun Run – Kohlmann stated staff has been contacted by Laura Hotvet of the Excelsior-Lake Minnetonka Chamber for approval to have a portion of the Apple of the Lake 5K Fun Run use a portion of Tonka Bay's LRT trail for the race. **Anderson moved to approve the use of the City's portion of the LRT trail for the Apple of the Lake 5K Fun Run. Clapp seconded the motion. Ayes 5. Motion carried.**

C. Brentwood Avenue – Children at Play Sign Request – Kohlmann provided information from MN/DOT advising that Children at Play signage not be posted. Grothe stated the second speed limit sign is hidden in the branches. He suggested it could be moved or the branches trimmed. He didn't think a "Children at Play" sign would effectively slow down the traffic. Ansari asked if there is anything else that can be done to address speeding on Brentwood. She suggested a speed bump as an option. Penberthy stated it all gets back to enforcement of existing signage. He recalled traffic coming onto Brentwood is the problem not going out. De La Vega stated it has never been a cost issue before; it has been the maintenance concern. Grothe stated another issue with the speed bump is the increased noise as traffic speeds up after going over the structure. Councilmembers discussed other options including adding an additional speed limit sign or placing flags on the existing speed limit signs. De La Vega asked if there have been any reports on data collected. Kohlmann stated there has not. Staff was directed to bring back a resolution authorizing the sign placement and additional information on options.

D. Seal Coating Bid Award – Kohlmann reviewed bids received for the seal coating project. De La Vega stated he was disappointed there was only one bid. Clapp stated most of the companies who would bid this project are too busy right now to bid. **Clapp moved to adopt:**

RESOLUTION NO. 13-18

A RESOLUTION ACCEPTING PROPOSAL AND AWARDING CONTRACT FOR BITUMINOUS SEAL COATING OF STREETS

Anderson seconded the motion. Ayes – Ansari, De La Vega, Clapp, Grothe, and Anderson. Motion carried.

E. Southshore Center Funding Request – Kohlmann stated the City of Shorewood is requesting a contribution from Tonka Bay toward the Southshore Center shortfall of \$60,000. The amount requested is 9% which is what the City's original contribution to construct the Center was. Ansari added that 9% is not a mandated obligation but meant to be a starting point. Grothe stated we should do whatever we can to make the program work and maybe try to compete with Minnetonka. He was not concerned about who is doing what. He preferred to see whatever can be done to make the Center work. De La Vega gave a background on the history of the Southshore Center and how Shorewood ended up running the facility. He noted the Center has lost money three years in a row. He stated he is still of the opinion we are there for the asset. We would invest what is required to maintain that asset. He stated we had no part in creating the deficit. Grothe stated there needs to be someone to come in and take the responsibility to make the Center work. Ansari stated another option is to find a business nearby who could use overflow office space or storage space as a renter.

F. SLMPD Budget – Kohlmann presented the proposed 2014 SLMPD budget. He noted a copy of the Joint Powers Agreement which states one City can deny the budget. He stated 2.9% is the proposed increase which would be lower than the levy limits. He noted we do not know what the CPI will be until later this week. De La Vega stated he sits on the Coordinating Committee and is on record as opposing the budget as he didn't believe it was the best option. He noted the Coordinating Committee decided to move forward. He stated if we do not pass the budget, we will be forcing the budget into the default situation where cuts would be forced without a plan. He stated if the CPI is at 1.5%, it would cut the increase in half. He stated while he is on record opposing the budget, he is more opposed to putting the police department into default given essential programs could be jeopardized. He stated he has suggested the JPA be amended to require that two cities must oppose the budget in order to go into default. Penberthy asked what services would be jeopardized. De La Vega stated it could be the union increases which are still in negotiations. If a cap is placed under the default provision, it could jeopardize union negotiations. Penberthy asked if that wouldn't still provide flexibility in the entire budget to shift funds. De La Vega stated that would be the task. It would put them in a scramble mode to find items to cut. He stated to a large degree, it is personnel funds. He stated he has every intention of having the JPA changed to require two cities to oppose in order to default. He stated he would also like to have a real workshop to review the budget in the next go round. Penberthy asked if there is an option to table the vote to have more information provided on what the consequences would be under a default situation. De La Vega stated he didn't want to take a vote if it is not going to be passed tonight. Penberthy stated the question is if one city votes no on the budget, can we quantify? De La Vega stated not until the

CPI is known. It was noted all the other cities have approved the budget. Councilmembers discussed whether the budget just be approved. They agreed the Council needs to move forward with the budget approval. **Clapp moved to adopt:**

RESOLUTION NO. 13-19

**A RESOLUTION APPROVING FUNDING AMOUNT FOR THE
2014 SOUTH LAKE MINNETONKA POLICE DEPARTMENT BUDGET**

Anderson seconded the motion. Ayes – Ansari, Anderson, Clapp and Grothe. Motion carried 4-1. De La Vega opposed the motion.

G. EFD 2014 Budget Position Letter – De La Vega stated this was the letter written to document the points discussed at the last City Council meeting. He noted there will be a meeting at the EFD on August 14 and all City Councilmembers are invited to attend. Kohlmann explained the votes required to approve the EFD capital improvements and operating budgets. Ansari stated she had some concerns about framing the position letter in a different way. She noted some of the items in dispute were not in the budget. She agreed we have given good due diligence to put some meat behind our concerns. De La Vega suggested changes to the position letter. Grothe stated point B is a major concern. We don't want to use reserves for salaries. De La Vega stated it appears there is intent to spend down the reserves this year. Ansari still felt there is a disparity in the Fire Inspector's salary but was comfortable with the idea of her growing into the position. Councilmembers discussed the Fire Inspector's proposed salary. De La Vega stated the proposal circumvents the process whereby the Fire Chief receives an increase after a review. He stated he preferred a pay for performance model. Clapp asked if he would automatically receive the increase budgeted no matter how the review would turn out. De La Vega stated that would be the case if you are trying to achieve market parity. He noted this is the first time two positions have been isolated for special recognition. Clapp asked if there is a performance review for the fire inspector. De La Vega stated there is and it is capped through the budgeted amount. Councilmembers reviewed fire fighter salaries. De La Vega stated the pension is more of a recruiting tool. He stated very little was proposed to compensate the fire fighters. De La Vega noted the fund balance reserves have been used to fund the mandatory payment to the pension fund rather than have the cities pay the amount. He stated unless something is needed immediately, he did not support spending reserves. Ansari asked if the fire fighter salary increase should be addressed with the budget. De La Vega stated it should be put on the radar. De La Vega stated the proposed ATV purchase brings up the question of what task is not being done now that this purchase will help. Ansari stated there is an ATV now they can share with SLMPD. De La Vega also asked how many instances have there been

where it would have been helpful to have. Councilmembers discussed the budget growth calculation. De La Vega noted in 2013 the pension contribution of \$32,927 is included in the total budget. He stated in 2014, the \$32,927 should be removed. He stated a one-time mandatory contribution cannot be an ongoing expense. De La Vega stated resources are being used to fund the duty crew. He noted this topic was never presented to the EFD Board for a vote and it should be a Board action. Whether or not there is a budget to fund it is beside the point. De La Vega suggested this position be made available to the Fire Chief and the Board members. De La Vega stated the City Council will have another opportunity to review the final budget. Staff was directed to e-mail the position letter to the Fire Chief, Mayors, Councilmembers and Board members.

10. MATTERS FROM THE FLOOR

None

11. REPORTS

- A. Administrator – no report
- 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 – Grothe stated he attended an LMCC meeting today and will be attending another LMCC meeting on August 20. He updated the Council on current issues.
- 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 – no report

12. CLOSED SESSION

De La Vega stated we will now go into closed session as the discussion constitutes a personnel matter. The following persons will be in attendance:

- 1. Gerry De La Vega, Mayor
- 2. Jeff Anderson, Councilmember
- 3. Elli Ansari, Councilmember
- 4. Jeff Clapp, Councilmember
- 5. Jonathan Grothe, Councilmember
- 6. Joe Kohlmann, City Administrator
- 7. Jim Penberthy, City Attorney

The subject matter of the meeting will be: Teamster Union Negotiations for Public

Works Staff.

De La Vega reconvened the regular City Council meeting at 8:39 p.m.

13. ADJOURNMENT

There being no further business, it was moved by Anderson to adjourn the meeting at 8:40 p.m. Clapp seconded the motion. Ayes 5. Motion carried.

Attest:

Clerk