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**WAYZATA CITY COUNCIL  
MEETING MINUTES  
February 16, 2016**

**AGENDA ITEM 1. Call to Order and Roll Call.**

Mayor Willcox called the meeting to order at 7 p.m. Council Members present: Anderson, McCarthy, Mullin and Tyacke. Also present: Interim City Manager Reeder, City Planner Thomson, Police Chief Risvold, and City Attorney Schelzel.

Mayor Willcox reported that Council met in Workshop prior to the meeting and discussed options for the Lake Minnetonka Trolley Program, Parking Requirements for 301 Broadway Avenue S., and saw the new Fire Department tanker truck.

**AGENDA ITEM 2. Approve Agenda.**

Mrs. McCarthy made a motion, seconded by Mr. Tyacke, to approve the agenda, as presented. The motion carried 5/0.

**AGENDA ITEM 3. Public Forum – 16 Minutes (3 minutes per person).**

**a. Planning Commission, Heritage Preservation Board and Charter Commission Service Awards**

Mr. Willcox recognized the service of Board and Commission members whose terms expired on December 31, 2015. He recognized Planning Commissioner Michael Ramy, Jr., Planning Commissioner Tom Vanderheyden, Heritage Preservation Board Member Sue Sorrentino, and Charter Commissioner Todd Pearson. He thanked each for their dedication and presented a Commission Service Award to Ms. Sorrentino who was in attendance. Ms. Sorrentino thanked the City for this recognition.

**b. Swearing in of New Police Officer Andrew Sharratt**

Police Chief Risvold introduced Andrew Sharratt and described his police experience. Mayor Willcox commented on the City's pride in the Wayzata Police Department and administered the oath of office to Andrew Sharratt. Officer Sharratt thanked the Council and stated he looks forward to working for the City.

**c. Presentation of Wayzata Police Department Lifesaving Awards**

In recognition of their life-saving CPR efforts on January 5, 2016, Police Chief Risvold presented June Van Valkenburg, Bob Fisher, Wayzata Police Department Sergeant Phil Rider, and Wayzata Police Department Officer Rose Young with the Wayzata Police Department Lifesaving Award and Lifesaving Coins inscribed with 'Don't Wait for the Help, Be the Help.' He also presented Sergeant Rider and Officer Young with Lifesaving Pins to be worn on their uniform.

Steve Gavurnik stated he is grateful for the immediate action of these people, as without it he would not have survived cardiac arrest and be here today. Mayor Willcox extended the Council's appreciation to those who saved Mr. Gavurnik's life and all involved with public safety.

**AGENDA ITEM 4. New Agenda Items.**

Mr. Mullin stated in light of the recent fatality on Highway 12, he would like an update by Police Chief Risvold relating to progress being made to improve the safety of the Highway 12 corridor. Mr. Tyacke seconded and the Council agreed to add the topic to a future Council meeting agenda.

1 **AGENDA ITEM 5. Consent Agenda.**

2 In response to a question by Mr. Tyacke, Mr. Steve McDonald of AEM, Financial Consultant,  
3 stated the \$431,815 check for Wayzata Bay Senior Housing is a scheduled TIF note payment to  
4 cover project costs already incurred by the developer.

- 5 Mrs. McCarthy made a motion, seconded by Mr. Tyacke, to approve the consent agenda:
- 6 a. Approval of City Council Workshop Minutes of February 2, 2016 and City Council
  - 7 Regular Meeting Minutes of January 19 and February 2, 2016
  - 8 b. Approval of Check Register
  - 9 c. Municipal licenses which received administrative approval (informational only)
  - 10 d. Approval of Municipal Licenses
  - 11 e. Police Activity Report
  - 12 f. Building Activity Report
  - 13 g. Accept Steve Fox's Resignation from the Communications Board

14 The motion carried 5/0.

15  
16 **AGENDA ITEM 6. New Business.**

17 **a. Presentation of 4<sup>th</sup> Quarter 2015 Financial Report**

18 Mr. Steve McDonald of AEM, Financial Consultant, presented the 4<sup>th</sup> Quarter 2015 Financial  
19 Report, noting the numbers are not yet audited but year-end adjustments are reflected. Mr.  
20 McDonald reported that based on the calculations, there is possibly a \$914,000 transfer driven by  
21 building activity, positive cash flow and net income in the Liquor Fund, and licensing. He  
22 reviewed options for the reallocation of the transferred funds and indicated that determination  
23 will be considered by the Council in March.

24 With regard to the project to relocate the cellular towers, Mr. McDonald stated the City's  
25 consultant Ehlers has indicated this type of project would not qualify for tax-exempt bond  
26 financing but could be a taxable revenue bond financing, which would bear a higher interest.  
27 Mr. McDonald stated he will analyze those scenarios and provide a recommendation going  
28 forward.

29 Mr. Mullin stated another option could be an interfund loan. Mr. McDonald agreed that  
30 would be an appropriate and legal option. Mr. Mullin also pointed out that the analysis assumes  
31 no cost to be borne by the cellular phone providers for the tower or the move, a scenario which he  
32 does not support. It was noted that those costs have not yet been identified.

33 Mr. McDonald stated he was also tasked to look at the City's initial contribution to  
34 parking ramp financing of \$1.7 million. In that effort, he scheduled out those previously  
35 identified amounts and looked at fund balances and potential future commitments to those funds.  
36 Mr. McDonald advised that due to a contested valuation, there is a \$350,000 shortfall of TIF in  
37 the Housing Fund that resulted in a lower cash balance of \$75,000 at the end of 2015. He  
38 recommended not using the Storm Water Fund as most of the \$440,000 has been identified in the  
39 CIP for other projects.

40 Mr. McDonald stated the easiest funding source for the City's initial contribution to the  
41 parking ramp would be excess transfer dollars, and he will prepare an analysis and  
42 recommendation for future Council consideration. Mr. Reeder stated staff will determine projects  
43 the City needs to do, and cannot do if those funds are reallocated. Mr. McDonald concluded  
44 presentation of the financial report.

45 The Council asked that future reports reflect cash balances and cash reserves as footnotes.  
46 With regard to the Liquor Operations transfer of \$250,000 and whether it would pay off the  
47 interfund loan and cancel that debt, Mr. McDonald explained the annual interfund borrowing is  
48 about \$34,000 so it would only eliminate that portion.

49 Mr. McDonald advised that all funds have adequate and positive cash balances at the end  
50 of the year and no significant concerns for the next five years. He stated he will provide Council  
51 with the amount of park dedication fees on hand.

1 The Council asked that staff provide, in advance of its March 15 meeting, a  
2 recommendation based on the City's Transfer Pooled Resource Policy as well as percentages  
3 spent in funds over the past five year period and percentages of the whole.  
4

5 **b. Mediacom Progress Report**

6 Theresa Sunde, Government Relations Manager for Mediacom, the City's cable  
7 franchisee, described issues that affected Mediacom's past performance and number of trouble  
8 calls for 2015.

9 Zack Raskovich, Mediacom Director of Area Operations, reviewed strides made by  
10 Mediacom to reduce backlogs and trouble calls and provide faster resolution by increasing full-  
11 time technical staff. He described the service issues created by road projects, such as Ferndale,  
12 and how power outages have been resolved by adding stand-by power supplies. In addition,  
13 defective spans of cable have been replaced.

14 The Council asked about delays of up to two weeks for installation. Mr. Raskovich  
15 stated Mediacom shifted house installations to their contract staff and allocated in-house staff to  
16 address service issues. The Council indicated that service calls are the main issue. Mr.  
17 Raskovich stated they attempt to make same day or next day repairs but it can depend on the  
18 severity and if the loss of service was the result of a large storm.

19 The Council noted the Mediacom agreement with the City requires compliance with a  
20 Service Standard that includes responding promptly, and no event later than 24 hours after the  
21 interruption in service becomes known. However, there have been about 24 complaints where  
22 there was a delay of a week or two before service was restored. Mr. Raskovich explained the  
23 process to schedule repairs has been corrected to better show availability for appointments. He  
24 referenced the monthly video-related service call log, noting the Lake area average days to  
25 complete an installation is 5.5 days.

26 The Council expressed concern that the response time exceeds the Mediacom franchise  
27 agreement standards. Mr. Raskovich assured the Council that issue has been resolved and stated  
28 they intend to maintain the current ramped up level of employees and have requisitions to over  
29 hire technicians. The Council asked whether equipment and infrastructure need to be updated  
30 and/or better maintained to lower calls for service. Mr. Raskovich described their preventative  
31 maintenance measures to eliminate service calls and stated they are also replacing old equipment.

32 The Council acknowledged that while Mediacom is making some positive strides, more  
33 improvement is needed. Mediacom was asked to also address requests for billing credit for days  
34 there is no service. The Council asked staff to continue its communication with citizens to  
35 contact City Hall if there is an issue and to follow up on the list of complaints to assure  
36 resolution. The Council asked Mediacom to assure their employees and contractors are highly  
37 trained and professional as they are in direct contact with Wayzata citizens, and that customer's  
38 calls are returned in a timely manner. The Council discussed the need to upgrade the Council  
39 Chamber's audio system and asked staff to research options. The Council thanked Mediacom  
40 representatives for the update and requested on-going quarterly reports.  
41

42 **c. Review Wayzata Yacht Club Dock License Application to LMCD**

43 Director of Planning and Building Thomson stated the Wayzata Yacht Club plans to replace its  
44 existing docks as part of a three-year project. Mr. Thomson explained that the Lake Minnetonka  
45 Conservation District (LMCD) has review and approval authority over the Wayzata Yacht Club  
46 dock replacement request; however, the City's approval of the Wayzata Yacht Club's PUD Plan  
47 in 2012 included a condition that the Yacht Club follow a process of presenting any requests to  
48 modify the length and width of its boat slips to City Council for input and comment, prior to the  
49 review of the LMCD.

50 Jonathan McDonagh, the Wayzata Yacht Club's Representative, presented the Club's  
51 request to replace the remaining docks over the next three years pursuant to a new multiple dock

1 license. If approved, the current wood docks would be reconstructed and made a little wider to  
 2 accommodate lifts and extended to a length of 28 feet, matching the existing pelican poles. He  
 3 stated that the LMCD will not require an environmental study as the project only involves  
 4 replacing existing docks and fits within the approved envelope.

5 The Council indicated the City's concerns relate to the impact of additional or larger  
 6 boats that increases parking and traffic pressures. Mr. McDonagh stated the new docks will  
 7 accommodate the same number and size of boats.

8 Mr. Tyacke made a motion, seconded by Mrs. Anderson, to authorize staff to draft and  
 9 send a letter to the LMCD indicating the City has no concerns relating to the request as presented  
 10 by the Wayzata Yacht Club for dock replacement. The motion carried 5/0.

11  
 12 **d. Discuss Public Art Process for East Lake Street Roundabout**

13 Director of Planning and Building Thomson reviewed that the City Council adopted a Public Art  
 14 Policy last year, and had identified funding for a potential art installation in the roundabout at  
 15 Lake Street and Circle A Drive. In addition, the Council approved a contract with consultant Jack  
 16 Becker to guide this project. Mr. Thomson referenced the timeline and stated if approved, staff  
 17 will identify potential appointees to a Selection Committee for the roundabout public art project  
 18 for the Council's future consideration. Mr. Thomson stated the \$50,000 allocated for the project  
 19 from the East Block landscaping fund would be for the physical art piece that goes into the  
 20 roundabout. The Council noted while some landscaping was done in the roundabout area last  
 21 fall, additional layers will be completed over time. It is expected that the consultant and Selection  
 22 Committee will develop a concept of the art piece so artists could then submit proposals. The  
 23 Council discussed appointment of a Council liaison to the Selection Committee.

24 Mr. Willcox made a motion, seconded by Mrs. McCarthy, to appoint Mayor Willcox as  
 25 the Council's representative to this Steering Committee and Mrs. Anderson as the alternate. The  
 26 motion carried 5/0.

27 Mark Lauffenburger, Wayzata Rotary Group, stated the Rotary will be donating towards  
 28 this public art installation and recommended appointment of Todd Mohagen, Rotarian and  
 29 principle of Mohagen Hansen Architectural Group to be part of the Selection Committee. Mr.  
 30 Willcox commented on the projects funded by Rotary Clubs in Wayzata, for which the City is  
 31 grateful. Mr. Thomson described the communication channels that will be used to promote  
 32 interest in the resident-at-large appointment to the Selection Committee.

33  
 34 **e. Approve Extended Service Agreement with Groundworks**

35 Director of Planning and Building Thomson reviewed the City Council's past consideration of an  
 36 addendum to the Service Agreement with Mary deLaitre d/b/a Groundworks to include  
 37 continued engagement for the next phase of the Lake Effect project and the creation of the Lake  
 38 Effect Conservancy. He stated the Extended Service Agreement with Groundworks in the  
 39 Council packet has been revised to address the City Council's initial input on the proposed  
 40 addendum and extension.

41 Mary deLaitre, Groundworks, reviewed the key terms of the Extended Service  
 42 Agreement. She stated the Lake Effect project is on track, and Groundworks will have fulfilled  
 43 its current contract obligations once the schematic design packet is delivered in early April 2016.  
 44 This will lead to the next phase of the Lake Effect Signature Project. Ms. deLaitre referenced the  
 45 18-month timeline that starts in April, noting the identified tasks. She stated the Addendum is a  
 46 12-month extension of services as highlighted in the timeline with an expanded level of services  
 47 related to the Conservancy and fund raising. Ms. deLaitre read the list of what the City of  
 48 Wayzata will bring to the table as part of the next phase.

49 The Council discussed the 18-month timeline to March 2017 at which time Council  
 50 action would be required to implement the project, followed by contracts and permitting. Ms.  
 51 deLaitre explained her responsibility relates to start up tasks, and there will be a point when the

1 Conversancy is established and an Executive Director will be hired and take over much of her  
2 responsibilities.

3 The Council asked whether there is a potential conflict in the dual role of the consultant  
4 to work with both the City and the Conversancy. City Attorney Schelzel stated the City is setting  
5 up the Conversancy, so there will be a period of time the Conversancy is not acting independently  
6 of the City. He explained that Ms. deLaittre is a consultant of the City and would continue that  
7 role through the duration of the services contract, so he does not see a conflict, as the City is  
8 establishing the Conservancy, and as contemplated, the two bodies will be working in concert and  
9 tandem. With regard to hiring an Executive Director, Ms. deLaittre stated it may occur within the  
10 duration of this contract and at that point, she would be paid only for what she does. She  
11 explained that legal and accounting services were removed from the Agreement, as the City will  
12 provide those services directly. With regard to the actual rate for her services, Ms. deLaittre  
13 stated it would be on a monthly retainer.

14 Ms. deLaittre stated the same colleagues of hers that were used in the past 14 months of  
15 the project would continue to provide the services listed in the addendum. Mrs. Anderson asked  
16 whether an RFP was or would be used for these services. Mr. Reeder explained there is no  
17 requirement to do an RFP for professional services and while the City certainly can do so, it may  
18 be more costly to change consultants at this point. The Council indicated it had expressed  
19 confidence in Ms. deLaittre's skill set for this particular project.

20 The Council expressed an interested having Ms. deLaittre consult with staff prior to  
21 outsourcing work to contractors. Mr. Reeder stated that may be reasonable with major items.  
22 Ms. deLaittre stated she works directly with her subcontractors and meets with City staff on a  
23 regular basis so all are generally aware of how things are moving forward.

24 Mrs. Anderson noted this agreement includes \$72,000 for contracted services in addition  
25 to \$72,000 for Ms. deLaittre's services for Lake Effect. She stated she wants to be cost conscious  
26 and expressed concern the City is paying for redundant services, as it has a Communications  
27 Specialist on staff who could provide some of the services listed. Mrs. Anderson stated her  
28 concern with spending another \$142,000 in taxpayer dollars and asked about efforts to work more  
29 collaboratively and creatively with City staff. Ms. deLaittre stated over the last 14 months they  
30 have worked with the City's Communication Specialist but the communications category also  
31 includes grant writing and creating fund raising materials, which is outside the City's  
32 Communication Specialist's area of expertise. She stated she is sympathetic with the concern  
33 about costs, but it needs to be understood who has the expertise to fulfill these needs.

34 Mrs. Anderson asked why the membership of the Conversancy Board would not possess  
35 those areas of expertise as currently, the City is covering the operating cost for this non-profit.  
36 She stated the City needs to stay within its budget and she thinks other citizens share that same  
37 view.

38 Mayor Willcox stated when the City undertook this ambitious undertaking, it was  
39 recognized the City has a small staff, so outside help with expertise would be needed. He  
40 believed the Council had found consultants with the unique skill sets to deliver the objective.  
41 Mayor Willcox stated his confidence in Ms. deLaittre's recommendation and judgment, noting it  
42 is not beyond the bounds of what was originally anticipated.

43 Mr. Tyacke stated he also questioned the operating expenses and asked whether the  
44 public/private partnership agreement would provide for reimbursement to the City for costs  
45 advanced by the City to the Conversancy, as they are two separate organizations.

46 Mr. Mullin stated the services in the proposed contract addendum are intended to launch  
47 the Conversancy and if successful in raising capital, those funds will be directed towards a civic  
48 project. He noted the public/private partnership will create independent legal entities, with the  
49 governmental entity working towards obtaining public dollar grants and the private entity raising  
50 money from the private sector and organizations. Mr. Mullin stated while he understands the  
51 concern relating to use of tax dollars, the record reflects the dollars spent are from the commercial

1 district. He stated as the Conservancy gains traction, it will be able to cover its own costs and if it  
 2 is not successful in fund raising, there will be no project unless the Council decides to spend tax  
 3 dollars or bond. Mr. Mullin stated an agreement will also be drafted to clearly define the roles  
 4 and responsibilities of each party. He agreed the designees to the Conservancy will bring a skill  
 5 set that reduces dependency on consultants but at this point, that level of professionalism is  
 6 needed.

7 The Council discussed the need for complete transparency in how public funds are used.  
 8 Mrs. Anderson stated the plan was also to not spend tax dollars for the Lake Effect, but a great  
 9 amount of dollars have been spent. She stated it is prudent for the Council to be extra cautious in  
 10 moving forward, noting none of the six-figure fundraising has come through and the ongoing  
 11 maintenance could cost over \$3 million a year. Mrs. Anderson stated she is not comfortable  
 12 spending another \$142,000 but willing to look at other options to find a way to be creative and  
 13 move forward, possibly through the use of volunteers with expertise.

14 Mayor Willcox pointed out that the \$3.4 million maintenance budget was mentioned by  
 15 the Civitas group and that group has now indicated that budget is overblown based on the amount  
 16 of property, so it is being scaled back. He stated unless the funds are raised, the project will not  
 17 move forward. Mayor Willcox clarified that tax dollars have not been spent on the Lake Effect.  
 18 It has been paid by commercial entities through TIF, building, planning, and engineering fees, not  
 19 tax dollars.

20 Mr. Mullin made a motion, seconded by Mr. Willcox, to approve the revised Extended  
 21 Service Agreement with Groundworks.

22 Mr. Tyacke asked for an accounting breakdown relating to the concerns he raised on both  
 23 sides of the public/private partnership to assure the City is not violating any accounting or legal  
 24 principles. Mr. Reeder stated that will be included in the agreement between the City and the  
 25 Conservancy. Attorney Schelzel advised that once the entity for the Conservancy is formed, there  
 26 will be more definition to that agreement and it may be appropriate that the Conservancy assume  
 27 Ms. deLaittre's contract. It was pointed out this is a not-to-exceed contract, subject to staff and  
 28 Council direction, and includes a 30-day termination clause. Attorney Schelzel stated this will  
 29 allow flexibility for the City to change the contract if needed or desired.

30 Upon roll call vote, the motion carried 4/1 (Anderson).

31 Ms. deLaittre's announced upcoming meetings related to the Lake Effect and described  
 32 what will occur at each. She stated these meetings will provide a wonderful opportunity for the  
 33 Council and Conservancy and others to share comments.

### 34 **AGENDA ITEM 7. City Manager's Report and Discussion Items.**

#### 35 **a. Updates**

36 Mr. Reeder reported Julie Kaufman Boom was hired by the City as Administrative Payroll Clerk.

37 Mr. Reeder stated the roundabout detour for The Landing construction started on Monday  
 38 and will last ten days while the road is closed to place concrete pieces.

#### 39 **b. Other**

40 Mr. Reeder announced the Mill Street Ramp Steering Committee is making progress and will  
 41 hold a meeting on February 17 at 1 p.m.

42 Mr. Reeder reported that questionnaires were sent to 17 viable City Manager candidates  
 43 identified by the City's consultant, and the Council will be given an update and asked for further  
 44 direction at the March 2 Council meeting.

45 Mayor Willcox noted a Consent Agenda item accepted the resignation of Steve Fox from  
 46 Communications Board. He stated Mary Bader, who started the Communications Board, has  
 47 asked to be considered to fill that vacancy. The Council agreed with the recommendation of Mr.  
 48 Reeder to advertisement that vacancy.

49 Mayor Willcox reported on the success of the Chili Open.  
 50  
 51

1 Mrs. Anderson requested an update on the tree in the Harmony Circle neighborhood. Mr.  
2 Reeder described the neighborhood concern about a property owner that appeared to be  
3 attempting to remove a significant oak tree. A tree service was used; however, that company did  
4 not have a City license. The police had investigated the incident and at this time, the police report  
5 has been sent to the prosecuting attorney to determine if there's a chargeable offence relating to  
6 the removal of the tree. Mr. Reeder stated staff has informed the property owner to do no further  
7 work so the City's Arborist can be present and assure the work is for the betterment of the tree.

8 Mayor Willcox stated the issue of Emerald Ash Borer was discussed during the Regional  
9 Council of Mayors and it was mentioned that Richfield makes replacement trees available for  
10 private property at cost. It was also mentioned that it is now possible to treat Ash trees with a  
11 treatment that kills the Emerald Ash Borer and works for about two years.

12 It was noted that the next City Council meeting will be held on Wednesday, March 2,  
13 2016, not the first Tuesday of the month, due to the March 1 state caucus.

14  
15 **AGENDA ITEM 8. Public Forum Continued (as necessary).**

16 There were no comments.

17  
18 **AGENDA ITEM 9. Adjournment.**

19 Mr. Tyacke made a motion, seconded by Mrs. McCarthy to adjourn. There being no further  
20 business, Mr. Willcox adjourned the meeting at 9:49 p.m.

21  
22 Respectfully submitted,

23  
24 *Becky Malone 03/02/2016*

25  
26 Becky Malone  
27 Deputy City Clerk

28  
29 Drafted by Carla Wirth  
30 *TimeSaver Off Site Secretarial, Inc.*