DEEPHAVEN CITY COUNCIL WORKSHOP
COUNCIL CHAMBERS, CITY HALL
20225 COTTAGEWOOD ROAD
6:00 P.M. Monday, June 15th, 2026

AGENDA

6:00 P.M. WORKSHOP

A. ODDS AND ENDS

DEEPHAVEN CITY COUNCIL MEETING
COUNCIL CHAMBERS, CITY HALL
20225 COTTAGEWOOD ROAD
7:00 p.m. Monday, June 15th, 2026

AGENDA

1. CALL MEETING TO ORDER

2. PLEDGE OF ALLEGIANCE

3. APPROVE CONSENT AGENDA

A. Approve June 1st, 2026 Workshop and Council Meeting Minutes
B. Approve Payment of Claims
C. Approve 2026 Election Judge Compensation
D. Approve Special Event - Cottagewood Store 4th of July
E. Approve Special Event - Thorpe of July
F. Approve Special Event - Minnetonka Yacht Club 4th of July
G. Approve Retroactive Installation of Lift Station 9 Pump Replacement
H. Approve Police Department Server Replacement Quote
I. Approve Resolution Amending Deephaven Fund Balance Policy
J. Approve 2026 Street Improvement Project Change Orders; clay trench and light pole relocation, and sidewalk extension on Minnetonka Boulevard
K. Approve Carson and St. Louis Bay Milfoil Treatment

4. MATTERS FROM THE FLOOR

Residents may address the Council on matters not on the agenda and are required to register with the City Administrator and/or the provided sign-up sheet prior to the start of the meeting. Those wishing to speak are limited to three (3) minutes and must state their name and address for the record.

5. PLANNING & ZONING MATTERS

6. UNFINISHED BUSINESS

A. Retaining Wall, Village Hall Park

7. NEW BUSINESS

A. Marina Ordinance Amendment Defining Property Owner and Residency Requirement

8. COUNCIL REPORTS:

A. Mayor Report: Public Safety / Public Works, Planning, Weeds, Personnel & Finance
B. Scherschligt: Park, Personnel & Finance, Events
C. Jewett: Fire Board
D. Studer: Public Safety / Public Works

E. Erdmann: Planning, LMCC Board

9. DEPARTMENT REPORTS

A. Police Department:
B. Excelsior Fire District
C. Public Works
D. Administration
E. Engineering Update

10. ADJOURNMENT

DEEPHAVEN CITY COUNCIL WORKSHOP MINUTES
6:00 p.m., Monday, June 1, 2026

1. **CALL MEETING TO ORDER:** Mayor Kent Carlson called the Workshop to order at approximately 6:00 p.m.

   COUNCIL PRESENT: Mayor Kent Carlson and Councilmembers Emily Scherschligt, Tom Erdmann, Tony Jewett and John Studer

   STAFF: City Administrator / Special Counsel, Dan Madsen and City Planner, Pat Smith

WORKSHOP AGENDA:

Fire Department Joint Powers Agreement:
Council Member Tony Jewett shared a recap of the May Fire Board Meeting and discussed the options and opportunities to pursue an amendment of the Joint Powers Agreement. Jewett shared that the Fire Board had discussed suggested amendments presented on behalf of the City of Deephaven, and that each city in the JPA would discuss the process with their respective City Councils and report back at the July meeting what the level of interest may be in amending the JPA at this time. No formal action was taken as this matter was set on for informational purposes only.

Marina Policy Amendment, Definitions and Review:
Administrator/ Special Counsel Madsen shared an initial draft of amendments to the Marina Ordinance that would clarify the "boating season," and clear up ambiguity on when a dock slip owner must be a resident to enjoy use of the City's dock space in our municipal marinas. The discussion centered mainly around the residency requirement, as the Council discussed what date a property owner should be a resident during the boating season where they can retain their boat slip, and before what date they should have their payment refunded and the boat slip transferred to the next person in line**.** No formal action was taken as this matter was set on for informational purposes only.

Members of the Staff and Council then generally discussed other items including the 4th of July Celebration being held at the Minnetonka Yacht Club, resetting the retaining wall discussion on a future agenda and other matters of general interest. Motion was then made by Studer, and seconded by Jewett to adjourn the Workshop at approximately 6:55 p.m.

Motion carried by unanimous vote the Workshop was adjourned.

Respectfully typed and submitted Thursday, June 11, 2026
Dan Madsen
City Administrator, Special Counsel
Deephaven, Minnesota

DEEPHAVEN CITY COUNCIL MEETING MINUTES
7:00 P.M. Monday June 1st, 2026

1.**CALL THE MEETING TO ORDER:** Mayor Kent Carlson called the meeting to order at approximately 7:00 p.m.

PRESENT: Mayor Kent Carlson and Councilmembers Emily Scherschligt, Tony Jewett, John Studer and Tom Erdmann

ABSENT: None

STAFF PRESENT: City Administrator Dan Madsen, City Clerk Kimberly Lenarz-Greenwaldt, Andrew Keller Finance Director and City Engineer Steve Hegland with Hakanson Anderson,

GUEST: Matthew and Sarah Pavek

2. PLEDGE OF ALLEGIANCE:

The Council recited the Pledge of Allegiance

3. APPROVE THE CONSENT AGENDA:

Motion was made by Jewett and seconded by Studer to approve the Consent Agenda and remove Item H FD JPA resolution from the consent to approve the following items;

A. Approve the May 18th, 2026 Workshop & Council meeting minutes
B. Approve Payment of Claims
C. Approve Thorpe park restroom cleaning services
D. Approve Village hall retaining wall replacement
E. Approve Pickus, Jeremy Removal from probation status
F. Approve Special event, United Healthcare Children's Foundation Bike ride
G. Approve Special event, Firecracker Run

Motion carried, Voting in favor was Mayor Carlson and Councilmembers Scherschligt, Jewett, Studer and Erdmann. 5/0 vote.

4. LEGISLATIVE UPDATE, REPRESENTATIVE PATTY ACOMB

She didn't make it, nothing to report

5. MATTERS FROM THE FLOOR:

None

6. PLANNING & ZONING MATTERS:

A. Conditional Use Permit to Exceed the Hardcover Limit for a Swimming Pool and an Addition to the House at 19160 Azure Road

Smith presented the staff report. The property owners, Matt and Sarah Pavek, are proposing to build a swimming pool and an addition onto the house located at 19160 Azure Road that would increase the hardcover from 24.5% to 35%.

To mitigate the hardcover over the 25% maximum hardcover limit, the applicants are proposing an infiltration trench in the northwest corner of the site and a second infiltration trench in the southwest corner of the property. Both infiltration trenches have been placed to retain the maximum the amount of stormwater. The resulting effective hardcover is 21.96%.

Councilmember Jewett asked about screening of the pool. Matt Pavek, applicant, addressed the City Council. He stated there is heavy vegetation around the pool already but plan to add a privacy fence and more landscaping. Councilmember Jewett asked if swimming pools have different setback requirements. Smith stated yes, pool decking have to be setback 15 feet from side property lines. Councilmember Scherschligt asked about the non-conforming shed. Pavek said they will have to reduce the depth of the shed two feet to bring the shed into compliance with the zoning ordinance.

Councilmember Studer stated he has not concerned about the non-conforming shed. Councilmember Erdmann stated that the Planning Commission believed the shed was under 120 square feet, but Smith has confirmed it is 140 square feet. Councilmember Erdmann stated that the site should be brought into conformance when possible when these requests are made to the City. Councilmember Studer complimented the applicant for the design of the addition.

Motion by Councilmember Studer, seconded by Councilmember Jewett, to accept the recommendation and findings of staff and the Planning Commission and approve a conditional use permit to increase the hardcover to 35% for an addition to the house located at 19160 Azure Road with the non-conforming shed being brought into compliance with the zoning ordinance. Motion carried 5/0.

B. Creating the Public and Institutional Use Zoning Districts

Smith presented the staff report. He said the intent is to rezone Calvary Church and St. Therese Church this fall, City Hall park in early winter, and the rest of the parks after that. Smith also stated that the Planning Commission is revising the Building and Site Plan review process to make any addition or new building would need a public hearing and review by the Planning Commission and the City Council.

Motion by Councilmember Erdmann, seconded by Councilmember Scherschligt, to waive the second reading and establish two new zoning districts for public parks (P) and public and institutional buildings (PI). Motion carried 5/0.

7. UNFINISHED BUSINESS:

A. Resolution / Amendment of Fund Balance Policy

City Administrator Dan Madsen presented information regarding the proposed Fund Balance Policy update and reviewed current fund balance levels and policy comparisons with surrounding cities. Following discussion, the Council directed staff to bring the item back for further review at the next meeting. No motion was made and no action was taken.

8. NEW BUSINESS:

A. Deephaven PD Server Replacement Quote:

City Administrator Dan Madsen, on behalf of Chief Johnson, presented information regarding the proposed replacement of the Police Department server. After much discussion, the Council directed staff to gather additional information and requested that Pantheon validate the overall project costs and provide further explanation regarding the pricing. The Council agreed to bring the item back at a future meeting for further review. No action was taken.

B. Request for Proposals, Review Banking Services

Finance Clerk Andrew Keller presented information regarding the proposals received for municipal banking services. Staff reviewed five proposals and recommended continuing banking services with Alerus based on the services offered, competitive interest rates, and overall financial benefit to the City. Following discussion, the Council concurred with staff's recommendation to continue banking services with Alerus.

Motion was made by Studer and seconded by Erdmann to approve Alerus as the City’s continued banking services provider.

Motion carried, voting in favor was Mayor Carlson and Councilmembers Scherschligt, Jewett, Studer and Erdmann. 5/0 Vote.

C. PD Body Worn Camera Audit

City Administrator Dan Madsen, on behalf of Chief Johnson, presented the results of the 2026 biennial body camera audit. The audit found that the Deephaven Police Department's body camera program was in compliance with applicable Minnesota statutes, and no material exceptions were identified.

No action needed

9. COUNCIL REPORTS:

A. Mayor Carlson: Nothing to report

B. Council Member Scherschligt: The Park Board is scheduled to meet on June 2. Topics on the agenda include the Northome Trail stairs and the proposed sand volleyball area at Deephaven Beach.

C. Council Member Jewett: Noted that an upcoming work session will include discussion regarding the possible hiring of an assistant within the next 12 months to help with department duties.

D. Council Member Studer: Nothing

E. Council Member Erdmann: Pat covered everything the Planning Commission has been working on lately.

10. STAFF REPORTS:

A. Police Department: The CSO Joshua Young has started and is doing well.

B. Excelsior Fire District: Jewett covered

C. Public Works: PW is busy as always mowing, trees and making sure beaches and life guards are ready for the last day of School June 10th.

D. Administration: Getting ready for the 2026 road project to start, doing what we can to make the residents are made aware of the different phases and when things will be happening.

E. Engineering: Post Cards were sent out to everyone in the phase one area and signs are out as well.

11. ADJOURNMENT:

Motion was made by Studer and seconded by Erdmann to adjourn the City Council Meeting at 8:05pm.

Motion carried, Voting in favor was Mayor Carlson and Councilmembers Scherschligt, Jewett, Studer and Erdmann. 5/0 Vote.

Typed Respectfully on June 10th, 2026
By: Kimberly Lenarz-Greenwaldt
Deephaven City Clerk

These minutes are intended to provide a summary of the meeting and are not a verbatim transcript. A full video recording of the meeting is available online at:

https://www.lmcc-tv.org/deephaven.html

CITY OF DEEPHAVEN

*Check Detail Register©

Batch: PAY260611

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
10100 CASH					
42384	06/11/26	**DORSEY & WHITNEY LLP**			
E 101-41100-304		LEGAL EXPENSES	$14,388.00	4188410	5/2026 legal fees - Fire District JPA
		Total	$14,388.00		
42385	06/11/26	**Embedded Systems, Inc.**			
E 101-42100-309		PROFESSIONAL SERVIC	$599.64	345047	7/1 - 12/31 Civil Defense Siren Maintenance
		Total	$599.64		
42386	06/11/26	**GREGERSON, ROSOW, JOHNSON & NILAN**			
E 101-42100-304		LEGAL EXPENSES	$13.20	56020	5/2026 Prosecution expense
E 101-42100-304		LEGAL EXPENSES	$13.20	56041	5/2026 Prosecution expense
		Total	$26.40		
42387	06/11/26	**James Woodburn**			
R 605-36201		BOAT USER FEES	$443.75	Buoy Refund	Partial Buoy spot refund
		Total	$443.75		
42388	06/11/26	**JEFF KASK**			
E 101-41900-307		JANITORIAL SERVICES	$300.00	6/10/2026	Clean Deephaven City Hall/Police Dept/Public Works Dept
		Total	$300.00		
42389	06/11/26	**Jsw Embroidery & Tackle Twill**			
E 101-42100-217		CRIME PREVENTION	$581.76	29119	PD Counteract T Shirts
		Total	$581.76		
42390	06/11/26	**L.E.L.S #45 POLICE UNION**			
G 101-21721		POLICE UNION DUES	$438.00	6/1/2026	6/2026 PD Union Dues
		Total	$438.00		
42391	06/11/26	**MEDIACOM**			
E 101-41400-321		COMMUNICATIONS-TEL	$359.97	2105212026	6/2026 Internet - Admin
E 101-42100-321		COMMUNICATIONS-TEL	$359.98	2105212026	6/2026 Internet - PD
		Total	$719.95		
42392	06/11/26	**METRO WEST INSPECTION SERVICES**			
E 101-42400-309		PROFESSIONAL SERVIC	$23,824.56	5036	5/2026 permit finalizations
		Total	$23,824.56		
42393	06/11/26	**METROPOLITAN COUNCIL**			
E 602-43200-309		PROFESSIONAL SERVIC	$63,672.05	0001208341	7/2026 wastewater services
		Total	$63,672.05		
42394	06/11/26	**MINNESOTA TEAMSTERS #320**			
G 101-21722		PUBLIC WORKS UNION	$314.00	6/1/2026	6/2026 PW union dues
		Total	$314.00		
42395	06/11/26	**MN PEIP**			
G 101-21719		HEALTH PARTNERS-TA	$28,783.50	1641688	7/2026 health insurance premiums
		Total	$28,783.50		
42396	06/11/26	**POPP Communications**			

CITY OF DEEPHAVEN

*Check Detail Register©

Batch: PAY260611

Check #	Check Date	Vendor Name	Amount	Invoice	Comment
E 101-41400-321		COMMUNICATIONS-TEL	$222.87	992920114	6/4 - 7/3 telephone service - Admin
E 101-42100-321		COMMUNICATIONS-TEL	$222.86	992920114	6/4 - 7/3 telephone service - PD
		Total	$445.73		
42397	06/11/26	**PREMIUM WATERS INC**			
E 101-41400-201		OFFICE SUPPLIES	$68.86	330109-05-26	5/2026 CH drinking water service
		Total	$68.86		
42398	06/11/26	**Thompson Reuters - West**			
E 101-41400-433		DUES & SUBSCRIPTION	$416.00	853709784	5/2026 Westlaw Proflex Database Subscription
		Total	$416.00		
42399	06/11/26	**WAGNERS**			
E 101-45100-225		LANDSCAPING	$3,380.20	72897	Gerden club plants purchase
		Total	$3,380.20		
42400	06/11/26	**Wayne & Sandy Johnson**			
R 605-36201		BOAT USER FEES	$230.75	Boat Slide Re	Partial boat slide refund
		Total	$230.75		
		10100	$138,633.15		

Fund Summary

10100 CASH	
101 GENERAL FUND	$74,286.60
602 SEWER FUND	$63,672.05
605 MARINA FUND	$674.50
	$138,633.15

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15th, 2026
Consent Agenda:
Election Judge Pay

Dear Mayor Carlson & Councilmembers,

Staff recently surveyed nine neighboring Lake Minnetonka area communities regarding election judge compensation. Head Judge pay rates ranged from $12.00 per hour in Woodland to $20.00 per hour in Minnetonka, Greenwood, Shorewood, and Orono. Election Judge pay rates ranged from $10.00 per hour in Woodland to $18.00 per hour in Orono and Greenwood. The following local area election judge pay scale comparison is provided for Council reference.

	Head Judge	Election Judge
Woodland	12	10
Deephaven	15	14
Tonka Bay	15	14
Minnetonka Beach	18	15
Mound	18	14
Greenwood	20	18
Minnetonka	20	15
Orono	20	18
Shorewood	20	17

Deephaven has historically sought to remain competitive with surrounding communities to attract and retain qualified election judges. Election judges are the backbone of Election Day, and competitive wages help ensure the City can continue to recruit and retain experienced and dedicated judges while recognizing the time commitment required for training and Election Day responsibilities.

Staff is requesting Council approval to increase the Head Judge pay rate to $21.00 per hour and the Election Judge pay rate to $19.00 per hour. Staff is also requesting authorization for up to two Head Judges and fourteen Election Judges for both the August 11, 2026 Primary Election and the November 3, 2026 General Election.

Based on these proposed rates and staffing levels, including required election judge training, the estimated compensation cost for the 2026 elections is approximately $6,482. This amount remains within the approved 2026 election budget of $8,000.

Recommended Action;
Approve election judge compensation rates of $21.00 per hour for Head Judges and $19.00 per hour for Election Judges and authorize staffing of up to two Head Judges and fourteen Election Judges for the August 11, 2026 Primary Election and the November 3, 2026 General Election.

If you have any further questions, please feel free to reach out prior to the meeting.

Thanks,
Kimberly Lenarz-Greenwaldt
City Clerk
Deephaven, MN

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15th, 2026
Consent Agenda:
Special Event; Cottagewood Store 4th of July

Dear Mayor Carlson and Councilmembers,

Cottagewood Store has submitted a Special Event Permit application for their annual 4th of July event to be held on July 4th from 8:00 a.m. to 11:00 a.m. at Cottagewood Store, located at 20280 Cottagewood Avenue.

The event will include an electronic bull, pancake breakfast, parade, raffle, and face painting. The event is open to the whole community and there is no admission fee. The estimated attendance is 100–300 participants, with approximately 8–10 staff members assisting with the event.

The applicant noted that a porta potty will be available on the store property, the store dumpster will be used for most garbage, and the store will provide electricity and water service. A pancake breakfast will be provided by Chris Cakes, and no alcohol will be served.

Staff has coordinated with the Police Department and Public Works Department regarding the request. Both departments indicated they do not have concerns with the event as proposed, provided all traffic control and cleanup measures are completed following the event.

Staff is recommending approval of the special event permit request.

If you have any further questions, please feel free to reach out prior to the meeting.

Thanks,

Kimberly Lenarz-Greenwaldt
City Clerk
Deephaven, MN

SPECIAL EVENT PERMIT APPLICATION

CITY OF DEEPHAVEN
20225 COTTAGEWOOD ROAD
DEEPHAVEN, MN 55331
952-474-4755

Filing Fee
$50.00

Name of Sponsoring Entity: COTTAGEWOOD STORE

Contact Person: LAURIE JENKINS Phone Number: 612-719-5434

Address: 20280 COTTAGEWOOD AVE Email: JENKINSLAURIE@YAHOO.COM

Date and Time of the Special Event: July 4th 8:00 am - 11:00 am

Describe and List all Activities at the Special Event: electronic bull, pancake breakfast, parade and raffle. & face painting

Proposed Location of the Special Event, please attach a map of the proposed area to be used which shows any barricades, street route plans or perimeter/security fencing.

Estimated number of: Staff 8 - 10 Participants 100 - 300? Spectators _____

List All Special Considerations: Parking, Security Plans, Fire & Emergency Medical Services, Safety Provisions, Traffic Control, Pedestrian Access, Garbage Collection, Water Service, Electric Service, Public Restrooms: (Please list on separate sheet, if necessary)

Sean Gleason has been in contact with Chief Cory with this. We have a porta potty on store property and will use our dumpster for most of the garbage. Store provides electricty and water service.

Please list the admission fee, donation or other consideration to be charged or requested for admission to the special event, if applicable: no fee for event and open to the whole community

Will food or alcohol be served or sold at the special event: pancake breakfast will be provided by Chris Cakes - copy of license has been requested and will submit as soon as we receive. NO alcohol

Applicant's Signature: Laurie Jenkins Date: _____

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15th, 2026
Consent Agenda:
Special Event; Thorpe of July

Dear Mayor Carlson and Councilmembers,

Staff has reviewed the Special Event Permit application for the annual Thorpe of July event scheduled for July 4, 2026, from 10:30 a.m. to 12:30 p.m. The event includes a bike parade, games, and complimentary food and is expected to have approximately 200 participants.

Staff spoke with Police Chief Johnson and Public Works regarding the event. Both departments indicated they had no concerns with the event as proposed. Public Works has confirmed they will have water hoses available from the warming house to the top of the sledding hill to accommodate the requested water activities.

The applicant has also requested temporary "No Parking" signs along Lake Avenue from the Thorpe parking lot to Virginia Avenue to help manage parking during the event. Staff has no concerns with the event and recommends approval of the Special Event Permit.

In addition, the event organizers have requested that the City waive the $50 Special Event Permit fee, as the event has historically received a fee waiver. The Council may consider this request as part of its review of the Special Event Permit application.

If you have any further questions, please feel free to reach out prior to the meeting.

Thanks,

Kimberly Lenarz-Greenwaldt
City Clerk
Deephaven, MN

SPECIAL EVENT PERMIT APPLICATION

CITY OF DEEPHAVEN
20225 COTTAGEWOOD ROAD
DEEPHAVEN, MN 55331
952-474-4755

Filing Fee
$50.00

Name of Sponsoring Entity: no entity (multiple families volunteer to make event possible)

Contact Person: Scott Hansen Phone Number: (651) 307-9374

Address: 3835 Monaltrie Ave. Email: sandjhansen@gmail.com

Date and Time of the Special Event: July 4th, 10:30am-12:30pm

Describe and List all Activities at the Special Event: 10:30am National Anthem, 10:45am Kid Bike Parade (map attached), 11:00am Games (bag toss, water balloons, etc.) 11:30am Food (hotdogs, chips popcorn).

Proposed Location of the Special Event, please attach a map of the proposed area to be used which shows any barricades, street route plans or perimeter/security fencing.

Estimated number of: Staff 0 Participants 200ish Spectators 0

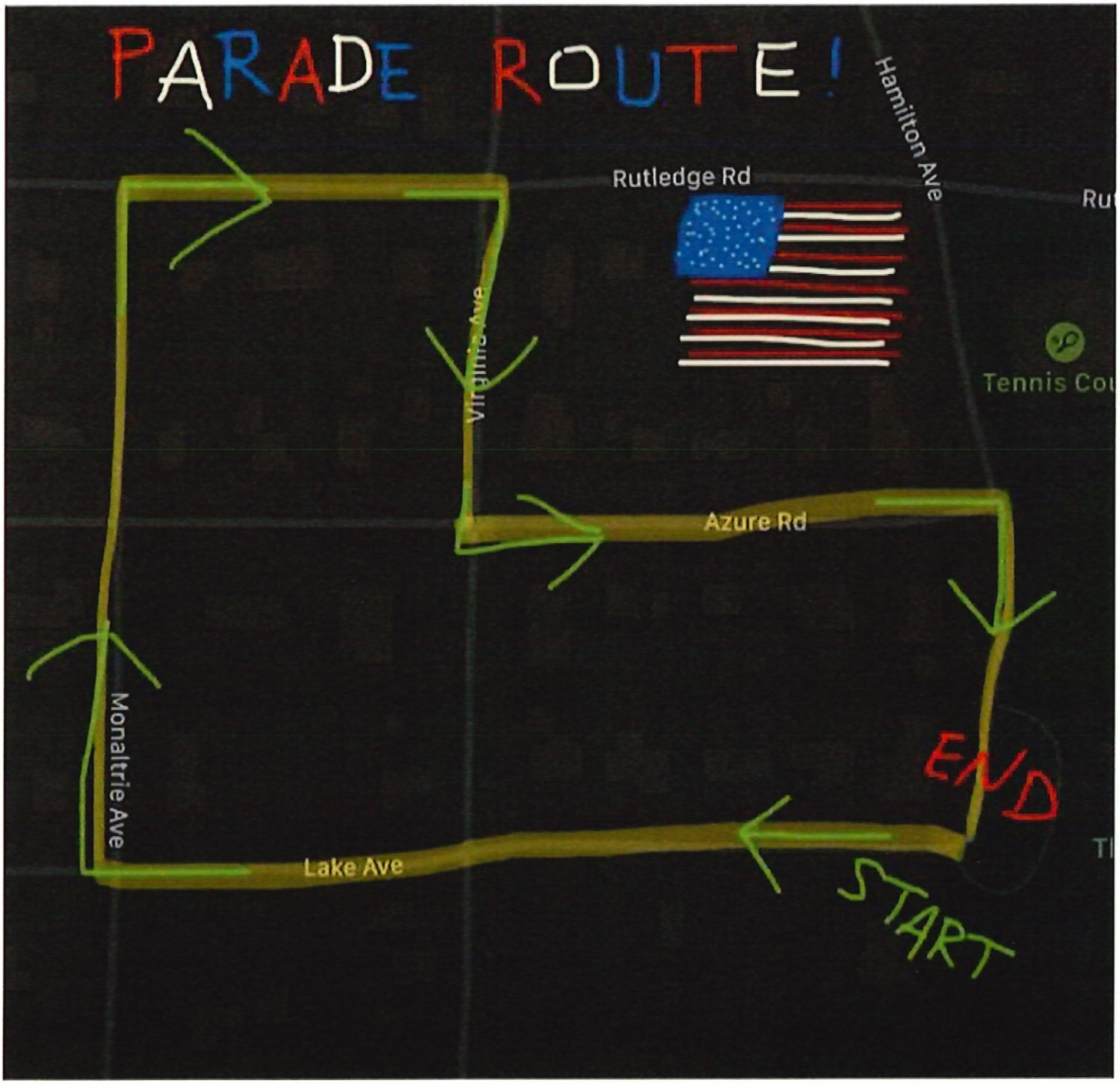
List All Special Considerations: Parking, Security Plans, Fire & Emergency Medical Services, Safety Provisions, Traffic Control, Pedestrian Access, Garbage Collection, Water Service, Electric Service, Public Restrooms: (Please list on separate sheet, if necessary)

"No parking" signs on Lake Ave from the Thorpe parking lot to Virginia Ave. would be helpful. We also need hoses hooked up to water from warming house to top of sledding.

Please list the admission fee, donation or other consideration to be charged or requested for admission to the special event, if applicable: Donations are encouraged.

Will food or alcohol be served or sold at the special event: no food or alcohol sales. Free hotdogs, chips, popcorn, snacks

Applicant's Signature: Scott Hansen Date: 6/4/2026


PARADE ROUTE!
Hamilton Ave
Rutledge Rd
Tennis Cou
Azure Rd
Monaltrie Ave
Lake Ave
END
START

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15th, 2026
Consent Agenda:
Special Event; 4th of July Celebration

Dear Mayor Carlson & Councilmembers,

Staff received a Special Event Permit application from the Minnetonka Yacht Club for its Fourth of July celebration to be held on July 4, 2026, from 5:30 p.m. to 11:00 p.m. at Lighthouse Island.

The event will include dinner, music, and fireworks, with music ending at 10:00 p.m. followed by the start of the fireworks display. Attendance is estimated at approximately 380 participants, with 20 staff members assisting with the event.

The applicant indicated that off-site parking and shuttle service are being coordinated, with potential parking locations at Deephaven Elementary School or St. Therese, pending availability. Food and beverages will be served during the event, and an admission fee of $100 will be charged.

Staff has coordinated with the Police Department and Public Works Department regarding the request. Both departments indicated they do not have concerns with the event as proposed, provided all traffic control and cleanup measures are completed following the event.

Staff is recommending approval of the special event permit request.

If you have any further questions, please feel free to reach out prior to the meeting.

Thanks,

Kimberly Lenarz-Greenwaldt
City Clerk
Deephaven, MN

SPECIAL EVENT PERMIT APPLICATION

CITY OF DEEPHAVEN
20225 COTTAGEWOOD ROAD
DEEPHAVEN, MN 55331
952-474-4755

Filing Fee
$50.00

Name of Sponsoring Entity: MINNETONKA YACHT CLUB

Contact Person: GRETCHEN WILBRANDT Phone Number: 815 790 8993

Address: 19800 MINNETONKA BLVD, DEEPHAVEN, MN 55331 Email: g.wilbrandt@gmail.com

Date and Time of the Special Event: JULY 4 5:30-11 PM

Describe and List all Activities at the Special Event: DINNER, MUSIC, FIREWORKS AT LIGHTHOUSE ISLAND @ MINNETONKA YACHT CLUB. MUSIC ENDING @ 10 PM WITH START OF FIREWORKS

Proposed Location of the Special Event, please attach a map of the proposed area to be used which shows any barricades, street route plans or perimeter/security fencing.

Estimated number of: Staff 20 Participants 380 Spectators _____

List All Special Considerations: Parking, Security Plans, Fire & Emergency Medical Services, Safety Provisions, Traffic Control, Pedestrian Access, Garbage Collection, Water Service, Electric Service, Public Restrooms: (Please list on separate sheet, if necessary)

COORDINATING OFFSITE PARKING W/SHUTTLE SERVICE EITHER AT DEEPHAVEN ELEMENTARY OR ST. THERESE TO PARK AVE. LANDING

Please list the admission fee, donation or other consideration to be charged or requested for admission to the special event, if applicable: $100

Will food or alcohol be served or sold at the special event: SERVED AT EVENT

Applicant's Signature: _____ Date: 5/19/2026

ITEM 3G

Deephaven Public Works

20225 Cottagewood Rd, Deephaven MN 55331.

6/11/2026

Dear Honorable Mayor and Councilmembers

Staff have identified a failed lift pump at lift station 9 located at 19325 Cottagewood Road. The failed pump has been in service since 2002, marking 24 years of reliable service.

Quality flow systems have provided a replacement quote of $13606.00. Quality flow is a state contract dealer for KSB brand pumps and our preferred vendor. All 18 lift station pumps in Deephaven are KSB brand equipment and are the lowest cost provider for wastewater transfer pumps. This expense will be paid out of the wastewater equipment repair budget.

Staff recommend approval for Quality Flow Systems to replace lift pump 2, at lift station nine for the total of $13606.00

Sincerely,

Jeff Kask
Public Works Supervisor
City of Deephaven

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15, 2026
Consent Agenda:
Supplemental Pump Replacement Memorandum

Recommended Motion: Retroactively Approve Pump Replacement

The City of Deephaven does not have a formalized Purchasing Policy that has been readily available for review. Past practice, and good operating policy, has been to have all non-essential purchases over $5,000 approved by the City Council. Replacement of a piece of operating equipment is a good example of an item that we would normally have on an Agenda for Council review.

Lift Station Pumps are considered critical to the City's sewer operating system. Failure of a lift station pump runs the risk of having that lift station shut down and discharge sewage back through the lateral services of our resident homes. While very rare, this does occur once every few years in cities across Minnesota. The cities of Le Center, St. Louis Park, Mound and Chanhassen all had similar issues of sewage backing up into resident homes after the sewer system or lift stations failed to keep up with water accessing the sewer system within the past few years.

Based upon emergency situations such as a lift station failure, Staff sometimes need to approve purchases or expenses before the Council can review or act upon them. These purchases are usually noncontroversial and are easily understood as emergency circumstances. With that stated, Staff still like to have these items on the Council Agenda for retroactive approval for transparency purposes and to offer the opportunity for discussion or review if the Council has questions or concerns specific to the purchase.

This item is placed on the Consent Agenda as it is anticipated to be non-controversial. If the Council would like to discuss this matter in more detail, this item can be placed on the Agenda under New Business by Council request prior to our meeting.

Thank you, and please send any questions, comments or requests for additional information you may have prior to the meeting.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

800 6th Street
New Prague, MN 56071 USA
Tel: (952) 758-9445
Cell: (952) 221-9800
Fax: (952) 758-9661

Quotation

Customer Name:	Deephaven, MN	**Quotation Date:**	06/10/2026
Contact:	Jeff Kask	**Prepared By:**	Cory Malay
Lead Time:	In Stock		

Quality Flow Systems is pleased to provide a quotation in accordance with your request and as follows:

Replacement Pump, Lift Station #9, P2 (19325 Cottage Wood Rd);

This will consist of supplying and installing a new KSB submersible pump. Please see my itemized parts breakdown below.

Item	Description	Qty	Net Each	Total Net
1	KSB, Model KRT F 80-252/74XEG-S, 10hp, 1750rpm, Submersible Pump to Include: • Vortex Non-Clog Impeller (210) • 50' Power Cable • IE3 Rated Motor, Inverter Duty Rated, Wired for 230/3 • Double Mechanical Seals in Tandem • SS Pump Lifting Handle • 7 Year Pro Rated Pump Warranty • 2-Part Epoxy Paint • 25' of SS Lifting Chain with SS Shackle • Adapter Plate & Re-use Customers Guide Claw • Installation Labor • Freight	1	$13,606.00	$13,606.00
			Total:	$13,606.00 +any applicable tax

Terms:

Quotation is valid for 30 days. Based upon Quality Flow Systems Standard Terms and Conditions of Sale; copy provided upon request.

If you have any other questions or concerns, please give me a call.

Thanks for the opportunity,
Cory Malay
(952) 221-9800

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15, 2026
Consent Agenda:
Supplemental Police Server Memorandum

Recommended Motion: Approve Purchase of Police Server and Service Installation from Pantheon in the amount of $34,786.

The Police Department server is beyond its usefulness and no longer supports system updates or upgrades. Additionally, due to its age, it is suspectable to failure or complete shutdown. The City's IT Company, Pantheon, presented the Council with a proposal at the June 1 Council Meeting for the replacement of the old server with a new model that will operate in compliance with current standards support police operations for the next several years.

It was noted during discussion at the meeting that the proposed replacement server was quoted at $21,000 with labor and installation in the amount of $12,000. A google search for purchase of what appeared to be the same listed server showed a purchase price available through Amazon and / or the Lenovo website in the amount of $7.812.51. The difference of roughly $13,000 led the Council to request additional information that supported the price difference and proposed cost as presented by Pantheon.

Based upon that request, Pantheon provided the attached comparison of the proposed model to the one offered on Amazon. As discussed therein, the Amazon computer was a used / refurbished model and did not include the same hardware specifications offered by Pantheon. Additionally, Staff had Pantheon walk us through the ordering process through the Lenovo website to verify the costs of the server recommended for order. The ThinkSystem ST650 V3 is listed on the Lenovo website at $7,812.51. Scrolling down to the "Configure and Buy" tab, there are several options for add-ons available for the base model, processors, memory, storage, pci, power and other upgrades. By selecting those outlined in the attached system specifications, the price to purchase directly through Lenovo is approximately $3,000 less than what it will cost to order through Pantheon. The Pantheon quote includes $1,000 of labor to build out the server, plus their standard markups for ordering and warranty. Stated differently, Pantheon warranties our server and equipment, if we order through Lenovo we would need to work with their company on any warranty work which would not be ideal if issues arise.

The Council also had questions regarding the installation and labor associated with the quote in the amount of $12,000. Pantheon provided the proposed "8 Phases" of work necessary to get the server up and running, which includes various types of configuration, various systems migration, testing, and decommissioning of existing hardware.

We hope the attached information adequately justifies the proposed expenses for the Police Department server replacement. Please let us know if you have any additional questions or requests for information and we will work to have that available at our next Council Meeting.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

Your Cart (1 Item)

ThinkSystem SR650 V3 $19,972.44



Estimated Total: $19,972.44

Proceed to Checkout

Have an account or discount?

Apply

ID.me

Sign Lenovo Rewards

Cory Johnson

From: Kyle Scharfe <kyle.scharfe@pantheoncomputers.com>
Sent: Tuesday, June 2, 2026 2:35 PM
To: Cory Johnson
Subject: Re: Reminder - Server Replacement from Pantheon Computers

Hi Cory,

Thanks again for the call earlier — I wanted to follow up with a clearer comparison to help address the questions that came up around the Amazon pricing versus what we quoted.

The listing that was referenced is the one below from us (and most likely what Council searched):
https://www.amazon.com/Lenovo-ThinkSystem-Graphics-Windows-Renewed/dp/B0GVPVSG2S

Here's a side-by-side comparison to show the differences:

Lenovo Server Comparison

Item	Pantheon Quote	Amazon Listing
Model	Lenovo ST650 V3 (current generation)	Lenovo ST650 (older model ~2021)
Condition	Brand new	Refurbished (used/rebuilt)
Warranty	3-year manufacturer warranty	~90-day reseller warranty
Seller	Authorized Lenovo distribution	Third-party reseller
Power Supply	Redundant (failover protection)	Single power supply
Drives	Installed, configured, and tested (RAID)	Listed but not installed/configured
Configuration	Built specifically for your environment	Generic configuration
Reliability	Production-ready enterprise system	No guarantee of prior usage or lifecycle
Supportability	Fully supported by Lenovo + Pantheon	Limited vendor accountability

---

The Amazon option is hardware only, while our quote includes the full project and implementation, including:

- Server staging and configuration
- RAID setup and testing
- Operating system deployment
- Buildout of 4 virtual machines (Hyper-V)
- Full migration (Active Directory, file shares, print, SFTP)
- Structured 8-phase migration process to minimize downtime
- Decommissioning of legacy systems

So the price difference being discussed is not just hardware — it's the difference between:

- Buying a used piece of equipment, vs
- Delivering a fully installed, configured, and supported production system

The current quote will need to be redrawn by the next meeting and we have received an alert from distribution to expect another set of pricing updates as we move towards July.

Please let us know if there's anything additional we can do to help or if there is an alternative link for hardware we can approve for you.



KYLE SCHARFE
IT Success Advisor
Pantheon Computers
O: (866) 835-2212 **O:** (507) 837-6976
E: kyle.scharfe@pantheoncomputers.com

How am I doing?
Simply click on one of the faces below:



Great OK, but... Bad

From: Cory Johnson <coryj@deephavenpolice.gov>
Date: Tuesday, June 2, 2026 at 1:42 PM
To: Kyle Scharfe <kyle.scharfe@pantheoncomputers.com>
Subject: Re: Reminder - Server Replacement from Pantheon Computers

Now 952-215-9398

Cory Johnson
Chief of Police
Deephaven Police Department

From: Kyle Scharfe <kyle.scharfe@pantheoncomputers.com>
Sent: Tuesday, June 2, 2026 1:36:27 PM
To: Cory Johnson <coryj@deephavenpolice.gov>
Subject: Re: Reminder - Server Replacement from Pantheon Computers

Hi Cory,

I tried reaching your cell but received voicemail. When do you have a quick moment to connect?

PANTHEON COMPUTERS

Server Replacement

Prepared for **City of Deephaven Police Department**

By Kyle Scharfe | kyle.scharfe@pantheoncomputers.com
Valid until Wednesday, June 03, 2026

Project Overview

Pantheon Computers will provide professional services to deploy a new Hyper-V virtualization environment for the City of Deephaven Police Department. The project includes staging and configuring new tower server hardware, deploying Windows Server 2025 virtual machines, migrating Active Directory, file services, print services, and Cerberus SFTP services, and decommissioning legacy systems upon successful validation.

The environment will be consolidated onto a single physical Hyper-V host with multiple virtual machines to provide service separation and operational resilience.

VMs in scope:

- Domain Controller 1 (DC01)
- Domain Controller 2 (DC02)
- File Server (replacement of DATA2019)
- Cerberus SFTP Server

Scope of Work

Phase 1 – Server Staging and Preparation (Offsite)
• Stage server at Pantheon office
• Update BIOS, firmware, and hardware drivers
• Configure RAID:

- RAID 1 for host OS
- RAID 10 for VM/data storage
  • Install Windows Server 2025 (Desktop Experience)
  • Configure Hyper-V role
  • Apply OS updates and baseline configuration
  • Create and baseline virtual machines for deployment
  • Transport server to client site for installation

Phase 2 – Onsite Installation and Hyper-V Configuration
• Install server at client location and connect power/network
• Configure Hyper-V host settings
• Configure virtual networking and switches
• Validate storage configuration and performance
• Finalize VM readiness for migration

Phase 3 – Virtual Machine Configuration
• Configure the following virtual machines:

- DC01
- DC02
- File Server
- Cerberus SFTP Server
  • Install Windows Server 2025 (Desktop Experience) on all VMs
  • Apply updates and baseline security configuration

Phase 4 – Active Directory Migration
• Deploy DC01 and join to existing domain
• Install Active Directory Domain Services (AD DS) and promote to domain controller
• Deploy DC02 and promote as additional domain controller
• Configure and validate Active Directory replication
• Transfer FSMO roles to new domain controller
• Validate DNS configuration and AD-integrated zones
• Update DNS configuration:

- Update DHCP scope options on firewall to use new domain controllers
- Update DNS settings on statically addressed devices, including workstations, printers, and infrastructure devices
  • Validate:
- AD replication health
- DNS resolution
- Client authentication
  • Demote and decommission legacy domain controller

Phase 5 – File and Print Services Migration

File Server Migration
• Migrate data from DATA2019 to new File Server VM
• Preserve NTFS and share permissions
• Recreate shares and validate access
• Validate user connectivity and access

Print Server Migration
• Install and configure Print Server role on new File Server
• Migrate existing printers and queues
• Validate printer functionality and test printing

Phase 6 – Cerberus SFTP Migration
• Install Cerberus FTP Server on new VM
• Migrate users, configuration, and keys/certificates
• Validate internal and external SFTP connectivity
• Perform transfer testing

Phase 7 – Testing and Validation
• Validate:

- Active Directory authentication and DNS
- File share access and permissions
- Print services functionality
- Cerberus SFTP operation
  • Perform connectivity and performance testing

    - Support client validation and acceptance

Phase 8 – Decommissioning
• Decommission legacy systems:

- DATA2019 server
- Existing Cerberus server
    - Remove from domain and network
    - Confirm no remaining dependencies

Deliverables

- Fully configured Hyper-V host
- Four (4) production-ready virtual machines
- Migrated and fully functional Active Directory environment
- Migrated file and print services
- Operational Cerberus SFTP server
- Updated DNS configuration across environment
- Decommissioned legacy systems

Cables and Adapters:
Quoted equipment does not include peripheral items such as cables, adapters, or specialty connectors unless explicitly listed. Any required accessories identified during installation or deployment may be quoted and billed separately.

Workstation Replacement & Support:
As part of the replacement process, Pantheon Computers will uninstall all management, monitoring, and security tools from the existing workstation. Following removal, the device will be considered unmanaged and is no longer covered under Pantheon Computers' support services or agreements.

Returns & Recycling:
Returns and equipment disposal services are not included in this quote unless specifically noted. While Pantheon Computers does not directly handle recycling or asset disposition, we're happy to coordinate a referral to a trusted third-party partner upon request.

$34,786.00

Product	Quantity	Price	Amount
 Lenovo ST650 V3 Tower server - 7D7ASF2U00-SO	1	$21,000.00	$21,000.00
Microsoft Windows Server 2025 Standard - 16 core	1	$1,176.00	$1,176.00
Windows Server 2025 - 1 User CAL (Perpetual)	10	$61.00	$610.00
Labor-install	1	$12,000.00	$12,000.00

Subtotal	$34,786.00
Shipping	$0.00
Tax	$0.00
Total	**$34,786.00**

Lenovo ThinkSystem ST650 V3 Configuration

Description	Part Number	Quantity
Operating mode selection for: Efficiency - Favoring Performance Mode	BFYE	1
ThinkSystem ST650 V3 System Board	BNW2	1
Data Center Environment 25°C / 77°F	BL0H	1
Intel Xeon Silver 4514Y 16C 150W 2.0GHz Processor	BYVP	1
ThinkSystem 32GB TruDDR5 5600MHz RDIMM	BWJC	4
Select Storage devices - no configured RAID required	5977	1
On Board SATA Software RAID Mode	AVV0	1
ThinkSystem RAID 940-16i 8GB Flash PCIe Gen4 Adapter	B8P0	1
ThinkSystem 2.5" VA 960GB Read Intensive SATA SSD v2	BYLS	8
ThinkSystem 2U 8x2.5" SAS/SATA Backplane	B8LU	1
ThinkSystem M.2 SATA/NVMe 2-Bay Adapter	B5XJ	1
M.2 SATA	BTTX	1
ThinkSystem M.2 VA 480GB Read Intensive SATA SSD	CABU	2
ThinkSystem 1100W Platinum Hot-Swap Power Supply v3	BNFH	2
2.8m C13 to IEC 320-C20 Rack Power Cable	6204	2
ThinkSystem ST650 V2 Performance Fan Kit	BA5T	3
TPM 2.0 with Secure Boot	BPKQ	1
ThinkSystem ST650 V2 Security Door	BA5U	1
Disable IPMI-over-LAN	B7XZ	1
Standard MFG Value-added Service (WG)	CBAU	1
UID Asset Tag Label	0747	1
XClarity One	7S0XCTO6WW	1
XClarity Controller Platin-FOD	7S0XCTO5WW	1

XClarity Pro, Per Endpoint w/3 Yr SW S&S	5641PX3	1
Windows Server 2025	7S1SCTO5WW	1
xSeries HIPO	5372SWX	1
xSeries HIPO	5372SWX	1
Windows Server 2025 CAL	7S1SCTOAWW	1
3Yr Premier 24x7 4Hr Resp ST650 V3	5WS7C00088	1
3Yr KYD Add-On ST650 V3	5PS7C00097	1
CO2 Offset 20 Metric Tonnes	5MS7B07546	1

Deephaven Police Department

CORY JOHNSON
CHIEF OF POLICE

20225 Cottagewood Road
Deephaven, MN 55331

Email – coryj@deephavenpolice.com

June 1, 2026

To: Honorable Mayor Kent Carlson
Deephaven City Council

Cc: Dan Madsen, City Administrator / Special Counsel

From: Cory Johnson, Chief of Police

Re: Server Replacement for Police Department

The Police Department is budgeted for a new Server this year. We received a quote of $33,000.00 and we budgeted up to $15,000.00. Pantheon Computers, our IT service company, is strongly recommending we replace our server as soon as possible. There are some important Cybersecurity and Compliance issues with our old server. The server is operating on 2012 software and cannot receive important security updates. From a CJIS cybersecurity and compliance perspective, this creates concerns because we are not maintaining our server with current security patches.

KEY CONSIDERATIONS INCLUDE:

- INCREASED CYBERSECURITY RISK DUE TO UNPATCHED VULNERABILITIES
- POTENTIAL AUDIT FINDINGS RELATED TO UNSUPPORTED OPERATING SYSTEMS
- POSSIBLE IMPACTS TO CYBER INSURANCE COVERAGE DEPENDING ON POLICY TERMS
- EXPOSURE RELATED TO CONTRACTUAL OR REGULATORY COMPLIANCE REQUIREMENTS

Recommendation:

Allow the Police Department to purchase new server

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15, 2026
Consent Agenda:
Deephaven Unassigned Fund Balance Policy

Recommended Motion: Approve Resolution Amending Deephaven Fund Balance Policy.

Review of May 18th Meeting Memorandum

As discussed at the May 18 and June 1, 2026, Council Meetings, Minnesota Cities have established Fund Balance Policies to maintain adequate fund balances in government funds to mitigate against current and future financial risks, to ensure stable tax rates, and to provide support for long-term financial planning. Some additional benefits of carrying a higher unrestricted fund balance include the ability for cities to absorb economic downturns, avoid higher or fluctuating property tax levies to support normal governmental operations, and provide a stronger ability to manage payments given the infrequent disbursement of property taxes from the County.

The proper level of an unrestricted fund balance will differ from city to city, with larger or more rural cities tending to carry low fund balances, and more affluent or smaller cities tending to carry higher fund balances. Looking at our other area cities, each city has a lower established fund balance policy than the City of Deephaven. The City of Victoria has the lowest fund balance policy of our sample cities, requiring 30% in unrestricted funds as compared to the subsequent year's budgeted expenses. Minnetonka Beach boasts the highest fund balance policy, requiring 65% of the following year's budgeted expenses to be held as unrestricted funds. The other cities reviewed include Wayzata (40%), Woodland (50%), Excelsior (40%), Tonka Bay (40% to 50% range), Orono (45%) and Shorewood (35% to 50%). Staff have used a target placeholder of 65%, which excludes expenses related to Joint Powers Agreements, in the attached draft policy for review..

General Fund Expenses, Unrestricted Fund Balance.

The City's current Fund Balance is $3,651,154, which equates to 66.55% of the City's current budgeted expenses. As discussed at our last meeting, Staff is recommending how we calculate the "subsequent year's expenses" for computation of the Fund Balance percentage. The policy requiring an established unrestricted fund balance to protect the City from financial downturns, unstable market conditions and other unpredictable circumstances, does not apply as directly to our governmental Joint Powers Agreements (hereinafter "JPA"). Passthrough items, like the annual State Fire Pension Aid of approximately $250,000; or related items, like payments and expenses related to Administrative and Police Services to the City of Woodland (approximately $286,948), and annual Public Works Services to the City of Greenwood (approximately $199,097) are also substantially different than other municipal operating expenses and should be excluded from amount of required unrestricted fund balance to be held by the City.

Removing these expenses from the calculation of "subsequent year's expenses" has a significant impact on the City's unrestricted fund balance. As provided above, the City current has an unrestricted fund balance of $3,651,154, equal to 66.55% of the City's current-year budgeted expenses. When both the State Fire Pension Aid ($250,000) and both governmental services JPAs ($486,045) are removed from the equation, the City's unrestricted fund balance increases to 76.86%.

Based upon discussions at our last Council Meeting, it is our understanding that the Council favors this approach. As such, the policy proposed has been modified to reflect that the budgeted revenues to be received from State Fire Aid and from the Woodland and Greenwood JPAs are to be excluded from the annual calculation of the Deephaven Fund Balance for purposes of determining compliance with the Fund Balance Policy.

Enterprise Funds
Based upon prior discussion and the recommendation of the City's Auditor, and in consideration of the current fund balances for our Enterprise Funds, the Enterprise Fund Balance Policy remains as originally recommended, equal to or greater than 50% of the preceding year's budgeted expenses.

Capital Improvement Fund Balance
Based upon prior discussion, and due to the volatile and unique nature and operation of the Capital Improvement Fund, it is recommended that this fund remain excluded from the Fund Balance Policy.

Conclusion
This matter is set on for approval as a Consent Agenda item based upon the discussion and appearance of general acceptance to the amendments by the Council at our last Council Meeting. If the Council would like to discuss this Policy in more detail, Staff recommend moving this item to the Unfinished Business section of the Agenda at your discretion prior to approval of the Consent Agenda the start of the Council Meeting. As always, send any questions, comments or requests for additional information you may have, and we will have that information available for review on Monday night.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

CITY OF DEEPHAVEN, MINNESOTA

A Regular meeting of the City Council of the City of Deephaven, Minnesota was called to order by Mayor *pro tem*, Emily Scherschligt on Monday, June 15, 2026, at 7:00 p.m. in the Council Chambers of City Hall, 20225 Cottagewood Road, Deephaven, Minnesota, 55331. The following Council Members were present: Scherschligt, Jewett, Studer, and Erdmann. The following members were absent: Mayor Kent Carlson. A motion to adopt the following resolution was made by , seconded by .

RESOLUTION #25-26

A RESOLUTION AMENDING THE DEEPHAVEN FUND BALANCE POLICY

WHEREAS: Minnesota Cities establish Fund Balance Policies to maintain adequate fund balances in government funds to mitigate against current and future financial risks, to ensure stable tax rates, and to provide support for long-term financial planning; and

WHEREAS: The City Auditor recommends the City establish reasonable and manageable policies that guide the retention and use of unrestricted funds through a Fund Balance Policy; and

WHEREAS: the City of Deephaven had adopted a Fund Balance Policy that was adopted in 2011 and last amended in 2014; and

WHEREAS: the existing Fund Balance Policy has become outdated by time, the expansion of the City's budget, and updates made to current municipal auditing trends and recommendations promulgated by the Governmental Accountability Standards Board; and

WHEREAS: the Government Accountability Standards Board routinely promulgates Generally Accepted Accounting Principles that formalize guidance to municipalities for the adoption of Fund Balance Policies; and

WHEREAS: those policies are reflected in the Deephaven Fund Balance Policy, which is drafted in compliance with those recommendations and standards; and

WHEREAS: the proposed amendments to the Deephaven Fund Balance Policy both bring the policy current with governmental guidelines as well as reflect the necessary operating capital and unrestricted general fund balance percentage, as compared to annual operating expenditures, to support reasonable and responsible municipal operations.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Deephaven, Minnesota, that:

1. The Deephaven Fund Balance Policy is amended as attached, with a Sixty-Five Percent (65%) unrestricted General Fund fund balance requirement, and a Fifty Percent (50%) Enterprise Fund fund balance calculated in relation to the proceeding year's operating expenses.

2. For the General Fund fund balance calculation, Fire State Aid payments and budgeted revenues as payments for services rendered through Municipal Joint Powers Agreements are excluded from calculation under the definition of "subsequent year expenses."
3. The Capital Improvement Fund is excluded from this policy based upon the unique and volatile nature and operation of this fund.

The following council members voted in favor: Scherschligt, Erdmann, Jewett, and Studer.The following members voted against or abstained: None. Where upon the motion was declared passed and executed.

Adopted by the City Council of the City of Deephaven, Minnesota on Monday, June 15, 2026.

CITY OF DEEPHAVEN:

_____
Mayor, Kent Carlson

ATTEST:

_____
City Clerk, Kimberly Lenarz-Greenwaldt

CITY OF DEEPHAVEN, MINNESOTA

DEEPHAVEN FUND BALANCE POLICY

Amended Monday, June 15, 2026

I. Background

The City of Deephaven recognizes that it is essential to maintain adequate fund balances in its government funds to mitigate against current and future risks, to ensure stable tax rates, and to provide for long-term financial planning. Historically, maintaining sufficient fund balances has significantly contributed to recognition of the city's continued creditworthiness, which has provided financial benefits to the city's taxpayers including lower costs of borrowing.

This policy establishes the procedures for reporting unrestricted fund balance in the financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

II. Classification of Fund Balance

The following policy applies to the City's General Fund, Enterprise Funds (Water, Sewer, Stormsewer and Marina) and Capital Funds (Park Improvement Fund and Capital Improvement Fund). A Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

Non-spendable: This category includes a fund balance that is inherently non-spendable because it is either not in spendable form or is legally or contractually required to be maintained. Examples would include inventories and prepaid amounts spent on future goods or services to be rendered.

Restricted: This category includes a fund balance that has externally enforceable limitations or restrictions on the usage of those funds. Restricted funds include those with restrictions externally imposed by creditors, grantors, contributors; or, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Examples of restricted funds include debt service levy funds or excess bond proceeds that can generally only be spent in payment of existing bond debt.
Non-spendable and Restricted Fund Balances are not addressed in this policy due to the nature of their restrictions and the lack of deference and discretion the City has in dedicating or otherwise using these funds.

Committed: This category includes funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. The Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as a majority vote, or the passage of an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. This formal action must occur prior to the end of the reporting period; however, the amount to be subject to the constraint may be determined in the subsequent period. Examples of this may include a Resolution to fund a specific project or event, such as the City's percentage of a project through a grant agreement, or a cost-share allocation for a public/private or intergovernmental partnership project or agreement.

Assigned: This category includes funds that are constrained by the City Council's intended future use for specified purposes but are neither restricted nor committed. An assigned fund balance in the General Fund includes amounts that are intended to be used for specific purposes. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Administrator and / or Finance Clerk for the purpose of reporting these amounts in the annual financial statements. Examples of this may include funding discussed by the Council for use in the construction of park improvements or other City capital items, or projects or initiatives that are more of an informal operating or planned expense. Budgeted items or planned purchases may fall into this category as well.

Unassigned: This category includes all residual positive net revenues of the General Fund in excess of what can properly be classified in one of the other four categories. These funds can be used at any time by the Council for any purpose and have no prior or underlying designation or commitment. These funds would be used in the event of an emergency expense, such as an unanticipated roadway failure or loss of a critical and expensive piece of equipment. These funds would also be available to offset lost revenue through difficult economic circumstances or the unanticipated deficit in other budgeted revenues. In essence, these funds are the safety net for a city to support operations through times of economic downturn or adversity.

III. Minimum Unassigned Fund Balance

The most significant revenue source of the General Fund is property taxes. This revenue source is received in three installments during the year; primarily July and December, with a small corrective payment typically received in January. As such, it is the City's goal to begin each fiscal year with sufficient working capital to fund operations between semi-annual receipts of property taxes.

This policy establishes a year-end targeted unassigned fund balance amount of Sixty-Five (65%) of the subsequent year's budgeted expenditures for cash-flow timing and other lawful purposes as provided herein. At all other times the unassigned fund balance should never be less than Fifty Percent (50%) of the subsequent year's budgeted expenditures.

The City Council may consider appropriating year end fund balance in excess of the policy level for one-time expenditures, such as capital expenditures, or for any other lawful or authorized purpose at the Council's discretion.

IV. Calculating Subsequent Year's Budgeted Expenses

As provided above, this policy establishes minimum levels of the City's Unassigned Fund Balance calculated as a percentage based upon the subsequent year's budgeted expenses. For the purposes of calculating the "subsequent year's budgeted expenses," the City will exclude Committed expenses from the method of computation and equation. These Committed expenses are defined to include any costs that are annual pass-through expenses directly offset by an equal or greater amount by annual pass-through revenues. Since these types of expenses are tied directly to revenues received; and since in no circumstance would these expenses be borne by the City in any amount greater than the revenues to be received, they are determined to be outside of the policy interests in holding unassigned fund balances sufficient to support municipal operations through times of economic downturn or adversity. As of the date of this policy, the only pass-through expenses to be excluded from calculation of the subsequent year's budgeted expenditures are the annual budgeted revenues to be received from the Fire Relief State Aid Reimbursement and Public Services Contracts from the Cities of Greenwood and Woodland. All three of these are certified and funded annually in equal or greater amounts by committed revenues from other governmental institutions for the provision of services or for reimbursement of firefighter Fire Relief Pension allocations. On that basis, the revenues budgeted

annually to be received shall be excluded from "qualified expenses" in calculation of the General Fund fund balance percentage as set forth herein.

V. Enterprise Fund Balance Procedures

The most significant revenue source of the City's Enterprise Funds are the revenues generated through their annual operations. These sources of revenue can fluctuate throughout the year and are subject to more commercial-type economic pressures. This policy establishes a year-end targeted unassigned fund balance amount of Fifty Percent (50%) of the subsequent year's budgeted expenditures for cash-flow timing and other lawful purposes as provided herein. At all other times the unassigned fund balance should never be less than Twenty-Five Percent (25%) of the subsequent year's budgeted expenditures.

VI. Capital Fund Balance Procedures

Positive balances in capital funds associated with incomplete capital budget projects within the city's adopted capital improvement program are committed and unavailable for other purposes. Additionally, given the volatile and unique nature and operation of the Capital Improvement Fund, these funds should be excluded from this policy. All other positive balances in capital funds are considered assigned for the capital purposes of each fund.

The City Administrator will establish prospective fund balance guidelines for each capital fund, which will reflect the type of fund, subsequent-year budget needs, annual cash flow requirements, replacement reserves and potential contingencies. The guidelines will be used to responsibly manage balances over the five-year horizon of the city capital improvement program budget. This process will be reflected in the City's Capital Improvement Fund Budget reviewed by the Council on an annual basis.

VII. Management and Use of Fund Balances

Any revenues received in excess of expenses as designated by the City Auditor at the end of the fiscal year that are not categorized as restricted shall be designated, by default, as unrestricted. If the unrestricted fund balance in any fund is in excess of the established target percentage of unrestricted funds based upon the projected subsequent year's budgeted operating expenses at the end of the fiscal year, the Council may elect to commit or assign the excess fund balance to the Capital Fund or Debt Service Fund as a dedicated transfer at the Council's discretion.

If the unrestricted fund balance in any fund is deficient or otherwise below the established target percentage of unrestricted funds based upon the projected subsequent year's budgeted operating expenses at the end of the fiscal year, the City Administrator shall prepare and present options to the City Council during the annual budgeting process that will bring the fund into compliance with this policy within a reasonable time frame based upon the historic and projected operations of the subject fund.

When both restricted and unrestricted fund resources are available for use, it will be the City's policy to first use restricted resources and then use unrestricted resources as they are needed. When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order; 1) committed, 2) assigned, and 3) unassigned.

VIII. Monitoring and Reporting

The City Administrator shall annually prepare the status of fund balances in relation to this policy and present the same to the City Council in conjunction with the development of the annual budget.

Adopted by the Deephaven City Council this 15th day of June, 2026.
Adopted 2011; Amended 2014; Amended 2026

CITY OF DEEPHAVEN, MINNESOTA

DEEPHAVEN FUND BALANCE POLICY

Amended Monday, June 15, 2026

I. Background

The City of Deephaven recognizes that it is essential to maintain adequate fund balances in its government funds to mitigate against current and future risks, to ensure stable tax rates, and to provide for long-term financial planning. Historically, maintaining sufficient fund balances has significantly contributed to recognition of the city's continued creditworthiness, which has provided financial benefits to the city's taxpayers including lower costs of borrowing.

This policy establishes the procedures for reporting unrestricted fund balance in the financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

II. Classification of Fund Balance

The following policy applies to the City's General Fund, Enterprise Funds (Water, Sewer, Stormsewer and Marina) and Capital Funds (Park Improvement Fund and Capital Improvement Fund). A Fund Balance is essentially the difference between the assets and liabilities reported in a governmental fund. There are five separate components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent.

Non-spendable: This category includes a fund balance that is inherently non-spendable because it is either not in spendable form or is legally or contractually required to be maintained. Examples would include inventories and prepaid amounts spent on future goods or services to be rendered.

Restricted: This category includes a fund balance that has externally enforceable limitations or restrictions on the usage of those funds. Restricted funds include those with restrictions externally imposed by creditors, grantors, contributors; or, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Examples of restricted funds include debt service levy funds or excess bond proceeds that can generally only be spent in payment of existing bond debt.
Non-spendable and Restricted Fund Balances are not addressed in this policy due to the nature of their restrictions and the lack of deference and discretion the City has in dedicating or otherwise using these funds.

Committed: This category includes funds that can only be used for specific purposes pursuant to constraints imposed by formal action of the City Council. The Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as a majority vote, or the passage of an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. This formal action must occur prior to the end of the reporting period; however, the amount to be subject to the constraint may be determined in the subsequent period. Examples of this may include a Resolution to fund a specific project or event, such as the City's percentage of a project through a grant agreement, or a cost-share allocation for a public/private or intergovernmental partnership project or agreement.

Assigned: This category includes funds that are constrained by the City Council's intended future use for specified purposes but are neither restricted nor committed. An assigned fund balance in the General Fund includes amounts that are intended to be used for specific purposes. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Administrator and / or Finance Clerk for the purpose of reporting these amounts in the annual financial statements. Examples of this may include funding discussed by the Council for use in the construction of park improvements or other City capital items, or projects or initiatives that are more of an informal operating or planned expense. Budgeted items or planned purchases may fall into this category as well.

Unassigned: This category includes all residual positive net revenues of the General Fund in excess of what can properly be classified in one of the other four categories. These funds can be used at any time by the Council for any purpose and have no prior or underlying designation or commitment. These funds would be used in the event of an emergency expense, such as an unanticipated roadway failure or loss of a critical and expensive piece of equipment. These funds would also be available to offset lost revenue through difficult economic circumstances or the unanticipated deficit in other budgeted revenues. In essence, these funds are the safety net for a city to support operations through times of economic downturn or adversity.

III. Minimum Unassigned Fund Balance

The most significant revenue source of the General Fund is property taxes. This revenue source is received in three installments during the year; primarily July and December, with a small corrective payment typically received in January. As such, it is the City's goal to begin each fiscal year with sufficient working capital to fund operations between semi-annual receipts of property taxes.

This policy establishes a year-end targeted unassigned fund balance amount of Sixty-Five (65%) of the subsequent year's budgeted expenditures for cash-flow timing and other lawful purposes as provided herein. At all other times the unassigned fund balance should never be less than Fifty Percent (50%) of the subsequent year's budgeted expenditures.

The City Council may consider appropriating year end fund balance in excess of the policy level for one-time expenditures, such as capital expenditures, or for any other lawful or authorized purpose at the Council's discretion.

IV. Calculating Subsequent Year's Budgeted Expenses

As provided above, this policy establishes minimum levels of the City's Unassigned Fund Balance calculated as a percentage based upon the subsequent year's budgeted expenses. For the purposes of calculating the "subsequent year's budgeted expenses," the City will exclude Committed expenses from the method of computation and equation. These Committed expenses are defined to include any costs that are annual pass-through expenses directly offset by an equal or greater amount by annual pass-through revenues. Since these types of expenses are tied directly to revenues received; and since in no circumstance would these expenses be borne by the City in any amount greater than the revenues to be received, they are determined to be outside of the policy interests in holding unassigned fund balances sufficient to support municipal operations through times of economic downturn or adversity. As of the date of this policy, the only pass-through expenses to be excluded from calculation of the subsequent year's budgeted expenditures are the annual budgeted revenues to be received from the Fire Relief State Aid Reimbursement and Public Services Contracts from the Cities of Greenwood and Woodland. All three of these are certified and funded annually in equal or greater amounts by committed revenues from other governmental institutions for the provision of services or for reimbursement of firefighter Fire Relief Pension allocations. On that basis, the revenues budgeted

annually to be received shall be excluded from "qualified expenses" in calculation of the General Fund fund balance percentage as set forth herein.

V. Enterprise Fund Balance Procedures

The most significant revenue source of the City's Enterprise Funds are the revenues generated through their annual operations. These sources of revenue can fluctuate throughout the year and are subject to more commercial-type economic pressures. This policy establishes a year-end targeted unassigned fund balance amount of Fifty Percent (50%) of the subsequent year's budgeted expenditures for cash-flow timing and other lawful purposes as provided herein. At all other times the unassigned fund balance should never be less than Twenty-Five Percent (25%) of the subsequent year's budgeted expenditures.

VI. Capital Fund Balance Procedures

Positive balances in capital funds associated with incomplete capital budget projects within the city's adopted capital improvement program are committed and unavailable for other purposes. Additionally, given the volatile and unique nature and operation of the Capital Improvement Fund, these funds should be excluded from this policy. All other positive balances in capital funds are considered assigned for the capital purposes of each fund.

The City Administrator will establish prospective fund balance guidelines for each capital fund, which will reflect the type of fund, subsequent-year budget needs, annual cash flow requirements, replacement reserves and potential contingencies. The guidelines will be used to responsibly manage balances over the five-year horizon of the city capital improvement program budget. This process will be reflected in the City's Capital Improvement Fund Budget reviewed by the Council on an annual basis.

VII. Management and Use of Fund Balances

Any revenues received in excess of expenses as designated by the City Auditor at the end of the fiscal year that are not categorized as restricted shall be designated, by default, as unrestricted. If the unrestricted fund balance in any fund is in excess of the established target percentage of unrestricted funds based upon the projected subsequent year's budgeted operating expenses at the end of the fiscal year, the Council may elect to commit or assign the excess fund balance to the Capital Fund or Debt Service Fund as a dedicated transfer at the Council's discretion.

If the unrestricted fund balance in any fund is deficient or otherwise below the established target percentage of unrestricted funds based upon the projected subsequent year's budgeted operating expenses at the end of the fiscal year, the City Administrator shall prepare and present options to the City Council during the annual budgeting process that will bring the fund into compliance with this policy within a reasonable time frame based upon the historic and projected operations of the subject fund.

When both restricted and unrestricted fund resources are available for use, it will be the City's policy to first use restricted resources and then use unrestricted resources as they are needed. When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order; 1) committed, 2) assigned, and 3) unassigned.

VIII. Monitoring and Reporting

The City Administrator shall annually prepare the status of fund balances in relation to this policy and present the same to the City Council in conjunction with the development of the annual budget.

Adopted by the Deephaven City Council this 15th day of June, 2026.
Adopted 2011; Amended 2014; Amended 2026

Hakanson Anderson

Main Office:
3601 Thurston Avenue, Anoka, MN 55303
Phone: 763-427-5860
www.haa-inc.com

MEMORANDUM

TO: Honorable Mayor and Council

FROM: Steven Hegland, City Engineer

DATE: June 11, 2026

RE: Change Order #1 on the 2026 Street Improvement Project

Purpose

The purpose of this item is to request the City Council review and approval of Change Order #1 for the 2026 Street Improvement Project. This change order adjusts the contract for the contractor to install the clay trench along the infiltration basin which was required of the watershed agreement. We are also requesting approval for the relocation of a light pole for the existing parking lot which would be completed by Xcel Energy.

Project Change Order

After the project was bid, the City of Deephaven worked with the Minnehaha Creek Watershed District to finalize permitting on the Montgomerie Ave Stormwater Improvements Project. During that permitting, the watershed district required the installation of a clay trench to reinforce the existing clay soils which are present around the outside of the infiltration basin to provide a additional assurance that the stormwater will infiltrate into the underlying sand soils. Staff worked with the contractor to develop a detail and obtain pricing from the contractor for this work which would include excavating and installing a 4-ft wide clay trench along the infiltration basin and parking lot. Attached to this memo is a figure with the highlighted area. The work would be performed by Astech as part of the Street Improvement project at an estimated cost of $25,418.11. Attached to this memo is the change order for this work.

Light Pole Relocation

Staff have also been working with Xcel Energy on the relocation of a light pole at the entrance of the lower parking lot which the Calvary Church had required with the project. Staff met onsite this spring with Xcel energy to review the relocation and are still awaiting a price for the work. As this is an existing power pole owned and serviced by Xcel, the City must work through them for the relocation. They have verbally provided an estimated cost of $5,000 or less during our meetings with them which was in line with our original estimates. Steve Hegland again spoke with the Xcel representative on Tuesday June 9th as was told that hopefully they would have an estimate in a week or less.

Staff had hoped to have finalized pricing to bring both of these items to the City Council at one time but due to timing of the project, are requesting authorization at this time and would request the City Council to authorize the power pole relocation for up to $7,500 so staff can continue with this work.

Funding

As the clay trench was required of the watershed and the light pole was required of the church to execute the project, these costs would be a part of the total project costs for the Montgomerie Ave Stormwater Improvements which is funded significantly through grants which have been received. City Staff had estimated that the City cost responsibility of the project would be approximately $25,000-$30,000 when the project was

awarded which did factor in estimates for this work. Below is a current breakdown of the estimated Montgomerie Avenue project costs and funding sources.

	Montgomerie Stormwater Improvements Project Costs
Project Design	$34,500.00
Construction Costs	$303,873.00
Construction Admin Cost	$25,308.87
Construction Materials Testing	$2,284.97
Change Order #1	$25,418.11
Xcel Pole Relocation	$7,500.00
Total Project Costs	**$398,884.95**
Grant Awards	$370,000.00
City Cost Responsibility	$28,884.95

Recommendation

We would recommend the City Council approve Change Order #1 for the 2026 Street Improvement Project in the amount of $25,418.11 and approve the relocation of the light pole in the church parking lot for Xcel Energy at a cost not to exceed $7,500.

Hakanson Anderson

SECTION 00 63 63

CHANGE ORDER FORM

Change Order No. 1

Date 6/11/2026

Agreement Date 3/2/2026

Name of Project: 2026 Street Improvement Project

Owner: City of Deephaven

Contractor: Asphalt Surfaces Technologies Corp

The following changes are hereby made to the Contract Documents:

Incorporate into the contract the costs for installing clay trench for the Montgomerie Ave Stormwater Improvements.

Justification: Adding to contract the clay trench incorporated into the project with the watershed permitting.

Original Contract Price: $ 4,022,349.87

Current Contract Price adjusted to previous Change Order: $ --

The Contract Price due to this Change Order will be (increased) by

$ 25,418.11 .

The new Contract Price including this Change Order will be $4,047,767.98

Original Contract-Required Completion Date: October 16, 2026

Current Contract Completion Date adjusted to previous Change Order: --

The Contract Time will be (increased) by 0 calendar days.

The revised Contract Completion Date for completion of Work will be October 16, 2026

Approvals Required:

To be effective, this Order must be approved by the Owner and the Contractor if it changes the scope of objective of the Project, or as may otherwise be required by the Supplemental General Conditions.

Requested by: 

Steve Hegland, P.E.

Ordered by: _____

City of Deephaven

Accepted by: _____

(Contractor)

END OF SECTION

THE CONTRACTOR SHALL VERIFY AND BE RESPONSIBLE FOR ALL DIMENSIONS. DO NOT SCALE THE DRAWING. ANY ERRORS OR OMISSIONS SHALL BE REPORTED TO STANTEC WITHOUT DELAY. THE COPYRIGHTS TO ALL DESIGNS AND DRAWINGS ARE THE PROPERTY OF STANTEC. REPRODUCTION OR USE FOR ANY PURPOSE OTHER THAN THAT AUTHORIZED BY STANTEC IS FORBIDDEN.

HYDROMULCH AROUND FLARED END WITH WET DITCH SEED MIX

REINSTALL SALVAGED DECORATIVE RIPRAP

PATCH BITUMINOUS PAVEMENT

Light Pole Relocation

4" WHITE STRIPING (TYP)

INSTALL 4' WIDE CLAY TRENCH SEE DETAIL C811.2

TOP OF BERM ELE: 973.00
HWL=972.71

B612 CURB

Clay Trench

INFILTRATION BASIN - SEE DETAIL

PATCH BITUMINOUS PAVEMENT

6 FOOT WIDE 6" THICK SIDEWALK

CONSTRUCTION LIMITS TO STAY WITHIN PROPERTY LIMITS

CONTRACTOR TO CONSTRUCT 6' WIDE WOODEN STAIRS

REINSTALL SALVAGED RIPRAP
INSTALL SUPPLEMENTAL CL III RIPRAP

MONTGOMERIE AVE

BLVD

3505

18338

18340

18344

18360

18352

45'

18'

9'

10

GRADING SHEETS LEGEND

BITUMINOUS PAVING

B612 CURB

INSET A:
PARKING LOT SECTION

1.5" TYPE SP 9.5 WEAR COURSE MIX (3,C) (SPWEA340C)
2357 BITUMINOUS TACK COAT
2.0" TYPE SP 12.5 NON WEAR COURSE MIX (3,C) (SPNWB330C)
8" - MIN AGGREGATE BASE (CV) CLASS 5
EXISTING SUBGRADE

N

0 25' 50'

Stantec
ONE CARLSON PARKWAY N. SUITE 100
PLYMOUTH, MN 55447
www.stantec.com

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA

PRINT NAME: STEVEN HEGLAND

SIGNATURE: _____ LIC. NO. 59243

DATE: 01/22/2026

DEEPHAVEN, MINNESOTA
2026 STREET IMPROVEMENT PROJECT
ALTERNATE 3 - CALVARY CHURCH
SITE AND GRADING PLAN

NO	REVISION	DATE
0	BID SET	01/22/26
1	ADD 1	02/05/26
2	CONST.	02/17/26

SURVEY	PR
DRAWN	ARU
DESIGNED	AG
CHECKED	NMF
APPROVED	SKH
PROJ. NO.	193807541

SHEET NUMBER
C903

Plot Date: 05/20/2026 - 12:52pm
File Name: C:\Users\aru\Stantec\Documents - Aru Chhetri\Documents_projects\193807541\drafting\03_DESIGN\1_CAD\3 PLANSHEETS\193807541_C903-Montgomerie Grading.dwg
Xrefs: 193807469_XSP1_193807469_XSP_Border_Text_Montgomerie_Arial_193807541_XSNO - Alt Area4

Asphalt Surface Technologies Corporation
P.O. Box 1025
St Cloud, MN 56302
Phone: 320-363-8500
Fax 320-363-8700
AN EQUAL OPPORTUNITY EMPLOYER

SUBMITTED TO: CITY OF DEEPHAVEN	PHONE:	DATE: 4-30-2026
STREET:	JOB NAME: CLAY BENCH	JOB #:
CITY: DEEPHAVEN, MN	JOB LOCATION: MONTGOMERIE AVE	
ATTENTION: BRADLEY	BID DATE:	

ITEM NUMBER	Description of item	Quantity	unit	unit price	Amount
1	MOBILIZATION	1	EACH	$ 2,997.92	$ 2,997.92
2	COMMON EXCAVATION **(LV)**	240	CY	$ 41.88	$ 10,051.20
3	CLAY FOR BERM **(LV)**	240	CY	$ 49.70	$ 11,928.00
4	TOPSOIL **(LV)**	19	CY	$ 23.21	$ 440.99
5	SEEDING (INCLUDED WITH ORIGINAL BID)	0	SY	$ 0.00	$ 0.00
				LUMP SUM TOTAL:	**$ 25,418.11**

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreement contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.	Authorized Signature: LANCE BEMBOOM Proposal may be withdrawn if not accepted within 30 days.
Date of Acceptance:	Signature:

Hakanson Anderson

Main Office:
3601 Thurston Avenue, Anoka, MN 55303
Phone: 763-427-5860
www.haa-inc.com

MEMORANDUM

TO: Honorable Mayor and Council

FROM: Steven Hegland, City Engineer

DATE: June 11, 2026

RE: Change Order #2 on the 2026 Street Improvement Project

Purpose

The purpose of this item is to request the City Council review and approval of Change Order #2 for the 2026 Street Improvement Project. This change order adjusts the contract to incorporate the extension of sidewalk along Minnetonka Boulevard from the intersection of Minnetonka Boulevard/Vine Hill Road west to the existing City parking lot.

Project Change Order

This spring, while the City Council and Planning Commission were reviewing priorities for pedestrian improvements, the extension of the sidewalk along Minnetonka Boulevard—between the Minnetonka Boulevard/Vine Hill Road intersection and the City parking lot—was identified as an opportunity project. This improvement aligns well with the upcoming street project, which includes a mill and overlay of Minnetonka Boulevard.

The Council directed staff to obtain pricing from the contractor to incorporate this work into the project scope. Because the sidewalk addition requires a slight shift in the lane layout, it can be most efficiently completed in conjunction with the mill and overlay, when the roadway crown can be adjusted.

The sidewalk extension would include removing approximately 6’ of the bituminous shoulder of the roadway and replacing it with a concrete curb and 5’ concrete sidewalk. The work would include modifications to the existing pedestrian ramp and catch basin at the intersection as well as the replacement of the guardrail along this stretch. Attached to this memo is a figure with the proposed improvements.

Astech has provided a quote of $168,450.73 for the work, which includes removals, storm sewer installation, curb and gutter construction, concrete sidewalk installation, pedestrian ramp improvements, restoration, and guardrail replacement.

Funding

With the bonds issued for the 2026 Street Improvement Project, the City of Deephaven received funds slightly exceeding what was required for the roadway portion of the project. These surplus funds may be allocated toward additional improvements to the City's roadway system, including the proposed sidewalk extension.

Staff have prepared a summary table outlining the projected construction costs for this portion of the project. If Change Order #2 is approved by the City Council, the total construction cost for the roadway improvements would be $4,144,586.89. This amount remains below the $4,163,778.16 in bond proceeds available for roadway improvements, as provided by Ehlers.

	2026 Street Improvement Project – Roadway Projects
Construction Costs	$ 3,718,475.00
Construction Admin Cost	$ 309,703.13
Construction Material Testing	$ 27,961.03
Total Project Construction Costs	$ 4,056,139.16
Shoreview Cost Share (Est)	($80,000)
City of Deephaven Project Construction Costs	$ 3,976,136.16
Change Order #2	$ 168,450.73
Updated Deephaven Project Construction Costs	$ 4,144,586.89
Bond Proceeds for Street Improvements	$ 4,163,778.16

Recommendation

We would recommend the City Council approve Change Order #2 for the 2026 Street Improvement Project in the amount of $168,450.73.

Hakanson Anderson

SECTION 00 63 63

CHANGE ORDER FORM

Change Order No. 2

Date 6/11/2026

Agreement Date 3/2/2026

Name of Project: 2026 Street Improvement Project

Owner: City of Deephaven

Contractor: Asphalt Surfaces Technologies Corp

The following changes are hereby made to the Contract Documents:

Inclusion of sidewalk extension along Minnetonka Boulevard for $168,450.73.

Justification: Adding a sidewalk extension along Minnetonka Boulevard, which would overlap with work being completed with the 2026 Street Improvement Project

Original Contract Price: $ 4,022,349.87

Current Contract Price adjusted to previous Change Order: $ 4,047,767.98

The Contract Price due to this Change Order will be (increased) by

$168,450.73 .

The new Contract Price including this Change Order will be $4,216,218.71

Original Contract-Required Completion Date: October 16, 2026

Current Contract Completion Date adjusted to previous Change Order: --

The Contract Time will be (increased) by 0 calendar days.

The revised Contract Completion Date for completion of Work will be October 16, 2026

Approvals Required:

© 2026 Stantec | 193807541

To be effective, this Order must be approved by the Owner and the Contractor if it changes the scope of objective of the Project, or as may otherwise be required by the Supplemental General Conditions.

Requested by: 

Steve Hegland, P.E.

Ordered by: _____

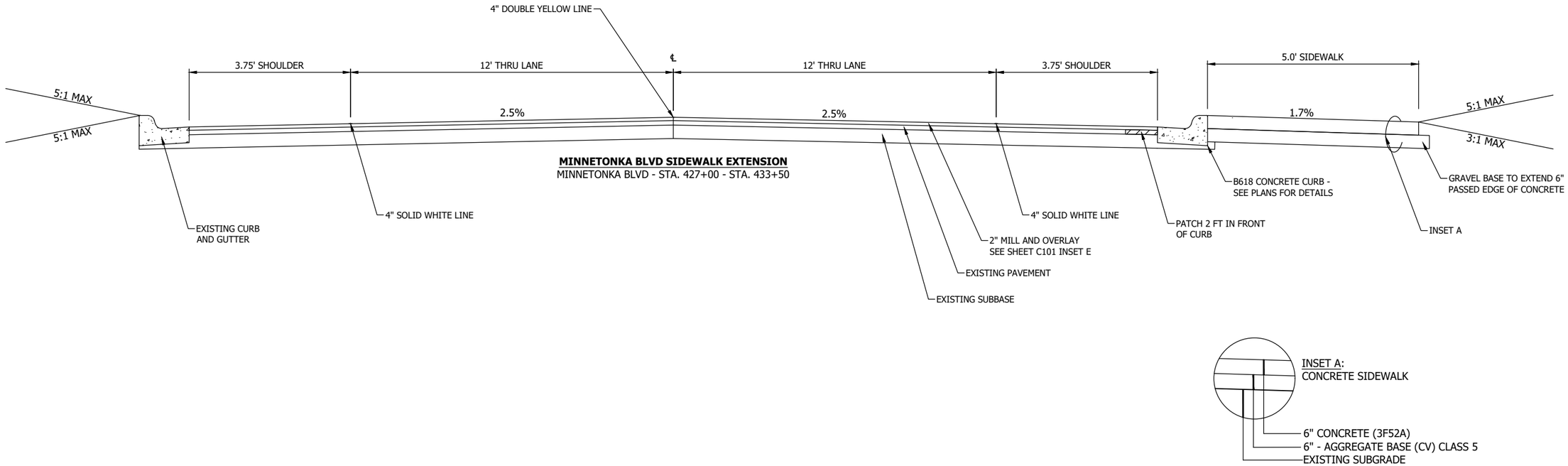
City of Deephaven

Accepted by: _____

(Contractor)

END OF SECTION

THE CONTRACTOR SHALL VERIFY AND BE RESPONSIBLE FOR ALL DIMENSIONS. DO NOT SCALE THE DRAWING. ANY ERRORS OR OMISSIONS SHALL BE REPORTED TO STANTEC BEFORE PROCEEDING WITH THE WORK. THE COPYRIGHTS TO ALL DESIGNS AND DRAWINGS ARE THE PROPERTY OF STANTEC. REPRODUCTION OR USE FOR ANY PURPOSE OTHER THAN THAT AUTHORIZED BY STANTEC IS FORBIDDEN.



MINNETONKA BLVD SIDEWALK EXTENSION
MINNETONKA BLVD - STA. 427+00 - STA. 433+50

Stantec
ONE CARLSON PARKWAY N. SUITE 100
PLYMOUTH, MN 55447
www.stantec.com

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA

PRINT NAME: STEVEN HEGLAND

SIGNATURE: _____ LIC. NO. 59243

DATE: 01/22/2026

DEEPHAVEN, MINNESOTA
2026 STREET IMPROVEMENT PROJECT
TYPICAL SECTIONS

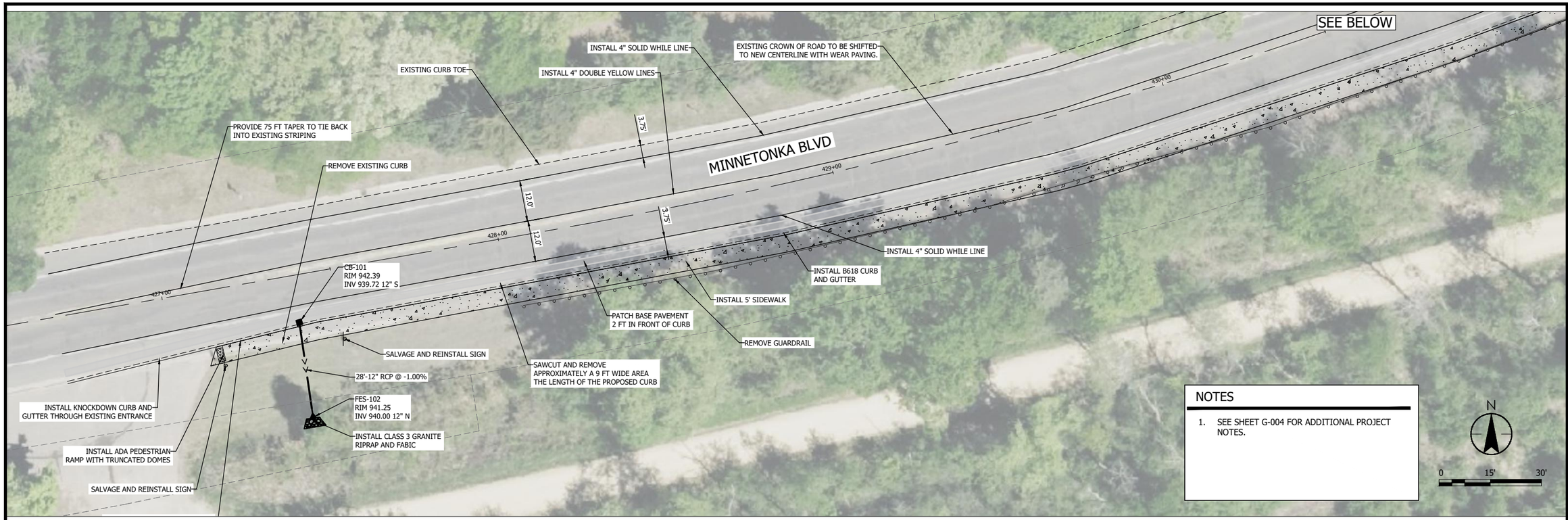
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0	BID SET	01/22/26
1	CONST.	03/10/26

SURVEY	PR
DRAWN	ARU
DESIGNED	AG
CHECKED	NMF
APPROVED	SKH
PROJ. NO.	193807541

SHEET NUMBER
C103

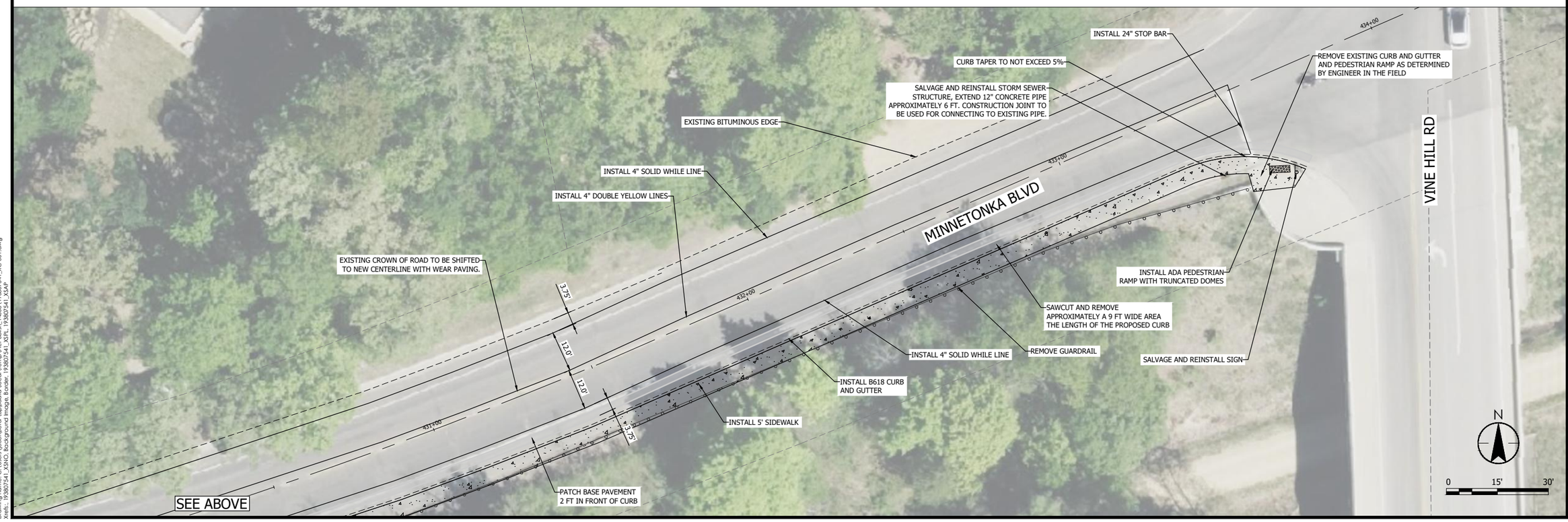
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Xrefs: None

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NOTES

1. SEE SHEET G-004 FOR ADDITIONAL PROJECT NOTES.



Stantec
ONE CARLSON PARKWAY N. SUITE 100
PLYMOUTH, MN 55447
www.stantec.com

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED UNDER THE LAWS OF THE STATE OF

PRINT NAME: _____ LIC. NO. _____

SIGNATURE: _____

DATE: _____

DEEPHAVEN, MINNESOTA

2026 STREET IMPROVEMENT PROJECT

MINNETONKA BLVD SIDEWALK CHANGE ORDER

NO	REVISION	DATE
0	BID SET	01/22/26
1	CONST.	03/10/26

SURVEY	PR
DRAWN	ARU
DESIGNED	AG
CHECKED	NMF
APPROVED	SKH
PROJ. NO.	193807541

SHEET NUMBER

RC-601

Plot Date: 04/21/2026 - 1:24pm
Plotted by: Aaron.Gaffke
Xrefs: 193807541_XSHO, Background Image, Border, 193807541_XCR, 193807541_XSAP

MINNETONKA BLVD SIDEWALK CHANGE ORDER
CITY OF DEEPHAVEN
QUOTE FORM

SIDEWALK INSTALLATION

NO.	ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
1	REMOVE CONCRETE CURB AND GUTTER	LF	149	$ 9.20	$ 1,370.80
2	REMOVE CONCRETE SIDEWALK	SY	13	$ 28.50	$ 370.50
3	REMOVE BITUMINOUS PAVEMENT	SY	776	$ 14.80	$ 11,484.80
4	REMOVE BITUMINOUS DRIVEWAY PAVEMENT	SY	17	$ 15.20	$ 258.40
5	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LF	731	$ 3.50	$ 2,558.50
6	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LF	20	$ 10.00	$ 200.00
7	6" CONCRETE SIDEWALK	SY	377	$ 74.20	$ 27,973.40
8	CONCRETE CURB & GUTTER DESIGN B618	LF	713	$ 36.30	$ 25,881.90
9	CONSTRUCT CONCRETE PEDESTRIAN CURB RAMP	EA	2	$ 1,870.00	$ 3,740.00
10	TRUNCATED DOMES	SF	20	$ 55.00	$ 1,100.00
11	AGGREGATE BASE CLASS 5, 80% CRUSHED (CV)	CY	52	$ 68.20	$ 3,546.40
12	PATCH BITUMINOUS PAVEMENT	SY	159	$ 45.78	$ 7,279.02
13	2'X3' CATCH BASIN	EA	1	$ 8,217.88	$ 8,217.88
14	SALVAGE AND REINSTALL STORM SEWER STRUCTURE	EA	1	$ 8,186.42	$ 8,186.42
15	CONNECT TO EXISTING STORM SEWER PIPE	EA	1	$ 1,588.84	$ 1,588.84
16	12" RC PIPE STORM SEWER CLASS V	LF	34	$ 143.20	$ 4,868.80
17	12" RC FLARED END SECTION W/ TRASH GUARD	EA	1	$ 2,858.57	$ 2,858.57
18	CLASS 3 RIPRAP WITH FABIC TYPE VII	TN	8	$ 192.40	$ 1,539.20
19	COMMON TOPSOIL BORROW (LV)	CY	27	$ 57.30	$ 1,547.10
20	MNDOT SEED MIX SOUTHERN BOULVARD	SY	784	$ 5.80	$ 4,547.20
21	FERTILIZER TYPE 3	LB	33	$ 1.00	$ 33.00
22	HYDROMULCHING (SFM)	SY	784	$ 5.00	$ 3,920.00
23	SALVAGE AND REINSTALL SIGN	EA	3	$ 350.00	$ 1,050.00
			SIDEWALK INSTALLATION SUBTOTAL		$ 124,120.73

GUARDRAIL REMOVAL

NO.	ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL PRICE
24	REMOVE GUARDRAIL & PUT NEW GUARDRAIL	LS	1	$ 44,330.00	$ 44,330.00
	INCLUDES END TREATMENT TANGENT & BARRIER DESIGN TYPE 31			GUARDRAIL **SUBTOTAL**	$ 44,330.00

SIDEWALK INSTALLATION SUBTOTAL	$ 124,120.73
GUARDRAIL **SUBTOTAL**	$ 44,330.00
TOTAL QUOTE	$ 168,450.73

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15, 2026
Consent Agenda:
Contribution to treat Eurasian Watermilfoil and Curlyleaf Pondweed in Carsons and St. Louis Bay

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Recommended Motion: Approve contribution of $10,500 to the Lake Minnetonka Association for treatment of the invasive species of Eurasian Watermilfoil and Curlyleaf Pondweed in Carsons and St. Louis Bays.

Jim Blakeway of the Lake Minnetonka Association is responsible for the Carsons Bay and St. Louis Bay Eurasian watermilfoil and curlyleaf pondweed treatment of those bays. They traditionally ask for funding from the City of Deephaven to help support their efforts, and the City has traditionally provided that contribution for treatment of these invasive species in our bays. Residents that live on these bays are also asked to contribute annually, and the information shared by the Association shows that their treatments are having some effect stemming the spread of these invasive species across the bays.

Here is the request sent by Mr. Blakway, along with the attached informational sheet for your review. Staff recommend continuing to make this contriubution as we have in previous years.

“Hi Dan.

I’ve sent out letters to Carsons and St Louis Bays residents regarding the Invasives Treatment Program. I have not yet mailed this letter to you, Council or Mayor. I plan to email to all Council and Mayor today.

Previously, you asked me to submit an invoice to the city for $10,500. Shall I do the same this year?

Your direction and support is appreciated.

Kindest regards, Jim Blakeway
Cell: 612-859-7200
Carsons and St Louis Bays Invasives Treatment Bay Captain”

Thank you, and please send any questions, comments or requests for additional information prior to the meeting and we can work to have that available for review.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

Carsons Bay & St. Louis Bay - Spring 2026

Eurasian Watermilfoil and Curlyleaf Pondweed Treatment

Ahoy and Happy Spring, Carsons and St. Louis Bays residents,

Another early spring means the weeds have gotten an early start again this year. It is time to put funding in place for our **Carsons and St. Louis Bays Invasive Weed Treatment Program**, focused on **Eurasian watermilfoil and curlyleaf pondweed**.

Last year, the treatment plan was to treat the whole bay after invasive weeds had spread across much of the area following several short winters with little snow. We learned an important lesson: our bays appear to be spring-fed, and the applicator was unable to maintain treatment concentrations long enough to be effective. The treatments flushed out quickly. That same flushing is part of what helps explain the excellent water quality and clarity we enjoy in our bays. While other Lake Minnetonka bays have successfully used whole-bay treatments to catch up when invasive weeds spread, that approach does not work well for Carsons and St. Louis Bays. This year, we are returning to targeted spot treatments of invasive weed concentrations, which are plentiful.

A weed survey was conducted in late April to identify curlyleaf pondweed, followed by treatment. A second survey in June will assess Eurasian watermilfoil growth and guide any additional treatment. This is not a small undertaking and it requires broad participation to succeed. Protecting the health of Carsons and St. Louis Bays helps preserve our **"A" water quality rating from the Minnesota DNR** and helps protect property values for all of us.

I was recently reminded of where we started in 2013, when harvesters were used just to clear paths through large masses of weeds so residents could boat out of the bays and into the main lake. Aerial photographs showed channels cut from docks simply for access. Since then, Carsons and St. Louis Bays have become one of the most successful invasive weed treatment efforts on Lake Minnetonka, as we can see every summer weekend from the number of anchored boats and swimmers enjoying the bays.

The partnership between Carsons and St. Louis Bays homeowners and the Lake Minnetonka Association has been extremely valuable. Treatments are conducted by professional scientists and licensed applicators.

The **Lake Minnetonka Association is a 501(c)(3) nonprofit organization**, so contributions are tax-deductible. Funds collected for Carsons and St. Louis Bays will be used only for these bays, and any excess funds will remain in the account for future years' treatments.

Our 2026 Carsons and St. Louis Bays funding goal is: $25,000 to pay for treatments

Suggested minimum contribution: ***$250 per 50 feet of lakeshore****. We would like to meet our funding goal by* ***June 20th****.*
Please contribute what you can. Every amount is appreciated and helps protect the bays we all enjoy.

Thank you for taking ownership of our bays,
Jim Blakeway, Carsons/St. Louis Bay Resident and Volunteer Bay Captain

If you have questions, please contact:
Jim Blakeway at 612-859-7200, or
jamesblakeway@hotmail.com
or call Eric at: 612-817-3544

Enclose your contribution with this form and mail to: The Lake Minnetonka Association, P.O. Box 248, Excelsior, MN 55331

YES, I would like to contribute to the Carsons/St. Louis Bay Treatment Program:

___ $250
___ $500
___ $750
___ $_____

Name: _____

Address: _____

City, State, Zip: _____

Phone: _____ **Email:** _____

Please make checks payable to: **Lake Minnetonka Association**
*on your check's memo line – please indicate "**Carsons/St. Louis Bay LVMP**"

Or: **Scan this QR Code** with your mobile phones camera, and it will go directly to the **Carsons/St. Louis Bay** Contribution Page.

SCAN ME

You may also contribute online at: www.LMAssociation.org/bay-treatments

Contributions Are Tax-Deductible. The Lake Minnetonka Association is a 501(c)(3) nonprofit corporation.

DEEPHAVEN CITY COUNCIL MEETING MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 15, 2026
Unfinished Business:
Village Hall Park Retaining Wall

Recommended Motion: Discuss or take appropriate action on Retaining Wall Quote

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The Council approved moving forward with the retaining wall project as a Consent Agenda item at the June 1, 2026 Council Meeting. Staff heard from members of the Council after the meeting that they would like to revisit the project approval as it may not be necessary depending on the plan for regrading or re-aligning the t-ball field in Village Hall Park as a part of the Pavilion and Park Improvement Project.

The Council can discuss and review the retaining wall plans and decide if the City should move forward with this project, or place this project on hold for the time being.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

ITEM 3D

Deephaven Public Works

20225 Cottagewood Rd, Deephaven MN 55331.

5/27/2026

Dear Honorable Mayor and Councilmembers

Staff have obtained quotes for the replacement of the retaining walls at Village Hall Park. The walls are badly deteriorated and have become unsafe. The walls were originally installed in the late 1980's using concrete blocks. The new walls will be constructed with boulders to match the other retaining walls at City Hall. Boulders walls are far more durable, less expensive, and less prone to damage,

In addition, the timbers along the north side of the playground will be replaced due to rot and misalignment. The large arborvitae on the southeast side of the tennis court will be removed due to its root system becoming too large. The roots are causing upheaval to the path, upheaval of the asphalt on the tennis court, and dislodging of the retaining walls. This will also allow us to straighten out the path to provide better access to the playground and improve drainage. Three 6-foot Techny Arborvitae will be planted in its place. Upon completion of the project, public works will re-pave the path from the parking lot to the playground.

Three bids were obtained for this project. Bids were received from Excel Lawn and Landscape, Dvorak Lawn and Landscape, and Superior Lawn and Landscape. Excel Lawn and Landscape submitted the lowest bid at $19,950.00. This comes under the budget of $20,000.00 set in the park's capital improvement fund.

Staff recommend approval to Excel Lawn and Landscape in the amount of $19,950.00 to replace the retaining walls at Village Hall Park.

Sincerely,

Jeff Kask
Public Works Supervisor
City of Deephaven

ESTIMATE

Excel Lawn & Landscape
3615 Elmwood Pl
Minnetonka, MN 553451213

joeylynch21@gmail.com
+1 (952) 393-9034

EXCEL
Lawn & Landscape

Bill to
City of Deephaven
20225 Cottagewood Rd
Deephaven, MN 55331

Ship to
City of Deephaven
20225 Cottagewood Rd
Deephaven, MN 55331

Estimate details
Estimate no.: 1382
Estimate date: 05/26/2026
Expiration date: 06/02/2026

#	Date	Product or service	Description	Qty	Rate	Amount
1.			Tennis Court Walkway/Walls			
2.		**Tearout/Removal**	Tear out/Removal: Removal of existing asphalt walkway leading from parking lot to backside of tennis court.	1	$1,750.00	$1,750.00
3.		**Boulder Retaining Wall**	Boulder Retaining Wall: up to 300 sq ft of boulder wall installed in place of the failing block wall. Includes removal of existing wall.	1	$15,000.00	$15,000.00
4.		**Base Material**	Class 5: Install of new class 5 base material to prep for new asphalt on 140'x4' walkway. ***Asphalt to be installed by the city.	1	$1,700.00	$1,700.00
5.		**Planting**	Planting: (3) #20 Techny Arborvitae delivered/installed. ***There is no warranty provided for these shrubs.	3	$500.00	$1,500.00

Total **$19,950.00**

Expiry date 06/02/2026

Accepted date

Accepted by

DVORAK Lawn Care
MINNETONKA, MN
Making Your Neighbors Green With Envy

City of Deephaven
Jeff Kask
20225 Cottagewood Road
Deephaven, MN 55331

Deephaven City Tennis Court Walkway and retaining wall replacement

▪ Remove asphalt:	***$3,000***
▪ Repair of timbers on edge of playground	***$1,500***
▪ Install new class 5 for proposed new asphalt	***$2,500***
▪ Install new boulder walls on either side of walkway Approx. 300 sq ft	***$16,500***
▪ Install 3 new Techny arborvitae 6'	***$2,400***
▪ Install new mulch around shrubs	***$500***
	Total: $26,400

***We ask for a 50% down payment prior to start of project, remaining 50% due upon completion of project.

SUPERIOR LAWN AND LANDSCAPE
PO BOX 207
ST. BONIFACIUS, MN 55375
+19524421215

ADDRESS
CITY OF DEEPHAVEN 20225 COTTAGEWOOD RD EXCELSIOR, MN 55331

ESTIMATE #	DATE	
31578	05/22/2026	

DATE	ACTIVITY	QTY	RATE	AMOUNT
	CITY HALL WALKWAY PROJECT:	1	0.00	0.00
	APPROX. 675 SQ. FT. OF OLD ASPHALT REMOVAL/ DISPOSAL	1	2,340.00	2,340.00
	APPROX. 675 SQ. FT. COMPACTED BASE, 3/4 MINUS INSTALLED TO PREP FOR NEW WALKWAY	1	1,475.00	1,475.00
	REMOVAL/ DISPOSAL OF EXISTING RETAINING WALLS AND TIMBERS PER MEETING, INCLUDES TREE ROOT REMOVAL ALSO	1	1,100.00	1,100.00
	APPROX. 30 L. FT. OF TIMBER EDGING INSTALLED ALONG FRONT SIDE OF PLAYGROUND ACCESS	1	675.00	675.00
	APPROX. 250 SQ. FT. BOULDER RETAINING WALL INSTALLED ALONG PATHWAY, BOTH SIDES PER MEETING, INSTALELD WITH 3/4 ROCK BACKFILL AND STRUCTURAL FABRIC	1	15,562.00	15,562.00
	PERFORATED DRAINTILE INSTALLED BEHIND LARGER WALL	1	325.00	325.00
	5) #15 CONTAINER NORTH POLE ARBORVITAE INSTALLED ALONG TOP OF NEW WALL PER MEETING	4	435.00	1,740.00
	SOIL AMMENDMENTS AT TIME OF PLANTING, MULCH INSTALLED TO FINISH	1	365.00	365.00
	CITY WILL CUT AND REMOVE OLD TREES PRIOR TO CONSTRUCTION	1	0.00	0.00
	EQUIPMENT/ ACCESS FEE	1	460.00	460.00
	APPLICABLE SURCHARGE/ INSURANCES	1	1,688.00	1,688.00

NOTE
*All plant prices, sizes, and varieties contingent upon availability.
*Seed/sod/irrigation repair not included in estimate unless noted as line item.
*No Warranty on sod or seed, success or failure is dependent on care, maintenance and weather conditions after installation.
*Payment with cash/check, we require up to 1/2 down upon signing, balance due upon completion.
*4% Service fee on credit card transactions over $3,000 upon signing.

SUBTOTAL	25,730.00
TAX	0.00
TOTAL	**$25,730.00**

Accepted By

Accepted Date

DEEPHAVEN CITY COUNCIL WORKSHOP MEMORANDUM

20225 COTTAGEWOOD ROAD, DEEPHAVEN, MN 55331

City Council Meeting
Monday, June 1, 2026
Workshop:
Defining Marina Residency Policy and Boating Season

Recommended Action: No formal action. Ordinance Amendment, First Reading Defining Residency Requirement and Boating Season is set on for discussion purposes only.

Deephaven City Staff and Council reviewed a scenario that highlighted a lack of clarity in the Marina Dock Slip residency / property owner requirement and underscored an inconsistency between the residency requirement and the definition of "boating season" at the June 1st, 2026, Council Meeting.

As a brief review, Section 900 of the Deephaven City Code entitled "City Watercraft Spaces" sets forth the requirements and regulations for the permitted leases of municipal dock slips. Section 900.05 entitled "Mooring of Watercraft" prohibits the mooring, placement or storage of any watercraft at City dock slips without a permit. Properly issued permits authorize the owner of a watercraft to use a designated dock slip during the specified boating season. DEEPHAVEN CITY CODE, §900.06. The boating season for dock slips is defined as the period of time commencing "April 1 to November 1 of a given year…." DEEPHAVEN CITY CODE, §900, Subd. 5.

The renewal period for dock slip permits commences on October 15th of the year preceding the permitted season and ends November 30th of that same year. DEEPHAVEN CITY CODE, §900.06, Subd. 2(c). Permits for dock slips are only issued to "property owners," defined as the fee owner of land in the City who resides on the property from May 15th to October 1st, whose interest is primarily one of possession and enjoyment in contemplation of ownership. DEEPHAVEN CITY CODE, §900, Subd. 9.

The first definitional issue is the application of the residency requirement provided above. One reading of the Ordinance supports the notion that a resident / "property owner" of Deephaven between May 15 and October 1 of a given year qualifies them to receive a permit for dock space during the boating season of the following year. Alternatively, a contrary reading of the Ordinance supports the position that a person must be a resident / "property owner" of Deephaven from May 15 to October 1 of the current year to be able to use and maintain their dock slip permit that same year.

To resolve this inconsistency, Staff recommend making it clear in the language of the Ordinance that the permittee for dock space must be a "property owner" during the current "boating season" to have the use and enjoyment of the dock slip. That language is redlined in the attached Amendment to Section 900, Subd. 9, and reads as follows:

Subd. 9. “Property Owner” means the fee owner of land in the City, or the beneficial owner of land in the City, who resides on the property during the permitted boating season. ~~from May 15th to October 1st, whose interest is primarily one of possession and enjoyment in contemplation of ownership~~. The term includes purchasers under a contract for deed.

As a secondary issue that was discovered during the above-mentioned situation, the Boating Season is defined as the period of time from April 1 to November 1 of a given year. The definition of “property owner” used a timeframe from May 15 to October 1st. This discrepancy allowed the opportunity for a property owner who moved out of Deephaven prior to the “boating season” to use a dock slip under their renewed permit from April 1 to May 15. On May 16, as interpreted, the “property owner” would no longer be a property owner by definition, as they no longer lived or owned property in Deephaven, and the boat slip permit would be revoked. With the change in language above, the definition of “boating season” would still run from April 1 to November 1, but the time reference for a “property owner” has been changed to the “permitted boating season.” As such, this conflict in language is remedied.

Another matter that came up during discussion was what the City’s Policy should be if a property owner sells their house during the boating season. It seemed agreeable to the Council that a resident who renewed their boat slip in November of the year prior should receive a refund of their fees if they move out of City limits before commencement of the next boating season (April 1). The unresolved question was at what date the property owner would not be refunded their boat slip fees and / or what should be done with the boat slip for the duration of the boating season after the resident leaves Deephaven. There are three options to resolve this situation that Staff feel are reasonable, there may be more that can be presented at the meeting by Council:

Option I: Once the boating season begins, residents are entitled to their dock space for the duration of the boating season as long as they were still a resident of Deephaven on April 1. Benefits to this approach include being able to easily manage dock space rentals and not having to pro-rate refunds or calculate whether a half-season counts towards a new dock licensee’s 10 year limit. Additionally, people moving out of Deephaven are not immediately burdened with needing to find a place to relocate their boat during the current boating season. One main detriment to this approach is that there would be someone using a boat slip for potentially the entire boating season that no longer lived in Deephaven, which would deprive the next person of their ability to use the space for a partial season sooner.

Option II: Once the boating season begins, residents are entitled to a pro-rata refund if they move out of Deephaven before a date certain. The boating season runs from April 1 through November 1; so the half-way date would be approximately July 15th of each year. If a resident moves away on July 14th or earlier, they would receive the prorated refund and the next resident in line for dock space would be offered the dock space for the remainder of the season at a prorated fee. This partial season would not count against the resident’s 10 year space limit. If a resident moves out of Deephaven on or after July 15, they would not receive a refund of their dock slip fee and the next resident in line could use the space free of cost for the remainder of that boating season. This would still not count against that resident’s 10 year space limit.

Option III: Once the boating season begins, residents moving out of Deephaven relinquish their dock space and are provided a pro-rata refund regardless of when they leave during the boating season. The next resident in line may pay the prorated difference and use the space for the remainder of the season. This will not count against the resident's 10 year space limit.

One note of caution on the prorated refund and impact of the partial seasonal use. Residents next in line for a dock space may not have the time or ability to take advantage of the short notice dock space availability. If they passed on that opportunity, it would technically count as one of their two "passes" they are afforded before they go to the back of the line. An exception could be crafted such that a partial season does not count against them as one of their available passes. Additionally, a resident could be frustrated that they are not in a position to take advantage of the dock space on short notice. It would be likely, however, that they would have an opportunity for a space the following season as they would remain at the top of the list.

As a way to reflect Option I as provided above, Staff recommend the language of "Permits" be clarified to reflect the permit issued is good for the entire "boating season." A potential draft of that language is as follows:

900.06 Permits. Permits issued under this Section become valid at the commencement of the boating season and will authorize an owner of the watercraft to whom the permit is issued to keep a specified watercraft at a specified space for the specified boating season as provided in this Section. In addition, a permit for a buoy will authorize the mooring of one auxiliary watercraft to the buoy at times when the primary watercraft is not moored to the buoy.

At the commencement of the boating season, a permit is valid for the entirety of the current boating season, regardless of a change in residence, but remains subject to the provisions, terms and conditions as provided in §900.09 entitled "Revocation."

Attached for your review is a first draft of this Ordinance Amendment that incorporates Staff recommendations as presented above. Members of the Staff and Council can discuss this in more detail and explore these, or other, options as we work to finalize these changes.

As always, send any questions, comments or requests for additional information you may have, and we will have that information available for review on Monday night.

Sincerely,

Dan Madsen
City Administrator / Special Counsel
Deephaven, Minnesota

CITY OF DEEPHAVEN
Hennepin County, Minnesota

ORDINANCE NO: XX-26

An Ordinance Amending Chapter 9, Section 900 entitled "City Watercraft Spaces" Regarding Leased Space Permitting and the Definition of Property Owner

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NOTICE IS HEREBY GIVEN that on June 16, 2026, Ordinance No. XX-26 was adopted by the Council of the City of Deephaven, Minnesota that amended Chapter 900, Section 900.01, Subd. 9 entitled "Property Owner," and Chapter 900, Section 900.06 entitled "Permits."

NOTICE IS FURTHER GIVEN that, because of the lengthy nature of Ordinance Chapter 900, and the limited amendments thereto, the following is a summary of the ordinance that has been prepared for publication, and approved by the City Council, as authorized by state law:

CHAPTER 9. CITY WATERCRAFT SPACES
SECTION 900 CITY WATERCRAFT SPACES

900.01 Definitions. For purposes of this Section, the following terms will have the meanings ascribed to them in this Section:
Subd. 9. "Property Owner" means the fee owner of land in the City, or the beneficial owner of land in the City, who resides on the property during the permitted boating season. ~~from May 15th to October 1st, whose interest is primarily one of possession and enjoyment in contemplation of ownership~~. The term includes residential tenants and purchasers under a contract for deed.

900.06 Permits. Permits issued under this Section become valid at the commencement of the boating season and will authorize an owner of the watercraft to whom the permit is issued to keep a specified watercraft at a specified space for the specified boating season as provided in this Section. In addition, a permit for a buoy will authorize the mooring of one auxiliary watercraft to the buoy at times when the primary watercraft is not moored to the buoy.

At the commencement of the boating season, a permit is valid for the entirety of the current boating season, regardless of a change in residence, but remains subject to the provisions, terms and conditions as provided in §900.09 entitled "Revocation."

A printed copy this Ordinance is available for inspection by any person during the City's regular office hours or on the City's website.

APPROVED for publication by the Council of the City of Deephaven, Minnesota, this 16th day of June, 2026.

CITY OF DEEPHAVEN

_____
Kent Carlson, Mayor

ATTEST:

_____
Kimberly Lenaz-Greenwaldt, City Clerk