

GREENWOOD CITY COUNCIL MEETING
Wednesday, December 5, 2012, 7:00 P.M.
Council Chambers, 20225 Cottagewood Road, Deephaven, MN 55331

1. CALL TO ORDER – ROLL CALL – APPROVAL OF AGENDA

Mayor Kind called the meeting to order at 7:01 P.M.

Members Present: Mayor Kind; Councilmembers Cook, Fletcher, Page, and Quam

Others Present: City Attorney Kelly, City Zoning Administrator/City Clerk Karpas, City Engineer Martini (departed the meeting at 7:39 P.M.)

Members Absent: None

Mayor Kind asked that Floodplain Delineation be added to Item 4.A on the agenda.

Quam moved, Page seconded, approving the agenda as amended. Motion passed 5/0.

2. CONSENT AGENDA

Mayor Kind reviewed the items on the consent agenda.

Cook moved, Quam seconded, approving the items contained on the Consent Agenda.

- A. November 7, 2012, City Council Meeting Minutes**
- B. November 13, 2012, City Council Special Meeting Minutes**
- C. October 2012 Cash Summary Report**
- D. November 2012 Verifieds, Check Register, Electronic Fund Transfers**
- E. December 2012 Payroll Register**
- F. Approving ORDINANCE 213, “An Ordinance of the City of Greenwood, Minnesota, Amending Greenwood Ordinance Code Chapters 5 & 7 to Update Fees.”**

Motion passed 5/0.

3. MATTERS FROM THE FLOOR

There were no matters from the floor presented this evening.

4. PRESENTATIONS, GUESTS & ANNOUNCEMENTS

- A. Update on Excelsior Boulevard Watermain Extension, Inflow/Infiltration Grant Application and Floodplain Delineation**

Engineer Martini explained Staff continues to work on the project to possibly extend watermain along Excelsior Boulevard. He noted Staff was directed to assess a couple of different options. This evening Council is being asked to consider accepting the Feasibility Study Report for Excelsior Boulevard Watermain Extension Option 1. He explained Option 1 was initiated by a petition from property owners for municipal water service. The petition asked for the extension of the City of Excelsior's watermain along Excelsior Boulevard from 21170 to 21380. The timing of the extension is tied to Metropolitan Council Environmental Services (MCES) Sanitary Force Main Upgrade Project along Excelsior Boulevard. The MCES project will require Excelsior Boulevard to be torn up. Therefore, there would be a cost benefit to extend watermain at the same time because the cost to reconstruct the road would be paid for by Met Council.

Excelsior is planning to upgrade its watermain to 12-inch diameter watermain from where it ends just west of Christmas Lake Road to Christmas Lake Road in conjunction with the MCES project. Doing so would provide the commercial properties in that area with fire flow and allow the commercial buildings to be sprinkled. From Christmas Lake Road going east it's proposed to install 8-inch diameter watermain to the residential properties that have petitioned for the improvement. There are five existing parcels, three residential and two commercial, which already have water service west of Christmas Lake Road. It's proposed that those services be replaced as part of MCES' project and there would be no cost to the City or residents associated with that.

The total estimated project cost in Greenwood is \$136,695. The estimate includes an allowance for soft costs and contingencies. The project cost is proposed to be funded by special assessments. The estimated assessment rate per benefitting parcel is \$10,515 per residential parcel and \$15,773 per commercial parcel. The commercial properties are proposed to be assessed at 1.5 ERUs because it is assumed they will have more intensive water use.

Martini noted the Feasibility Study states that from a technical perspective the improvements are necessary if the City is going to consider providing municipal water service to the petitioning residents.

Mayor Kind asked what the original per-parcel cost estimates were. Engineer Martini stated he thought the residential estimate was around \$13,000. Councilmember Fletcher clarified that estimate probably included a \$2,000 connection charge and that would not be assessed.

Engineer Martini noted that in addition to the assessment for the improvement the property owner would have to pay to connect to the water service. There are also some connection fees in Excelsior that would have to be paid.

Councilmember Fletcher clarified that doing the watermain extension project does not require property owners to connect to municipal water service.

Engineer Martini reiterated Council is being asked to accept the Feasibility Study Report for Option 1 this evening and also to schedule an improvement public hearing for Option 1.

Dave Barry, 21550 Excelsior Boulevard, stated his property is located about four blocks to the west of the Christmas Lake Road and Excelsior Boulevard intersection. He explained his property is currently connected to municipal water and he asked if he would have to pay anything for this project. Mayor Kind clarified he would not. Engineer Martini stated for the properties that already have municipal water in that

area the watermain is going to be reconstructed for this project and the existing connections will be re-established.

Engineer Martini explained there are five properties between where the watermain ends and Christmas Lake Road that currently have water service albeit unconventional services. The proposal is that watermain will be extended through that area and the properties will be reconnected with standard service. That disruption would have to happen because of the MCES project regardless of the watermain extension improvement.

Quam moved, Fletcher seconded, Adopting RESOLUTION NO. 30-12, “A Resolution Receiving the Feasibility Study Report for Excelsior Boulevard Watermain Extension Option 1 and Calling for a Public Hearing on the Proposed Improvement on January 2, 2013.” Motion passed 5/0. Note: A clerical correction was made to the date in the motion.

Engineer Martini explained Option 2 involves extending Excelsior watermain through Greenwood along Excelsior Boulevard. Currently there is Excelsior water system on the west side of Greenwood and Shorewood water system on the east side of Greenwood. The Cities of Excelsior and Shorewood have been talking about connecting their water systems to provide redundancy. If one municipal water system had a problem water could be brought in from the other municipal water system. If that interconnection were to happen, Greenwood representatives have discussed that it would make sense to construct water service stubs for future connections for all the properties along Excelsior Boulevard between Christmas Lake Road and Manor Road. Option 2 assesses the feasibility and costs associated with extending watermain all the way down Excelsior Boulevard through Greenwood. He noted Staff has identified some options of how that could be handled for Greenwood.

Martini then explained the meeting packet contains a copy of a spreadsheet prepared by Excelsior that shows how the cost sharing might look for the improvement. If watermain was extended all the way down Excelsior Boulevard it would be a 12-inch watermain. The Cities of Excelsior and Shorewood would pay for the cost differential between an 8-inch diameter watermain which is required to service the residential properties and a 12-inch diameter watermain required for the interconnection. There are 22 possible water connections along there. But, there are actually 23 ERUs from a cost sharing perspective because of the two commercial properties. Fire hydrants would be installed along Excelsior Boulevard as part of the proposed project. One-half of the cost to install the hydrants would be the City of Greenwood's because of fire protection that would benefit the Greenwood properties along Excelsior Boulevard. There is also the cost of an 8-inch diameter watermain if it were extended all the way along Excelsior Boulevard.

Under Option 2 Greenwood would assess for the cost of the service stubs (estimated to be \$2,612 per parcel) and its share of the fire hydrant costs which is estimated to be \$23,380 (one-half of the total estimated fire hydrant cost of \$46,760.) It's proposed that watermain costs would be recuperated by Excelsior at the time the connections are made. For property owners that would want to connect to water service right away they would pay for their assessment plus their water connection fees at that time of connection. For those property owners who do not want to connect right away they would pay for the service stub assessment and their share of the fire hydrants. They would pay for their share of other costs at the time of connection.

Greenwood's share for the cost of the watermain is approximately \$77,000. The three Cities are essentially paying one-third of the cost of the 8-inch diameter watermain. That would be paid at the time property owners connect to water service. Excelsior would pay for its share and Greenwood's share at time of installation and Excelsior would be reimbursed with hook-up fees. There has been discussion between Excelsior and Greenwood staff if it would be more appropriate for Greenwood to pay its share of

the project which is approximately \$162,000 up-front and then Greenwood would be reimbursed from its property owners for watermain costs when the connections are made.

Martini noted that ultimately there will need to be an agreement about cost sharing. He explained Excelsior representatives have questioned if there can be a stipulated end date for when the connections in Greenwood have to be made and if there can be a requirement that if a well fails it would require a property owner to connect to municipal water service if available. There was also discussion if the sale of a property could be a potential trigger to require connecting to water service He also noted the premise has been that there would be no cost to the City of Greenwood for this. The benefiting properties would pay for the cost of the project. He stated at some point the details of the agreement have to be worked out.

Mayor Kind explained the concept would be to have parallel tracks going for Option 1 and Option 2. If the parallel track for Option 2 is selected it would have to be on a fast track. It would likely involve having a special Planning Commission and Council meeting on December 12 for the Planning Commission meeting to review the Option 2 Feasibility Study Report for compliance with the City's Comprehensive Plan and make a recommendation to Council. During the special meeting Council would accept the Feasibility Study Report for Option 2 and call for a public hearing during the same meeting as the public hearing for Option 1 will be held.

Engineer Martini noted Option 2 is the most cost effective way to provide the service. The per unit cost for Greenwood property owners would go down by close to a couple thousand dollars when compared to Option 1 costs because the three Cities are sharing some of the costs.

Councilmember Quam clarified Option 2 is possible only if Excelsior and Shorewood pursue the interconnection project.

Engineer Martini explained the only difference between what was originally discussed about Option 2 and what is proposed by Excelsior in its cost spreadsheet for Option 2 is that Greenwood would pay for its share of the watermain up-front and then be reimbursed by property owners for their share when they connect to water service. Another option may be for both Cities to be reimbursed some portion of that cost later.

Mayor Kind stated if Greenwood pays the watermain cost up-front it can charge property owners interest and that the interest rate may be better than what the City currently receives for CDs.

Councilmember Fletcher stated the cost for water service stubs, the fire hydrants and the watermain the total cost for Greenwood is approximately \$162,000. For a City the size of Greenwood that is a large amount of money to commit to a project. Engineer Martini noted that Excelsior has had a similar conversation. Martini explained that is why hook-up triggers need to be identified and enforced rather than leaving that open ended.

Mayor Kind stated at 2011 year-end the balance in the City's Sewer Fund was \$357,495. She asked if borrowing \$162,000 from the Sewer Fund would leave the City vulnerable if there were a catastrophic failure with the City's sewer system. Engineer Martini stated he is not sure what that would be, while noting sewer projects would be funded out of the Sewer Fund.

Councilmember Page stated the Sewer Fund is to fund sewer system projects. What is being proposed is to use some of it for water expansion.

Engineer Martini stated that presumably there are at least a handful of property owners who are prepared to hook-up to municipal water as soon as it is available because they have already petitioned for it. Therefore, a portion of the \$162,000 would be recouped right away.

Councilmember Quam asked where bonding could fit in for Option 2.

Attorney Kelly explained a Chapter 429 hearing process would have to be called for Option 2 and that has not been discussed. He then explained the Feasibility Study is to inform the public about what it would cost. The City has the authority to decide if it wants to assess the costs to the benefiting properties.

Engineer Martini explained for Option 2 the proposal is to assess \$85,000 in total.

Councilmember Fletcher offered up a different alternative. He suggested telling Excelsior that Greenwood would fund the \$85,000 base cost and then giving residents the option to pay their assessment cost right away or over a ten-year period with interest. The City could also tell Excelsior it is Excelsior's responsibility to up-front the \$77,000 approximate cost for watermain and then be reimbursed \$3,500 when each property connects to the water system. Plus, Excelsior charges a connection fee of \$2,000. That is a total of \$5,500 for every property that hooks up. He commented some residents may be willing to pay their costs prior to the project being complete.

Engineer Martini stated Excelsior also wants to know how long it will take to get its money back if it up-fronts the cost. He then stated another option is to split funding the up-front \$77,000 watermain cost.

Engineer Martini noted that the \$85,000 that will be assessed to properties will be paid back in property taxes over some fixed period of time.

Attorney Kelly asked if the entire amount of the \$85,000 is the value of the benefit the abutting properties will receive. Engineer Martini stated it would be. Kelly asked if any portion of that is a general component. Kelly then asked if Council and Staff think an appraiser will agree with that. Martini responded he did. Mayor Kind stated that intuitively a property will increase by at least \$10,000 if there is municipal water service available and enhanced fire protection because of fire hydrants. Kind then stated the City will need to be advised by an appraiser. Kelly agreed an appraiser will need to confirm the value of the benefit. Kelly asked if the project includes providing municipal water to Maple Heights. It was noted it does not.

Engineer Martini stated from a process perspective he does not think the City has to do the appraisal.

Councilmember Quam asked about the properties that do not abut Excelsior Boulevard but are not too far away. Could they be stubbed in as well? Engineer Martini stated eventually that could be done.

Engineer Martini explained extending watermain to Maple Heights has its own set of challenges and issues, with one of the challenges being some property owners in that area not wanting access to municipal water service and that roadway is relatively new.

Councilmember Quam asked who owns the property between the Paeper property and Excelsior Boulevard.

Engineer Martini stated there is an undevelopable piece of property abutting Excelsior Road that is not considered in the Feasibility Study.

Mayor Kind asked Council how it would like to handle the \$77,000 up-front cost for watermain for Option 2.

Councilmember Cook expressed concern about the relevant value to the various parties. He stated from his vantage point dividing the cost for the watermain in thirds was an easy way out, and that he thought that should be reassessed. He expressed concern about the magnitude of the investment. He noted that he would consider this from a more positive perspective if Excelsior were to fund it up-front. He suggested there be further negotiation with Excelsior. He expressed his desire to hear from property owners who have not petitioned for municipal water.

Councilmember Quam stated from his vantage point the City needs to move forward with this. It may not end up finishing it, but it does need to take the next step.

Engineer Martini reiterated Excelsior and Shorewood are paying the cost differential to install a 12-inch watermain rather than an 8-inch watermain.

Councilmember Fletcher questioned if the City should even be involved with funding the \$77,000.

Engineer Martini noted that Excelsior has the same concern about up-fronting the \$77,000 that Councilmember Fletcher has. Mayor Kind stated that maybe splitting it would be the best solution.

Councilmember Fletcher stated he went door knocking from Christmas Lake Road to Manor Road about this project. Based on that he thought there will be some opposition to assessing \$2,612 for base service between Maple Heights and Manor Road. Engineer Martini clarified the \$2,612 is for stub service and then there is a base cost for fire hydrants which is approximately \$1,020. Mayor Kind stated that would be assessed over a period of time. Martini also clarified the costs will be further refined as part of the feasibility study.

Councilmember Fletcher asked Mike Farragher who is in the audience if he wants to comment on this.

Mike Farragher, 21230 Excelsior Boulevard, stated as a resident he would strongly prefer that Greenwood control any costs that will be assessed to property owners because he would like there to be some resident input into interest paid. He then stated he heard a cost of about \$10,000 per residential property for Option 1. Mayor Kind clarified Option 1 is for the petition-zone.

Engineer Martini noted that for the public hearing he will display costs on the screen. He also noted that both options include fire hydrants.

Councilmember Fletcher explained for Option 2 property owners would be assessed approximately \$3,600 for service stubs and fire hydrants at the time of the project. When a property owner wants to connect to municipal water it will have to pay approximately \$3,500 for that property's share of the watermain cost plus a \$2,000 connection fee.

Mr. Farragher stated if Council pushes Option 2, which he thinks is a good thing, and if there is not massive resistance to it that is likely what will happen and everyone will be assessed around \$8,000. Mayor Kind explained that the concept for Option 2 is for the property owners to be assessed approximately \$3,500 at the time of the project and then pay an additional approximate \$5,500 at the time of connection. Councilmember Fletcher noted the \$10,000 Option 1 cost does not include the \$2,000 connection fee. Nor, does it include the cost to run a line from the stub to the house.

Mayor Kind stated that independent of which City is up-fronting the watermain cost for Option 2 there will be an end-date requirement for when property owners will have to hook up to municipal water.

Mr. Farragher stated part of the reason he wanted to buy his house is because it has a private well. He then stated he did not think the sale of a house should be a trigger point for having to connect to water service. He went on to state that he does not believe municipal water adds \$10,000 to the value of a property. Councilmember Quam clarified that is Mr. Farragher's opinion. Mr. Farragher stated he already has water and he knows what it is going to cost him. But, once he has municipal water Excelsior can charge him whatever it wants. He noted that Excelsior already charges more to properties located outside to which it provides water than to those within Excelsior.

Councilmember Fletcher stated he understands Mr. Farragher to be indicating he prefers Option 2. Mayor Kind confirmed that Mr. Farragher also stated he would prefer to have Greenwood's elected officials controlling the money.

Mr. Farragher stated he is aware of people who would hook up to municipal water as soon as it is available.

Councilmember Fletcher noted that he does not support requiring a property owner to hook up to municipal water where it is available when they sell their property.

Engineer Martini stated he does not think any of the three parties are championing Option 2. They do recognize there is a benefit to work together and there will never be an opportunity to do a project more cost effectively than now when it can be done in conjunction with the MCES project and where there would be cost sharing. That is what is driving this. He noted that he has the impression that if one of the three parties is not interested in doing this the other two will walk away from it.

Mayor Kind noted if Council is interested in pursuing Option 2 further it does need to order a feasibility study for it and call a special meeting for it. The Cities of Excelsior and Greenwood need to agree to how to share the costs for watermain. She suggested a small committee be formed to negotiate that. She explained that last time Engineer Martini and Councilmembers Cook and Fletcher met with Excelsior representatives. She expressed concern that she could not speak with Cook and Fletcher without breaking the open meeting law. So she suggested she, Cook and Martini meet with Excelsior.

Attorney Kelly noted the next regular Council meeting is January 2, 2012, yet the resolution for Option 1 says the public hearing would be on January 3, 2013.

There was Council consensus to make a clerical correction to Resolution 30-12 for Option 1 adopted earlier this evening to change the date for the public hearing to January 2, 2012.

Cook moved, Quam seconded, Adopting RESOLUTION NO. 31-12, "A Resolution Ordering Preparation of Feasibility Report for Option 2 Excelsior Boulevard Watermain Improvement between the west line 21380 Excelsior Boulevard and the easterly City line at Manor Road."

Councilmember Page expressed concern about running the balance in the Sewer Fund down. He finds the idea of using \$162,000 of the balance unsettling.

Mayor Kind stated she understands that to mean the subcommittee should negotiate a better deal with Excelsior. She asked Councilmember Page what he thinks about the City controlling the up-front money for watermain so it can control the interest rate for Greenwood's residents. Page said that makes sense to him.

Motion passed 5/0.

Engineer Martini explained the City has submitted another application for an Inflow & Infiltration (I&I) grant from Metropolitan Council Environmental Services (MCES). I&I is when clean water flows into the sanitary sewer system. That is concern for both the City and MCES because the clean water takes up capacity in the sewer pipes and lift stations and it ultimately ends up having to be treated at the treatment plant along with waste water. There is a cost for that treatment. MCES has offered another round of grants to help cities reduce I&I.

The City submitted a project that had eligible costs of approximately \$65,000. Based on a grant of 50 percent of that amount the City was asking for a grant of approximately \$39,500. Because the amount of the requests submitted is significantly more than the available money, communities are be offered grants for less than what they requested. The City is being offered a grant of \$19,728. The City has until December 21, 2012, to withdraw its request. Therefore, this evening Council needs to decide if it wants to go forward with its project. After December 21, MCES will review which applicants are going to move forward with their projects and then determine how much grant money will actually be awarded.

Councilmember Page asked what happens if the City commits to the full project and then changes its mind. Engineer Martini stated the City has to turn in its signed grant agreement in March of 2013 along with an adopted resolution that authorized the project. Councilmember Fletcher explained the 2013 budget includes \$50,000 for this project. With a \$19,728 grant the City's costs for the project will be under \$46,000.

Engineer Martini noted money has been budgeted for the project because the City knows it has issues that need to be addressed; not because of the grant monies. He stated the City is fortunate enough to get help to make the needed improvements.

Councilmember Quam asked Engineer Martini what action he needs from Council. Martini explained he needs to know if the City wants to opt out. No one on the council expressed a desire to opt out. Martini stated nothing needs to be done at this time then.

Engineer Martini stated if issues with the City's sewer system are identified when Excelsior Boulevard is torn up for the MCES Sanitary Force Main Upgrade Project that City is not aware of at this time that would be the appropriate time to address them.

Martini explained as MCES goes forward with its project MCES wants to know where the City's sewer services are located. Unfortunately, the City's records for the sewer system are not very good. Staff solicited quotes for cleaning and televising the sewer line through the MCES project area so the City has accurate information before construction of the MCES project begins. The City received three quotes. The low quote was provided by Midwest Trenchless Technologies for an amount of \$3,276. Martini and Councilmember Quam stated they thought it would be a good to do that work. Councilmember Fletcher asked if that work could be done in 2012. Martini responded it could be done as soon as the company is available.

Councilmember Fletcher explained the City budgeted \$50,000 for sewer work in 2012 and it has not used any of it. And, the City is going to spend a lot on sewer work in 2013. Therefore, it makes sense to pay for the cleaning and televising in 2012.

Cook moved, Quam seconded, authorizing an expenditure of \$3,276 for services from Midwest Trenchless Technologies to clean and televise the City's sanitary sewer system in the Metropolitan Council Environmental Services (MCES) Sanitary Force Main Project Area. Motion passed 5/0.

Mayor Kind explained she and Engineer Martini discussed the need to authorize Attorney Kelly to draft an agreement between the City and the City of Excelsior for either Option 1 or Option 2 for the Excelsior Boulevard Watermain Extension Project. Martini explained he only needs to know how some of the cost sharing will be done to finish his work.

Fletcher moved, authorizing the Mayor to direct the City Attorney to draft an agreement with the City of Excelsior for Option 2 of the Excelsior Boulevard Waterman Extension Project when the Mayor deems it is the appropriate time to do that.

Attorney Kelly asked if there is a deadline of December 26, 2012. Mayor Kind responded there is. Kelly stated there is basically two weeks to get that done because of the Christmas holiday.

Mayor Kind asked if the agreement needs to be reviewed at Council's January 2, 2013, meeting. Engineer Martini stated the thought the agreement needs to be in place before the improvements are approved and authorized. Kelly stated he thought the agreement will define what the City's share of the cost would be. Martini stated the details (cost) will be worked out before then but the actual language but the actual language in the agreement does not have to be finalized.

Attorney Kelly stated Mayor Kind has indicated the deadline to approve the agreement is January 15, 2013. Kind agreed, and explained that was assuming the agreement needed to be in place before the preparation of plans. Kelly explained the timeline indicates the City needs to be able to distribute cost information to people no later than December 21. Kind stated the costs only need to be in the Feasibility Study Report for Option 2 for the January 2, 2013, public hearing. Kelly stated if that falls apart the public hearing will have to be re-noticed.

Page seconded. Motion passed 5/0.

Mayor Kind explained there would have to be a special Council meeting on December 12, 2012, to fast track this and to have adequate time to notice the public hearing. The notice has to be submitted to the newspaper by December 13. Councilmember Cook stated he could be there. Councilmember Page stated he has a Lake Minnetonka Conservation District meeting that evening. Kind stated that only 3 council members were needed for the special meeting. Kind noted she can be at this special Council meeting. Fletcher stated he can be at the meeting. Councilmember Cook said he was available to be at the meeting. Councilmember Quam stated he is not sure if he can be there. Kind suggested the Planning Commission meet at 6:00 P.M. and that Council meets after that.

Mayor Kind asked Zoning Administrator/Clerk Karpas to find out if there can be a Planning Commission meeting on December 12. Councilmember Quam suggested Karpas asked if a 5:00 P.M. or 5:30 P.M. start time would be better for the Commissioners.

With regard to floodplain delineation, Mayor Kind explained that over the past four years the City has received a few phone calls from residents whose mortgage companies are requiring them to get flood insurance because the FEMA (Federal Emergency Management Agency) map shows their properties are in a floodplain. This past October the City received a request from Greenwood resident Charles Wendell asking the City to contract for a survey to delineate the floodplain line in Greenwood. She is unsure if Mr. Wendell wants it for the entire City or for just the 30 to 50 properties that he believes are affected by

FEMA's erroneous (Mr. Wendell's term) floodplain maps. She noted she has consulted with Engineer Martini and Attorney Kelly about this.

Engineer Martini stated based on his experience this is typically viewed as a private property issue. He noted that he has not been involved with any community that has taken a massive approach to address floodplain issues. That has been the experience of other City engineer's he has spoken with. He then noted a city does not administer the flood program and it typically stays out of it.

Attorney Kelly stated he would not contradict what Engineer Martini just stated. But, he is familiar with this being brought up some years ago. He explained it had to do with the fact that the floodplain maps were scaled off of inaccurate topography. They were overlays that were so bad that house on the south side of St. Albans Bay were deemed to be in floodplain. He stated the question is if this is a matter of public interest. He then stated here may be economies of scale to be gained to have a section of the lakefront area be done by a survey crew rather than parcel by parcel. He explained having one map would allow the City to update its database and then it allows the City to ask to have the FEMA maps to be made more accurate.

Zoning Administrator/Clerk Karpas stated he did not think this would be a good idea, especially taking a block of properties. He noted that the majority of the properties in the City have lakeshore. In order to survey the private properties a surveyor would need access to private property or it would have to be surveyed from Lake Minnetonka. The surveyor would also have to be able to get the ordinary high water elevation and the accurate floodplain elevation. In order for it to be accurate for each lot the surveyor would have to know where the structure is in relation to the lake front and the structures floor elevation. FEMA also has waterproofing requirements. He questioned what liability the City would have if it stated a property is not located in a floodplain area.

Karpas noted he explained to Mr. Wendell that there is a way out of this. It is called a Letter of Map Amendment (LOMA). He explained he has referred other residents to the FEMA website where it clearly explains how to get the FEMA floodplain map amended.

Karpas stated Mayor Kind received a quote from a surveyor for a lot survey of \$300. He explained a person does not need a full lot survey. The surveyor needs to identify the ordinary high water elevation, the floodplain elevation, and where the lowest floor level is. That is sufficient to show a lender.

There was Council consensus to stay out of this.

B. Certificate of Appreciation for Outgoing Councilmember Kelsey Page

Mayor Kind noted that this is the last Council meeting Councilmember Page will participate in as an elected official. She stated Council may want to recognize the occasion.

Quam moved, Fletcher seconded, approving the certificate of appreciation recognizing the contributions of Councilmember H. Kelsey Page. Motion passed 5/0.

Mayor Kind presented Councilmember Page with a framed certificate of appreciation and read what the certificate said. She noted Page has been a member of the Greenwood Council from January 2009 through December 2012.

Councilmember Page thanked Mayor Kind and the other members of the Council.

C. Planning Commission Term Expirations

Mayor Kind explained there will be two Planning Commissioners' terms expiring in March 2013 and one alternate seat. The terms expiring are Pat Lucking Seat B-1 and Kristi Conrad Seat B-2. Alternate Seat 2 is vacant. Those wishing to apply may stop by City Hall to pick up an application or they may download the form from www.greenwoodmn.com. The next City newsletter will include an article seeking applicants to serve on the Commission. She encouraged people to apply.

D. Greenwood Hosting Planning & Zoning Workshop, January 12, 2013, 9:00 A.M.

Mayor Kind explained Greenwood is hosting a Planning and Zoning Workshop on January 12, 2013, at the Southshore Community Center from 9:00 A.M. to 4:00 P.M. The goal is to train planning commissioners and elected officials from Greenwood and neighboring cities. Interested citizens also are welcome. The per-person cost is \$125.

Zoning Administrator/Clerk Karpas noted that to date 14 people have signed up to attend.

5. PUBLIC HEARING

A. None

6. UNFINISHED BUSINESS

A. None

7. NEW BUSINESS

A. Variance Request, David and Kim Barry, 21550 Excelsior Boulevard

Zoning Administrator/Clerk Karpas explained David and Kim Barry, 21550 Excelsior Boulevard, are requesting a variance to connect an existing detached garage to their principal structure which would encroach into the required lake yard setback along the east side yard and exceed the maximum permitted impervious surface. The applicant proposes to lift the existing detached garage off the slab, build a full frost foundation under the existing footprint, put the garage back on the foundation and build a connection to the house. The garage already encroaches eight feet into the required lake yard setback. The applicant is not asking to increase that encroachment. The impervious surface on the property is at 46 percent. It would remain that way because the applicant would be constructing over existing impervious surface. The proposed above grade structure area would be 37,832 cubic feet. It is well below the allowable 71,364 cubic feet.

The Planning Commission held a public hearing on the variance request and took public comment. He explained the Commission was very supportive of the request. The Commission did discuss impervious surface and at grade/landscape impervious surface. It was found the dimensions of the lot and the location of the existing detached garage create a practical difficulty in the reasonable development of the property. The proposed structure will maintain the essential character of the neighborhood.

The Planning Commission recommended Council approve the variance to exceed the maximum permitted impervious surface area by 16 percent. The proposal would not alter the existing impervious surface area on the property nor would it be out of character with the impervious surface on other lots in the area. The

is a need for additional storage on the property since storage cannot be created within the principal structure due to the flood elevation in relation to the lowest floor elevation. He noted the non-conforming garage footprint is protected by State Statutes.

Councilmember Page asked if there was action on this property in the past. Zoning Administrator/Clerk Karpas explained there had been a deck variance to encroach into the required lake yard setback along the east. The applicant was enlarging the deck and they needed a setback and hardcover variance for that. That was granted. Page stated he assumes that forms part of the 46 percent impervious surface. Karpas acknowledged that is correct.

Attorney Kelly clarified it is the west side that has the lake yard setback.

Mayor Kind stated the Staff report states the existing structure is 100 yards back from the lake yard north and the proposed will be 98 feet. She asked why that is decreasing if the entire project is between the garage and the house. Zoning Administrator/Clerk Karpas explained he measured to the existing garage (not the home). He noted the existing detached accessory structure (the garage) is 100 feet back.

Attorney Kelly stated it appears this meets an existing nonconformity. He explained the applicant proposes to modify and restore an existing nonconformity without expanding the nonconformity itself (the encroachment). The infill between the garage and the house does not add nonconformity. Arguably it would come under an 1145 as consideration of a modification of an existing nonconformity.

Councilmember Fletcher asked Zoning Administrator/Clerk Karpas if he knew what the hardcover was when the previous variance was granted. Karpas responded it is his recollection that it was not a large increase in impervious surface. The hardcover approved was 46 percent.

Cook moved, Page seconded, approving the variance application of David and Kim Barry, 21550 Excelsior Boulevard, based on the following findings and conditions, and directing the City Attorney to prepare the official findings in resolution form for approval during the January 2, 2013, City Council meeting. The variance is in harmony and keeping with the spirit and intent of the zoning ordinance because it does not make any significant change to the structure. The proposed use is consistent with the character in the neighborhood. The proposed use is consistent with zoning requirements. The plight of the landowner-applicant is due to the uniqueness of the property due to a lake yard setback that expands around the west and north side of the property and it should only require a lake yard setback on one side. It will not alter the essential character of the locality because the structure has been there for quite some time and it complies with one of the setbacks. Motion passed 5/0.

B. Resolution 23-11, Approving Final Levy for Taxes Payable in 2012

Mayor Kind stated Councilmember Fletcher found an error in the copy of the final 2013 General Fund Budget that was included in the meeting packet. She explained in the Sewer Enterprise Fund the expense line items for Engineering Sewer, Met Council and Excelsior and Public Works Sewer the 2012 year-to-date October amounts are the 2012 budget amounts. The respective year-to-date amounts should be \$3884, \$34481 and \$2454 respectively. She noted the year-to-date amounts do not affect the budget.

Councilmember Page stated it is his recollection that there would be a \$20,000 transfer into the Bridge Capital Project Fund from the General Fund in 2013. The 2013 budget shows \$10,000. Councilmember Fletcher agreed that \$20,000 is the correct transfer-in amount for 2013. Fletcher noted in the General Fund Budget shows a \$20,000 transfer to the Bridge Capital Project Fund. Mayor Kind stated the Bridge

Capital Project Fund is not being approved this evening and that information is included for information only, but the spreadsheet would be corrected.

Kind reviewed the few adjustments that were made to the 2012 budget spreadsheet since the preliminary budget and tax levy were adopted.

- Year-to-date numbers were updated to include the most current numbers available from October 2012 (with the exception of three Sewer Enterprise Fund expense line items that were just changed).
- Under General Fund Budget Expenses the title Council was changed to Council and Planning Commission because the expenses include amounts for both Council and the Planning Commission.
- The General Fund line item Training / Conference Registration 2013 budget amount was increased from \$600 to \$1200 to cover the City's cost for Greenwood Councilmembers and Planning Commissioners to attend the Planning & Zoning Workshop scheduled for January 12, 2013.
- The General Fund Budget expense line items Major Road Improvement - Construction and Mayor Road Improvement - Engineering amounts were changed to reflect a more accurate breakdown of construction and engineering costs based on 2011 and 2012 actual numbers. The total combined amount of \$130,000 has not changed.
- The General Fund Budget Contingency line item amount was reduced by \$600 to offset the \$600 increase in Training / Conference Registration.

Kind noted the bottom line total expenses are the same as the General Fund preliminary budget – \$726,270.

Kind then noted the spreadsheet included budgets for the Sewer Enterprise Fund, Stormwater Special Revenue Fund, Park Special Revenue Fund, Marina Enterprise Fund, and Bridge Capital Project Fund. She explained Council is not required to take action on these budgets. However, since the 2011 budget process, these fund budgets have been included for the Council's reference and for the general public to view.

Quam moved, Fletcher seconded, Adopting RESOLUTION NO. 32-12, "A Resolution Approving the 2012 Tax Levy, Collectible in 2013 in the amount of \$644,668." Motion passed 5/0.

Fletcher moved, Cook seconded, Adopting RESOLUTION NO. 33-12, "A Resolution Approving the 2013 City Budget (the General Fund portion) in the amount of \$726,270." Motion passed 5/0.

Mayor Kind noted the budget will be amended as discussed this evening, and that the final 2012 City Budget and the other five budgets mentioned earlier will be posted on the City's website.

C. Resolution 33-12, Approving Final 2012 Budget

This was discussed as part of Item 7.C above.

D. Fund Transfers, Budget Line Adjustments, and Year-End Contributions

Mayor Kind explained each year Council considers fund transfers and contributions. Based on a recommendation from the City's auditor Council also needs to consider budget line item adjustments on an annual basis to ensure the actual expenses do not exceed the budgeted expenses for the current year,

and to also make the corresponding adjustments to the revenue side to maintain a balanced budget. The Administrative Committee (comprised of Mayor Kind and Councilman Fletcher) reviewed the 2012 year-to-date expenses through October 2012. Based on the Committee's review it appears that 2012 expenses are on track with what was budgeted. Therefore, the Committee is not recommending any adjustments at this time.

Kind explained that each year Council approves year-end fund transfers. She noted the Administrative Committee recommends Council approve the following transfers included in the 2012 City Budget:

- \$2,790 from the Marina Fund (605-49300-721) to the General Fund (101-39200) to reimburse for administrative expenses
- \$12,130 from the Marina Fund (605-49300-720) to the General Fund (101-39201)
- \$10,866 from the Sewer Fund (602-43200-720) to the General Fund (101-39202) to reimburse for administrative expenses
- \$1,625 from the Stormwater Fund (502-43200-720) to the General Fund (101-39203) to reimburse for administrative expenses
- \$20,000 from the General Fund (101-49000-500) to the Bridge Capital Project Fund (403-39200) to build up the Bridge Fund

Fletcher moved, Quam seconded, approving the 2012 year-end budgeted fund transfers. Motion passed 4/1 with Page dissenting.

Councilmember Page explained he has made his thoughts known on some of these transfers many times in the past.

Fletcher moved, Cook seconded, approving the 2012 year-end budgeted contribution of \$900 to the Southshore Community Center (SSCC) and designating that a portion of the funds are to be used for an identified need of a new coffee maker.

Mayor Kind explained the SSCC Manager of Operations had informed her the City would have to bring in coffee for the Government Training Session it is hosting on January 12, 2013, because the SSCC does not have a coffee maker that works. She noted the 2012 General Fund Budget includes a \$900 contribution to the SSCC and some of that money could be put towards the purchase of a coffee maker.

Motion passed 5/0.

E. 2012 Licenses: Liquor, Trash Haulers, Tobacco, and Marina

Mayor Kind noted Staff is recommending approval of applications for a liquor license (Old Log Theater), trash hauler licenses (Allied Waste, Aspen Waste, Blackowiack Disposal, Randy's Sanitation, Vintage Waste, Waste Management, and Waste Technology), a tobacco license (Christmas Lake Gas), and commercial marina licenses (Bean's Greenwood Marina, Excelsior Bay Harbor, and Kreslin's Marina). Past practice has been for Council to approve the applications contingent upon the City receiving the applications and fee by December 31, 2012.

Zoning Administrator/Clerk Karpas explained the City has received all of the commercial marina license applications, most of the trash hauler license applications, the City has not heard from the Old Log Theater regarding its liquor license application, and he has not heard from Christmas Lake Gas regarding its tobacco license application.

Page moved, Cook seconded, approving the 2013 license applications listed above contingent upon the City receiving applications and fees by December 31, 2012.

Councilmember Fletcher asked if the applications have to be run through the police department before the licenses are approved. Attorney Kelly stated the City does not do another background check when a license is being renewed unless there is a change of management.

Motion passed 5/0.

F. 2012 Recycling Reports and Activities

Mayor Kind explained that on November 30, 2011 the Hennepin County Board approved the 2012 Hennepin County Residential Recycling Funding Policy to comply with the Minnesota Pollution Control Agency's (MPCA) 2010-2030 Metropolitan Solid Waste Management Policy Plan. It established a goal that at least 45 percent of municipal waste generated in Hennepin County will be recycled by 2015. The County currently has a recycling rate of 38 percent. The City has already approved an agreement with the County in 2012 (a copy of which is included in the meeting packet). In addition to requiring reporting from the City's recycling provider (Vintage Waste), the City's contract with Hennepin County also requires education and outreach activities. The following list shows the City's compliance with these requirements.

- a) County terminology has been used in City communications when describing recycling guidelines.
- b) Images provided by the County have been used when describing the recycling program.
- c) The County's terminology, guidelines, and images are being used on the City's website.
- d) The County's recycling guide will be included in the December newsletter mailing.
- e) The City Council will determine two education activities to be completed to support the recycling campaign.

Kind noted the City still has not received a list of choices From Hennepin County to select from for item (e) in the list above. Zoning Administrator/Clerk Karpas explained that he has requested the list the County.

Kind explained the City's agreement with Vintage Waste requires it to provide two reports. Each November it must provide a written report showing the October household participation in the recycling program. (A copy of that report is included in the meeting packet.) She noted that the City is doing quite well. She explained at year-end it must provide a written report detailing the types of recycling and the tonnage as required by the Hennepin County Residential Recycling Program. (A copy of that report will be included in the February Council meeting packet.)

Page moved, Quam seconded, approving the October 2012 household participation recycling report from Vintage Waste and directing the City Clerk to include a copy of the report along with the other reports required to be submitted to Hennepin County with the annual recycling grant agreement update due by February 15, 2013. Motion passed 5/0.

G. Location of the City's Primary Checking Account

Mayor Kind explained City Treasurer Mary Courtney would like Council to consider authorizing her to use the City's existing checking account at Beacon Bank as the City's primary checking account. Currently the City uses the checking account at Bridgewater as its primary account. Ms. Courtney would like to change to Beacon because she manages other accounts that are at Beacon Bank, she has an

excellent working relationship with Beacon Bank, and Beacon Bank also has a drive-up window. Council has authorized both Beacon and Bridgewater as the City's depositories.

Quam moved, Fletcher seconded, authorizing the City Treasurer to use the City's existing Beacon Bank checking account as the City's primary checking account. Motion passed 5/0.

Mayor Kind recessed the meeting at 8:56 P.M.

Mayor Kind reconvened the meeting at 9:03 P.M.

H. Response to the Lake Minnetonka Conservation District's Draft of a Comprehensive Eurasian Watermilfoil and Curly-Leaf Pondweed Plan

Mayor Kind explained the City received a copy of the Lake Minnetonka Conservation District's (LMCD) draft Comprehensive Eurasian Watermilfoil and Curly-Leaf Pondweed Plan (the Plan), a cover letter, and a copy of a public hearing notice from LMCD Executive Director Greg Nybeck. Copies of these documents were emailed to members of the Council. Hard copies of the cover letter and public hearing notice are included in the meeting packet. The public hearing is scheduled for December 12, 2012. Stakeholder input may be done in person and/or provided in writing. The meeting packet contains a copy of a proposed written response for the Council's consideration.

Councilmember Fletcher stated the Plan states harvesting will be the primary tool used for managing Eurasian Watermilfoil (milfoil) and Curly-leaf Pondweed (CLP). He does not think there is a reason for there to be a primary tool when herbicide (chemical) treatment has also been proven to be worthwhile. He suggested adding the following bullet point to the written response "*We do not agree with harvesting being designated as the tool to manage Eurasian Watermilfoil and Curly-leaf Pondweed in public areas. We feel that it is more appropriate to recognize that each tool has its own application and find no evidence in the Plan to favor one tool as the 'primary tool'.*"

Councilmember Page stated he would be opposed to that. From his perspective that is clearly wrong. He explained the efficacy of chemical treatment is only workable for a small portion of Lake Minnetonka (the Lake). Since 1987 the plan clearly states that an investigation was made of all available options and harvesting was found to be the best in general applicability. Every expert that has looked at the use of mechanisms to control vegetation management found that the harvester has the most wide-spread applicability and provides the most benefit for the most areas of the Lake. That decision was made in 1987 and it was made when a decision was made during the meeting held in the City of Tonka Bay to order a new harvester. That is the conclusion of Ms. Hunt when she did an exhaustive study which came out of the meeting in Tonka Bay to look at all of the available options again. That is the case because as the Army Corps of Engineer has pointed out most of the Lake is more of a wide-open nature of water body with a river flowing through it and chemicals are not going to work. As the Plan clearly points out thorough analysis was done of the areas where it looks like chemical treatment will work effectively. He strongly recommended the statement that harvesting should be the primary tool should remain in the Plan. Chemical treatment is a vegetation management tool to be used in a small portion of the Lake.

Page then stated as a personal note the idea of thinking we can inundate the Lake with chemicals is wrong. He noted the Minnesota Department of Natural Resources (DNR) will never allow it. He expressed concern over the push to use more and more chemicals.

Mayor Kind stated the first bullet point in the proposed response somewhat addresses Councilmember Fletcher's point. It states "*We believe that private-public funding is the most viable source of funding for*

herbicide treatment for the foreseeable future. Therefore, we agree that harvesting is the appropriate plant management tool for public areas of the Lake where private funding is not viable.”

Fletcher stated the Plan specifically states harvesting is the “primary tool.” Councilmember Fletcher noted that herbicide treatment was extremely effective in St. Alban’s Bay. He clarified he is not disputing the benefits of harvesting. He explained that Appendix C in the Plan is a DNR comparison of harvesting versus herbicide treatment. It shows there are a large number of things where herbicide treatment is better than harvesting. It depends on where the milfoil is. He questioned the reason for designating one tool as “primary” when it is clear both tools can be effective.

Councilmember Page stated harvesters are the primary remedy on the Lake.

Councilmember Quam stated more of the Lake is harvested than is treatable. Maybe that should be clarified in the Plan. He noted the Plan identifies eight bays in the Lake that are potential candidates for herbicide treatment. Councilmember Fletcher stated those bays tend to have the biggest problem with milfoil. He explained that if the acreage of those bays is compared to acreage of the areas targeted for harvesting the herbicide treatment would cover a larger area. Fletcher again clarified that he is not saying one tool is better than the other.

Councilmember Page stated that is a red herring because the entire Lake does not have milfoil in it. He stated that overall harvesting is utilized most because it is what is effective.

Mayor Kind stated harvesting and herbicide treatment are both viable tools. She questioned the need to specify one as primary. She noted she agrees with the statements Councilmember Fletcher proposed to add to the response. Councilmember Quam stated he has no problem with that.

Councilmember Page stated chemicals can be used in about one-tenth of the Lake. So the primary method is harvesting. And, that is what the LMCD is going to continue to fund. He then stated he believes there is a push by some people to retire the harvesters and increase the use of herbicide treatment. That just is not going to happen and he does not think it should.

Mayor Kind questioned what difference it would make if harvesting turned out to be less effective than herbicide treatment in some areas of the Lake and therefore harvesting was reduced or eliminated in those areas. Councilmember Page stated it makes a big difference on how much chemical is put into the Lake.

Councilmember Page reiterated this has been studied since 1987. He stated the best scientific minds have done the analysis and made the harvesting recommendation repeatedly. From his vantage point there is nothing wrong with the language in the Plan.

Councilmember Quam reiterated the Plan states there are eight bays that are good candidates for herbicide treatment.

Councilmember Cook stated he does not understand why such a big deal is being made out of the “primary tool” language. From his vantage point it seems like it is about editing words. He then stated the first bullet point in the proposed response basically states there are two viable tools although it is tied to funding.

Mayor Kind asked Councilmember Cook if he supports adding the bullet point recommended by Councilmember Fletcher. Cook responded he is ambivalent about it.

Councilmember Cook stated it seems to him that there is an agenda that no one is talking about. Councilmember Page agreed with that. Cook then stated it seems as if there is an attempt to use words that fit a particular agenda. Cook noted that he does not know what the agendas are.

Councilmember Fletcher stated if one tool is made the primary then the agenda is basically to maintain that. He suggested assessing each situation and then deciding which is likely to be the more effective tool to use. He again stated he has no problem with using the harvesters. He noted he does not want to designate one of the tools as primary.

Councilmember Page stated that to him that suggests that every year someone will decide which of the two tools is going to be the appropriate tool to use for each bay in the Lake. He reiterated comments that he has already made.

Mayor Kind asked if there is any opposition to keeping bullet point one in the response. No concern was expressed.

There was consensus to go through the other five bullet points.

Bullet point two states *"We are 'okay' with the proposed increase to the LMCD levy for the specific purpose of funding aquatic invasive species (AIS) management. However, we are concerned that some cities may offset the increase by a corresponding decrease in their contribution to herbicide treatment. Therefore there may be no net increase to public herbicide funding."* Councilmember Page expressed his objection to the second and third sentences because he did not think that should be suggested. There was Council consensus to delete the second and third sentences. Zoning Administrator/Clerk Karpas suggested replacing "okay with" with "supportive of." Mayor Kind stated she chose the word "okay" carefully. Councilmember Page stated he has no objection to using "okay." Page then stated if anyone should be at the top of the list of supporting this it should be Greenwood because St. Alban's Bay is number one on the list of the most appropriate areas to be treated.

Bullet point three states *"Herbicides have reduced the area that is required to be harvested. So there should be some savings with reduced harvesting requirements that could be used to fund the herbicide program, which would minimize increases in the LMCD levy."* Councilmember Page expressed his objection to it because in his opinion this is not going to happen.

Councilmember Page explained the plan is to spend the amount of money that is available for the harvesting program. When some bays are chemically treated it frees the harvesters to be used in other areas or more than one time in areas. The objective is to get maximum control. Mayor Kind stated this point has been conveyed to the LMCD in the past. Therefore, she would like to keep it in. Page asked if that means he is supposed to tell the LMCD that the Greenwood Council does not want the harvesters to be used as much as possible and that it does not want bays to be harvested twice in one year. Kind stated if the funding is not increased for harvesting then she would like to have funds reallocated from the harvesting program to the herbicide program. Kind noted that she would like the same amount of harvesting to be done but not increased. Page asked if that means to only go around the Lake once with harvesters. Kind stated that is what she means. Page noted that in 2012 some areas were harvested twice. Kind noted that is because private property owners paid for some of the herbicide treatment in several bays. She stated she favors reallocating the harvesting monies for St. Alban's Bay to chemically treat the Bay. Councilmember Fletcher stated that by potentially harvesting some bays twice that may get better buy-in for increasing the levy to help fund chemically treating certain bays. Deleting that bullet point might help in creating a better coalition of the LMCD member cities. Councilmember Quam stated

Council needs to keep in mind the objective. Quam then stated his objective is about the entire Lake but his main objective is St. Alban's Bay.

There was Council consensus to delete the third bullet point.

The fourth bullet point states *"The entire Lake is an asset to ALL of the LMCD cities. If each city only used "their" respective bays, Lake Minnetonka would not be very desirable. From Greenwood's perspective, the fantastic success of herbicide treatment for St. Alban's Bay has opened up the bay to users from everywhere. It is great to see St. Alban's Bay enjoyed by boaters, waterskiers, and kayakers who live in the City of Greenwood as well as those who live in Mound and Minneapolis! You asked: "What is in it for cities that do not benefit directly from herbicide treatment?" Our answer: "We all get to enjoy a better Lake Minnetonka!" If one bay is improved, we all benefit."* Councilmember Page suggested adding language that states *"It allows increased harvesting for those areas that are not chemically treated."* There was Council consensus to add that language to the third bullet point.

The fifth bullet states *"Regarding management of the herbicide treatment program ... We are supportive of having a qualified manager in charge of the program. It does not matter to us whether the program manager is employed by the LMCD, LMA, DNR, PLM, or XYX company. However, since the Bay Captains still will be raising the majority of the money, we support the Bay Captains choosing the program manager. Also, since herbicide funding will come from both the public and private sector, the program manager should be required to provide appropriate oversight and reporting."* Councilmember Page expressed his objection to the second sentence because he did not think Council should take a position on who selects the program manager. And, no one knows what the public funding piece will be. Currently there is \$75,000 and he thinks there will be \$21,000 from the DNR. The Minnehaha Creek Watershed District (MCWD) may contribute some funding. Page noted the cost could go down by approximately one half by using a different herbicide called 24-D.

Councilmember Fletcher asked Page if he knows how much private money Save-the-Lake has raised the last few years. Page responded he does not know. Fletcher stated that he believes private funding will be needed to help pay for the cost of herbicide treatment. And, that the LMCD is not overly effective at raising money from the private sector. There is a need for the Bay Captains to help drive fundraising efforts. He has concern about that organization falling apart.

Rob Roy, 21270 Excelsior Boulevard, a Bay Captain for St. Alban's Bay, stated he and other captains do not care if the program manager is from the LMCD, the LMA (Lake Minnetonka Association) or some other organization. He explained that the current program manager Dick Osgood, the Executive Director of the LMA, has 15 points that he has to adhere to. If there is a continued need to raise private funds any program manager would be expected to adhere to them also. He stated it all comes down to customer service for private funding. He then stated Mr. Osgood is very good at keeping the Bay Captains in the loop. He reports back to them on a bi-weekly basis about how much funding has been raised and where it comes from. He reiterated the Bay Captains do not care who the program manager is, but they do want customer service protected. He stated that because the Bay Captains are raising the majority of the funds. Therefore, they should have some input.

Mayor Kind suggested changing *"However, since the Bay Captains still will be raising the majority of the money, we support the Bay Captains choosing the program manager"* to *"However, since the Bay Captains still will be raising private money, we support the Bay Captains participating in choosing the program manager."* Councilmember Page stated they do that now because the Bay Captains are part of the LMA and Mr. Osgood is the Executive Director of the LMA. Mr. Roy stated the majority of the Bay

Captains and Street Captains are not members of the LMA. Mr. Roy then stated the Bay Captains do not care if the LMA is or is not the program manager.

Kind then suggested changing it to *“However, since the Bay Captains still will be raising private money, we support the Bay Captains participating in the selection of the program manager.”* Councilmember Page stated he has no objection to that.

There was Council consensus to change *“...since herbicide funding will come from ...”* to *“... since herbicide funding likely will come from ...”*.

The sixth bullet point states *“One last comment ... We are wondering why the plan is specific to only two invasive plant species? We support a comprehensive AIS plan that addresses zebra mussels and other potential threats to Lake Minnetonka as well.”* Councilmember Page stated he did not think this is necessary in commenting on this plan. He asked Mayor Kind what else she wants in the Plan. Kind responded zebra mussels should be managed. Page stated there is no way to get rid of them and what is being managed is them leaving the Lake. Zebra mussels are not part of a vegetation management plan. Kind stated she thought the LMCD was to come up with an AIS plan. Page stated there is no way to manage zebra mussels. The consensus of the council was to remove the sixth bullet point.

Fletcher moved, Quam seconded, approving the proposed written response subject to the changes agreed to above and subject to adding “We do not agree with mechanical harvesting being designated as the primary tool to manage Eurasian Watermilfoil and Curly-Leaf Pondweed in public areas. We feel that it is more appropriate to recognize that each tool has its own application and see no reason to favor one tool as the "primary tool.”

Councilmember Page stated that the addition suggests what Councilmember Cook has indicated and that is there is an agenda here to think that the harvesters will be retired if it is just pushed hard enough.

Motion approved 3/2 with Cook and Page dissenting.

8. OTHER BUSINESS

A. None

9. COUNCIL REPORTS

A. Cook: Planning Commission

Councilmember Cook noted the meeting packet contains of copy of the minutes from the Planning Commission’s November 22, 2012, meeting. During that meeting he asked the Commissioners to come to the next meeting prepared to discuss ideas about hardcover, setback, and volume requirements in the City Ordinance and to comment on the draft ordinance provided.

B. Fletcher: Lake Minnetonka Communications Commission, Xcel Energy Project, Excelsior Fire District

With regard to the Lake Minnetonka Communications Commission (LMCC) activities, Fletcher stated the LMCC is still busy working on the franchise renewal and that it is a very time consuming process. He noted that Mediacom has gone to the City of Medina, one of the LMCC member cities, and discussed the possibility of it contracting directly with Mediacom. Medina is currently much underserved.

With regard to the Xcel Energy Transmission Line Upgrade Project, Fletcher explained the Department of Commerce filed its recommendation on November 9, 2012. On a Certificate of Need submitted by Xcel, the Department of Commerce is recommending a "Highway 5 option" that would use the unused capacity in the transmission line that runs along Highway 5. It also recommended doing some conductor upgrades, something suggested in Greenwood's response to the Certificate of Need. He stated from what he reads it appears to him that Xcel is on board with the Department of Commerce's recommendations.

Mayor Kind stated it appears there was a benefit to the City weighing in on the issue. She thanked Councilmember Fletcher for taking the lead. She stated residents can find information about the Xcel Project on the City's website.

With regard to the Excelsior Fire District (EFD), Fletcher stated he was out of town for the November 28, 2012, EFD Board meeting so Councilmember Quam served as the alternate.

C. Kind: Police, Administration, Mayors Meetings, Website

With regard to the South Lake Minnetonka Police Department (SLMPD), Mayor Kind highlighted items discussed during the November 29, 2012, SLMPD Coordinating Meeting. The SLMPD is in the process of hiring a patrol officer to replace an officer that took an unpaid leave of absence to take a position as a Business Agent with the Teamster's Local 320. The SLMPD received 119 applications. That has been narrowed to four candidates. SLMPD Chief Litsey is going to teach at Minnesota State University, Mankato again next quarter. The SLMPD's new record management system from LETG (Law Enforcement Technology Group) went live today. Litsey met with the Minnetrista Police Department Chief of Police about the possibility of entering into a joint agreement for the Departments to work together. If another city is added to the SLMPD joint powers organization the funding formula would go to ad valorem. The Uniform Animal Control Ordinance is being updated again to incorporate Attorney Kelly's suggestions. The Coordinating Committee again discussed a building maintenance/capital maintenance fund. The name of the fund is important because there are different funding formulas for maintenance items and capital items related to the facility. After discussion there was agreement to the separate funds that are currently comingled into two separate funds with one being for building maintenance items and the other for capital maintenance items. A restructuring of the command staff was discussed and approved by the Coordinating Committee. Currently there is a Chief position and a Lieutenant position (which is second in command). There is also a Detective Sergeant position which is part of the union. The restructuring would elevate the current Lieutenant position to a Deputy Chief position. It would remain second in command. It would also elevate the Deputy Sergeant position to the Lieutenant position. It would become a salaried position and be third in command. The Committee was assured the restricting would not increase the SLMPD's salary expenses. The Coordinating Committee approved a 1.25 percent base increase for Chief Litsey and Lieutenant Pierson as well as a 1.25 percent increase for Pierson to bring his salary closer to market. The base increase percent is the same as what was given to union personnel and other non-union personnel.

With regard to administration, Kind explained she and Councilmember Cook attended an incident management training session on November 20, 2012, led by Excelsior Fire District (EFD) Chief Gerber. She found the session to be informative. The way Greenwood's elected officials could help after a significant incident would be to wear something that identifies them as city officials. Elected officials would be expected to show up for briefings at the Emergency Operations Center (EOC) that would be located on the lower level of the public safety facility located in the City of Shorewood. They would also be expected to help be the eyes and ears on the streets. The main things they are supposed to do is to listen and not get in the way. In that situation the police chief and fire chief are the people in charge.

There would be an identifiable command post vehicle out in the field. There are several things that could be done now to help with emergency management preparations. One is to require new gas stations to have a connection for a generator. Another is to encourage residents to sign up for email alerts from the City. People can sign up with the Nixle alert system to receive more regional email alerts and they can also register their cell phones with Nixle. Cell phone notifications would help in the case of a power outage. The City could create a list of where available equipment is such as generators and chain saws are, a list of doctors and information technology people who live in the City and so forth. There is an emergency operations plan. She will get an electronic copy to council members.

Kind stated she received a call from David Erotas from Erotas Building Corporation about the island house. Mr. Erotas has a client who is interested in buying the property. There is a potential stumbling block in that the house cannot be finished unless the Department of Natural Resources (DNR) extends the permit that allows the bridge to have the additional structural support for heavy equipment to cross it. Mr. Erotas asked if there is anything the City can do to help. She asked Council if it has any objection to her writing a letter to the DNR expressing its support for the additional structural support. There was Council support for Mayor Kind to write a letter. Councilmember Quam stated it is important for the City that that home construction gets completed and the property is cleaned up.

Mayor Kind asked Zoning Administrator/Clerk Karpas if it is still true that the SWAT team wants to use the Carlson building for a training exercise. Karpas stated he has not heard any more about that from the City of Minnetonka. Karpas explained the old St. Alban's Boathouse restaurant is going to be demolished. It's his understanding the Minnetonka Police Department SWAT would like to use it for training if it could. Council approval and a blasting permit may be required. Kind noted the Minnetonka SWAT team is the SWAT team for the South Lake area. She also noted a large sign would be posted to notify the public of the training exercise.

D. Page: Lake Minnetonka Conservation District

Councilmember Page reported on Lake Minnetonka Conservation District (LMCD) activities. He stated there is no need to go over what was discussed earlier in the meeting. He noted that he is the treasurer for the LMCD and that the LMCD is trying to maximize its interest earnings on reserve funds. He noted there had been some waffling on personnel responsibilities and that he tried to clarify.

E. Quam: Roads & Sewer, Minnetonka Community Education

Councilmember Quam gave an update on the November 28, 2012, Excelsior Fire District (EFD) Board because he served as the alternate to that meeting. He stated the biggest thing discussed during the meeting was EFD Chief Gerber's performance evaluation. During the meeting he suggested the Board Chair and Gerber identify 4 to 6 goals for Gerber at the beginning of each year and then bring the list to the Board for approval. The progress against the goals should be assessed mid-year and the end of the year.

Quam explained Lisa Lynn Consulting was hired to conduct the 360° evaluation. Ms. Lynn developed a questionnaire that was sent to 40 individuals and 28 of them responded. The questionnaire took into consideration 12 competencies, and it included 8 open-ended questions looking for written feedback. The evaluators were asked to rate on skill frequency and importance. Skill frequency evaluates how often someone demonstrates performance not necessarily how good they are. A rating system of 1 to 5 was used with 1 being the person never sees the performance in Chief Gerber's behavior and 5 being they see it consistently. Gerber was rated an average of 4.5 or higher on all of them. He noted that Ms. Lynn had

stated she had never done an evaluation that resulted in such high ratings. He explained the highest rating was integrity (4.9), and the lowest was holds others accountable (4.5).

Quam stated during that meeting EFD Chief Gerber gave a brief presentation on his Emergency Management Assistance Compact (EMAC) deployment to the States of Massachusetts and New York to deal with the aftermath of Hurricane Sandy. He explained Gerber was one of five people selected to be on that deployment team. During the presentation he reviewed lessons learned. A big lesson learned had to do with the limited access to fuel.

With regard to Minnetonka Community Education (MCE), Councilmember Quam stated there is nothing new to report.

With regard to roads and sewers, Quam stated he had nothing to report on roads and sewers.

10. ADJOURNMENT

Page moved, Cook seconded, Adjourning the City Council Regular Meeting of December 5, 2012, at 10:14 P.M. Motion passed 5/0.

RESPECTFULLY SUBMITTED,
Christine Freeman, Recorder