

DEEPHAVEN CITY COUNCIL WORKSHOP MINUTES

4:00 P.M. MONDAY, JANUARY 8, 2024

- 1. CALL MEETING TO ORDER:** Mayor Kent Carlson called the meeting to order at approximately 4:00 p.m.

PRESENT: Mayor Kent Carlson and Councilmembers Steve Erickson; Emily Scherschligt; John Studer; and, Tony Jewett

STAFF: City Administrator, Dan Madsen

- 2. HERC ORGANIC RECYCLING HENNEPIN COUNTY:**

City Administrator / Special Counsel Madsen reported the Hennepin County Board of Commissioners has sent notice to cities in Hennepin County of the planned decommissioning of the HERC. Their anticipated year range for closure of this recycling center is between 2040 and 2050. Members of the Staff and Council discussed their concern that such a decommissioning without a plan for replacement of recycling services could unduly and inequitably shift the burden of recycling to the cities. Staff stated that they would prepare a letter of response highlighting this concern and send it out for Council review.

- 3. YOUTH SPORTS AUTHORITY GRANT:**

City Administrator / Special Counsel Madsen reported that the City that the submission for a Hennepin County Youth Activity Grant had been approved. It will be issued through the Minnesota Amateur Sports Commission in the amount of \$300,000. Staff noted that this was not a traditional matching grant in that a direct match for the stated projects was not required. Staff also stated that the grant award could not be expanded to include additional projects such as pickle ball courts or a warming house, but that the lack of a direct match requirement opened up more opportunity for funding those improvements separately.

- 4. BUILDING PERMIT / ADMINISTRATIVE FEE SCHEDULE:**

City Planner, Pat Smith, discussed the recommended increase and shift in building permit fees to more closely mirror those charged by Minnetonka and other similarly situated lakes communities. Members of the Council and Staff also discussed administrative fees, noting that the fees charged for photocopies, faxing and other routine fees charged in City Hall were outdated. Members of the Staff and Council discussed the interest in adding “attorney services / legal services” as an item to the fee schedule that would be charged back to developers, individuals or other entities receiving legal work on behalf of the City where passing that cost on may be applicable. Members of the Council discussed how this should be at our current billable rate with our City Attorney. Staff stated they would update the Resolution and fee schedule as stated for approval at the Council Meeting.

- 5. SAFE ROUTES TO SCHOOLS 2024 GRANT**

City Administrator / Special Counsel Madsen explained the Safe Routes to School program is designed to provide walking and bicycling opportunities for youth and encourage a more active lifestyle in creating safe routes to local and area schools. Madsen stated that the program consists

of planning support and a competitive grants program to help communities plan and establish walkable or bikeable routes to local schools. Members of the Council and Staff discussed whether or not a planning grant was warranted, and if that grant may help Deephaven's chances of securing a larger Infrastructure Grant at a later time. It was generally agreed by the group that this matter would be set on the next Council Agenda for discussion and review.

6. COUNCIL COMMITTEE APPOINTMENTS

City Administrator / Special Counsel Madsen read through the proposed Council Committee Appointments. Members of the Staff and Council briefly discussed their appointments.

7. ADJOURNMENT

Councilmember Erickson motioned to adjourn the Council Workshop Meeting at approximately 5:00 p.m. Jewett seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

DEEPHAVEN CITY COUNCIL MEETING MINUTES
5:00 P.M. MONDAY, JANUARY 8, 2024

- 1. CALL MEETING TO ORDER:** Mayor Kent Carlson called the meeting to order at approximately 5:00 p.m.

PRESENT: Mayor Kent Carlson and Councilmembers Steve Erickson; Emily Scherschligt; John Studer; and, Tony Jewett
STAFF: City Administrator Dan Madsen; Police Chief Johnson; Planner Pat Smith; and City Engineer Stremel

2. PLEDGE OF ALLEGIANCE

The Council recited the Pledge of Allegiance.

3. APPROVE CONSENT AGENDA

Motion by Councilmember Erickson, and seconded by Councilmember Jewett, to approve the Consent Agenda consisting of the following items:

- A. Approve December 4, 2023 Council Workshop and Council Meeting Minutes**
- B. Approve Verified Claims**
- C. Ratify Grant Acceptance, St. Louis Bay**
- D. Approve Tree Service Quotes**
- E. Approve New Phone Systems Purchase**
- F. Approve LMC Property / Casualty Insurance Renewal**
- G. Approve Resolution, Broker Certification, Madsen and Montik at MBS Securities**
- H. Approve Firecracker Run Special Event Permit**
- I. Approve 2024 Election Judge Compensation**
- J. Approve Minnetonka Electric Inspection Agreement**
- K. Approve Sunset Yoga at Robinson Bay Beach**
- L. Approve Morris Electric IT Agreement**
- M. Approve Resolution Establishing Date of Local Board of Appeal and Equalization**
- N. Approve Resolution Establishing 2024 Administrative Fees**
- O. Approve Resolution Applying for Montgomerie Grant**
- P. Approve Resolution Council Appointments**

Motion carried, voting in favor was Carlson, Erickson, Jewett, Studer and Scherschligt.

4. MATTERS FROM THE FLOOR

There were no Matters from the Floor this evening.

Mayor Carlson requested to move Item 7C, Approve Hire of Officer William Van Hercke, up on the agenda to Item 4A

Chief Johnson presented to Council the request for authorization to hire a Police Officer- Lateral Hire- Will Van Hercke.

Councilmember Scherschligt moved to approve the hiring of Will Van Hercke (Lateral Police Officer) at Step 3 of the current salary schedule at \$43.14/hr. After successful passing of Probation (12 months), the pay would adjust to Step 4 of the Police salary schedule. Vacation granted as written. Erickson seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

Mayor Carlson then swore-in Officer Van Hercke.

5. PLANNING & ZONING REQUESTS

A. Ordinance Amendment Exempting First Accessory Structure from Hardcover Limits

Smith presented the staff report. There are many non-conforming lots regarding hardcover, especially in the Cottagewood neighborhood. If any of these owners wanted to install a small shed (120 SF), which doesn't require a building permit, they would need to go through the CUP process to exceed hardcover and install stormwater mitigation that may cost upwards of \$5,000 for a shed that may cost \$1,000. Planning Commission and the City Council thought the City should exempt the first accessory structure under 120 SF from the hardcover limit. The proposed ordinance does that. City Council scheduled the second reading for February 5, 2024.

B. Ordinance Amendment, 2024 Building Permit Fees

Smith presented the staff report. While changing building inspectors from Minnetonka to Metro West, staff thought it was prudent to review the City's building permit fees. In 2021, the City raised building fees approximately 13% in conjunction with the City of Minnetonka raising their fees to review building permits for Deephaven. Staff is recommending increasing the building permit fees approximately 3% to be consistent with the City of Minnetonka building permit fees.

Staff is also recommending charging mechanical fees similar to Edina and Minnetonka, which base their fees on the value of the job, not the type of job. Staff recommends charging the commercial plumbing fee based on value of the job instead of by the number of fixtures being installed. This is also consistent to Minnetonka and Edina. Metro West has reviewed the proposed changes and supports them.

Motion by Councilmember Erickson, seconded by Councilmember Scherschligt, to waive the first and second readings and adopt Ordinance No. 04-83 amending the City's building permit fee schedule. Motion carried 5/0.

Motion by Councilmember Erickson, seconded by Councilmember Studer, to adopt Ordinance No. 04-83 a summary ordinance of No. 04-83. Motion carried 5/0.

C. Variances to Expand Non-Conforming Structure and Reduce Lake Yard Setback, 20260 Lakeview Avenue

Smith presented the staff report. According to Hennepin County Property Information, the house was constructed in 1890, one of the oldest houses in Deephaven. It is considered a legal non-conforming structure as it encroaches 28 feet into the 100-foot lake yard setback. The boathouse is also a legal non-conforming structure.

The applicant is proposing a 22'x14' one-story sunroom on the east side of the house. The sunroom would be located off the existing library. The proposed sunroom would be located 96 feet from the Ordinary High-Water Line (OHWL), encroaching 8 feet into the 100-foot lake yard setback.

Councilmember Jewett asked why the hardcover needing a variance in the past but not now. Smith stated that decking over permeable ground was considered hardcover when the variance was requested, but since then the definition of hardcover was changed to exempt decking over permeable ground as hardcover. Mayor Carlson stated he has no exceptions to the variance request as many of the homes along Lake Minnetonka in this neighborhood project into the 100-foot lake yard setback.

Motion by Councilmember Studer, seconded by Councilmember Jewett, to accept the recommendation and findings of staff and the Planning Commission and approve a variance to expand a non-conforming structure and a variance to encroach eight feet into the 100-foot lake yard setback in conjunction with the construction of a house addition at 20260 Lakeview Avenue, as proposed. Motion carried 5/0.

D. Conditional Use Permit to Exceed Hardcover Limit, 20425 Park Place

Smith presented the staff report. According to Hennepin County Property Information, the house was constructed in 2016. The existing hardcover is 20.8%. The applicant is proposing to install an inground pool that would increase the hardcover to 31.8%. The pool is proposed to be 22' x 42'.

The applicant is proposing to mitigate the additional hardcover by installing an underground 6'x20' infiltration trench in the rear yard. The City Engineer has reviewed and approved the grading and stormwater management plans.

Councilmember Erickson stated that the new drainage diagrams will be very helpful when reviewing requests to exceed the hardcover limits.

Motion by Councilmember Jewett, seconded by Councilmember Scherschligt, to accept the recommendation and findings of staff and the Planning Commission and approve a conditional use permit to increase the hardcover to 31.8% for an inground swimming pool at 20425 Park Place, as presented. Motion carried 5/0.

6. UNFINISHED BUSINESS

None.

7. NEW BUSINESS

A. Lateral Service Grant Opportunity

City Engineer Stremel gave a brief summary of the memorandum in the Council packet. He said the grant program provides \$1.5 million in wastewater revenue to provide grants to private property owners to help with repairs that will remove and prevent clear water from entering the wastewater treatment system. He stated this grant program will give local communities the ability to aid private property owners and distribute funds to private property owners or contractors in alignment with the grant program guidelines. Grant awards may be up to 50% of eligible costs up to \$5,000. The grant amount that Deephaven will received for 2024 is \$40,000. Qualified spending on eligible work can happen between January 1, 2024 and December 31, 2024. The Council asked various implementation and eligibility questions, which City Engineer Stremel answered. City Administrator / Special Counsel Madsen asked if there were other cities that are developing policies ahead of time as being grantors of the funds. City Engineer Stremel said he would look into it more to see how other cities are proceeding.

Councilmember Studer moved to approve the resolution authorizing the application for the Metropolitan Council Environmental Services 2023 Private Property Inflow and Infiltration Grant Program. Jewett seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

B. 2024 Street Project

City Engineer Stremel gave an overview of the 2024 Street & Drainage Improvements Project and what it entails for the specific project area, which includes full depth reclamation of the existing pavement section along both Manor Road and Dyer Lane. He stated he total estimated project cost is \$668,000 which includes a 10% contingency factor and 28% for indirect or overhead costs. Of the total estimated project cost, \$636,000 is estimated for street work and \$32,000 has been allocated to storm sewer and drainage improvements. He said they are ready to go out for bids. Councilmember Jewett asked about how the contingencies are factored into the bids. City Engineer Stremel explained the way they bid projects is by line items and they include line items for possible contingencies.

Councilmember Jewett moved to approve the resolution approving plan/specifications and authorizing the advertisements for bids. Scherschligt seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

C. Approve Hire of Officer William Van Hercke

Mayor Carlson moved Item 7C to Item 4A on the agenda.

D. Chris Schnabel Training for ERU

Chief Johnson spoke to the Council regarding appointing an officer to Lake Minnetonka Emergency Response Unit. He recommended Officer Chris Schnabel for the position as he is a Paramedic, which is highly desired for ERU teams. He said the ERU team has been in place for roughly ten years and we have not participated in the past. He said with the ever-increasing number of critical incidents all over the nation, being part of a team that can quickly respond to our City is a greatly desired benefit.

Councilmember Erickson moved to approve the selection of Officer Chris Schnabel to join the Lake Area ERU Team, with the one-time cost estimate of \$8000 to \$10,000 and annual cost of \$1200. Jewett seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

F. Youth Sports Authority Grant

City Administrator / Special Counsel Madsen told the Council the City of Deephaven received notice on December 14th that our grant submission for a Hennepin County Youth Activity Grant had been approved. He said the City was awarded a matching grant award up to \$300,000, so we have to come up with the off set for that. The grant award was provided for construction of the skating rink, hockey rink, dashboard, tee-ball field and lighting improvements at Village Park.

Councilmember Jewett moved to approve to accept the Hennepin County Youth Activity Grant from the Minnesota Amateur Sports Commission for \$300,000. Scherschligt seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

8. DEPARTMENT REPORTS

A. Police Department

Police Chief Johnson went over his December 2023 police activity monthly report. He said they have been dealing with kids smoking marijuana in the Thorpe Park restrooms. They did apprehend someone and made them pay restitution for the damages, so hopefully this will stop any further activity. Mayor Carlson asked what the fine was for smoking marijuana in the parks. Chief Johnson stated that it is an ordinance violation and is it is a misdemeanor.

B. Excelsior Fire District

Councilmember Erickson said the EFD has their first meeting on January 24, 2024.

C. Public Works

City Administrator / Special Counsel Madsen reported the Public Works department is gearing up for the upcoming street improvement projects. They are also getting ready to flood the hockey rinks, shop improvements, such as painting all the walls to brighten it up, and taking down the holiday decorations.

D. Administration

City Administrator / Special Counsel Madsen reported City Hall staff is working on transitioning to Banyon with implementation and trainings.

9. ADJOURNMENT

Councilmember Erickson motioned to adjourn the Regular Council Meeting at approximately 7:56 p.m. Studer seconded the motion. Ayes: Erickson, Jewett, Scherschligt, Studer and Carlson. Motion carried.

Typed and respectfully submitted Thursday, January 11th, 2024.
Rachel Myskevitz, City Clerk