

MINUTES

1. CONVENE CITY COUNCIL REGULAR MEETING

Mayor Labadie called the meeting to order at 7:00 P.M.

A. Pledge of Allegiance

B. Roll Call

Present. Mayor Labadie; Councilmembers Siakel, Gorham, and Callies; City Attorney Shepherd; Interim City Administrator Shukle; City Clerk/HR Director Thone; Finance Director Rigdon; Planning Director Darling; Director of Public Works Brown; and, City Engineer Budde

Absent: Councilmember Johnson

C. Review Agenda

Gorham moved, Siakel seconded, approving the agenda, as presented. All in favor, motion passed 4/0.

2. CONSENT AGENDA

Mayor Labadie reviewed the items on the Consent Agenda.

Councilmember Callies noted a minor change needed on page eight of the June 13, 2022 minutes.

Gorham moved, Siakel seconded, Approving the Motions Contained on the Consent Agenda and Adopting the Resolutions Therein, with the revision to the June 13, 2022, as noted.

A. City Council Regular Meeting Minutes of June 13, 2022

B. Approval of the Verified Claims List

C. Appointment of 2022 Election Judges and AB Board, Adopting RESOLUTION NO. 22-058, "A Resolution Appointing 2022 Primary and General Election Judges and Establishing an Absentee Ballot Board."

D. Approve Extension for Subdivision Approvals Excelsior Woods, 20325 Excelsior Boulevard, Adopting RESOLUTION NO. 22-059, "A Resolution Approving an Extension to the Final Plat Approval for Excelsior Woods for Property at 20325 Excelsior Boulevard."

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- E. **Approve New 2022 Retail Tobacco License, Adopting RESOLUTION NO. 22-060, “A Resolution Approving License to a Retailer to Sell Tobacco Products.”**
- F. **Mileage Reimbursement Rate**
- G. **Award Quote for Irrigation and Landscape and Accept Revised Agreement for Glen Road/Amlee Road/Manitou Lane Street Reconstruction and Utility Project, City Project 18-08, Adopting RESOLUTION NO. 22-061, “A Resolution to Accept Quotes for Landscaping, Irrigation, and Revised Right of Entry for 24955 Glen Road for Glen Road, Amlee Road, and Manitou Lane Street and Utility Improvements, City Project 18-08.”**

All in favor, motion passed 4/0.

3. MATTERS FROM THE FLOOR

Alan Yelisey, 26335 Peach Circle raised concerns regarding the funds paid for engineering services for the City. He stated that he believed the amount paid was outrageous and asked that there be better oversight by the Council. He expressed his disappointment that the City was, in his opinion, discriminating against a portion of the population by not allowing them to fully participate in commission meetings remotely. He expressed his disagreement with the Smithtown Pond and Birch Bluff projects and his concern that erosion control devices had not been installed. He expressed a concern about the city’s past use of chemicals that harm bees in violation of the bee-safe ordinance. ~~(Sandie the audio was a bit difficult, so I did my best, but you may need to finetune his comments).~~

4. PUBLIC HEARING

- A. **Vacation of a Portion of Fire Lane 1 to Set Property Line; Location: 4580 Enchanted Point at Fire Lane #1**

Planning Director Darling explained that this is a request to vacate a small triangle of Fire Lane #1 in order to set the south property line of 4580 Enchanted Point which is currently occupied by the Upper Lake Minnetonka Yacht Club. She reviewed the plat for the property that was approved in 1909 and explained that the area in question is located at the very southern tip of the property where the property line to the lake was never defined. She explained that staff had consulted with two attorneys, the Hennepin County Survey Department, as well as a surveyor to resolve this issue. She stated that they believe that by vacating a portion of the fire lane’s public right-of-way, the question of where the property line is located can be resolved. She asked that the Council take public testimony at the meeting and then continue this item until the July 25, 2022 meeting in order to give the Upper Lake Minnetonka Yacht Club more time to review the documents.

Mayor Labadie opened the public hearing for comment at 7:11 p.m.

City Attorney Shepherd clarified that Planning Director Darling had requested that the Council take public testimony, and rather than close the public hearing, continue it to the July 25, 2022 meeting.

Siakel moved, Labadie seconded to continue the Public Hearing to Vacate a Portion of Fire Lane #1 to Set Property Line; Location: 4580 Enchanted Point, to the July 25, 2022 City Council meeting. All in favor, motion passed 4/0.

5. REPORTS AND PRESENTATIONS

6. PARKS

7. PLANNING

8. ENGINEERING/PUBLIC WORKS

9. GENERAL/NEW BUSINESS

A. Ordinance 589: Amendment to Chapter 305 Tree Trimmers

City Clerk/HR Director Thone explained that this was in reference to the Tree Trimmers portion of Chapter 305. She noted that earlier this spring staff noticed that language regarding the 'license required' section was omitted so this item is basically a housekeeping item. She stated that staff has added Section 305.01 related to licensing and also updated Section 305.02 to reference the City Fee Schedule.

Councilmember Gorham asked if the license fee depended on the amount of work done or if it was a flat fee and what licensing was needed.

City Clerk/HR Director Thone explained that it was a flat fee. She explained that the City's licensing process only licensed them to trim trees in the City and is more for liability reasons that these types of businesses are licensed.

Callies moved, Gorham seconded, Adopting ORDINANCE NO. 22-589, "An Ordinance Approving an Amendment to Shorewood City Code Chapter 305 Pertaining to Tree Trimmers."

All in favor, motion passed 4/0.

B. Excelsior Chamber Donation Request for Fireworks

Interim City Administrator Shukle explained that Tiffany King, Executive Director of the Excelsior-Lake Minnetonka Chamber of Commerce gave a presentation at the June 13, 2022 meeting about their activities and the upcoming fireworks show. He read aloud a statement from Councilmember Johnson who was unable to attend tonight's meeting, regarding the City's past contribution, and suggested that last year's donation be applied to this ~~years~~ year's fireworks show and the City can review the 2023 donation if the fireworks are viewable by the residents this year.

Mayor Labadie noted that a presentation was made at the last meeting, but Ms. King is present at the meeting if the Council had specific questions for her.

Councilmember Callies stated that she does not agree with Councilmember Johnson's sentiments. She stated that as Ms. King had pointed out this is really a civic event that is usually

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held outside the Chamber of Commerce. She stated that last year was unfortunate and was not the fault of Ms. King and appears as though it was not a decision made by the whole Chamber. She stated that she would like to see the City provide the requested donation and move on.

Councilmember Gorham stated that he agreed with Councilmember Callies. He noted that Ms. King was kind enough to come before the City, admitted that mistakes had been made, and has apologized, so he would also like to see the City make the donation and move on.

Councilmember Siakel stated that what is on her mind is the amount of the donation. She explained that one of the frustrations she has had was with the Chamber's recording keeping or having transparency and being able to see a report on how much money was collected. She stated that it seems like the City is just giving a random amount of money that really is not based on anything. She stated that there was a comment made that basically said, 'if there is money left over it will go to next year' and she is not sure she is comfortable pre-funding something for the next year. She asked if there was a way for them to account for where they are at and then the City can look at possibly making up the deficit. She gave the example of the Chamber only needing \$3,500 or a different scenario where they would need the full \$7,500. She stated that she would like to see a bit more transparency and accountability on what is needed versus just every year coming and asking for a random amount. She clarified that she is not opposed to giving the Chamber a donation, but feels the Council may need to have more discussion before they make a decision.

Councilmember Callies stated that there was accounting information forwarded to the Council over the weekend and asked for an explanation of that information.

Tiffany King, 5947 Ridgewoodway Road, Mound, stated that she agrees that transparency is very important and noted that she had forwarded accounting information to all the Council over the weekend.

Councilmember Siakel stated that she had not received anything from Ms. King.

Ms. King stated that it is possible that it went into her spam folder. She explained that in speaking with historians and reviewing the files that she had access to, the mindset appeared to have been ~~for been for~~ the municipalities to give \$1/resident to help fund the fireworks show, which is why Shorewood, historically, had given the most. She reviewed the total expense for the fireworks show and shared details of each line item. She explained that she understands the concern raised by Councilmember Siakel about setting aside left-over money for the next year, but if every year they only break even there will not be anything in reserves to help prevent what happened last year due to lack of funds. She stated that when she made that statement about the money going into a restricted fund, she just wanted the Council to feel comfortable that this money is not just going into the operating budget for the Chamber and would, instead, be in a restricted fund so they can start to build reserves.

Mayor Labadie noted that she is very torn on this issue and stated that last year's debacle was only partly due to lack of funds and was also complete miscommunication with the cities. She stated that the mayors of all four cities as well as the four City ~~Councils~~ Councils did not find out the fireworks had been moved until just prior to the event and well after their checks had been cashed. She stated that the fireworks were moved to a private residence and were not held on the beach where the ~~public coverage citizen~~ could view them. She stated that this was not done because there was a lack of funds and instead because of poor judgement and

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miscommunication. She stated that she would agree that lack of funds may have prompted it, but was not the only reason it happened. She stated that the City had asked for reassurance that if they did donate, that the fireworks would not be moved without their knowledge. She stated that with new leadership, the Council is looking to trust that this will not happen again. She expressed her appreciation to Ms. King for her transparency and showing the Council actual hard numbers and noted that this is the first time anything like this has been presented. She referenced the t-shirts that people were wearing at last year's Fourth of July 5K/10K/1 Mile event that had statements such as, 'Bring Back the Fireworks', 'You Stole the Fireworks' and explained that for her, this was a very difficult decision. She stated that she does not necessarily want to 'punish' them, but the City had asked for their money to be refunded last year, which was not done, even after the residents could not view the fireworks. She stated that while she does want to move forward, she has a hard time not looking backwards and this situation has been a very hard pill to swallow.

Councilmember Siakel stated that she understands this situation is not Ms. King's fault, but she believes the public is expecting fireworks and noted that the last few years have been terrible and thinks a community event may not be a bad idea, so she believes the City should make a donation and put the past in the past. She stated that she is open to the idea of not giving them the full \$7,500 that they have requested.

The Council discussed the idea of donating what the Chamber 'needs' versus what they 'want'. They discussed possible different donation amounts that could be given.

Siakel moved, Callies moved, Callies seconded, to Donate \$7,000 to the Excelsior-Lake Minnetonka Chamber of Commerce to be used for fireworks for 2022. All in favor, motion passed 4/0.

Mayor Labadie offered assurance to Ms. King that she does not think anyone has implied that any of this situation was her fault. She stated that the City actually values her new leadership and guidance and looks forward to seeing the accountability going into next season.

C. Review Preliminary 2023 SLMPD Budget

Interim City Administrator Shukle explained that the South Lake Minnetonka Police Department (SLMPD) Coordinating Committee met in June which was attended by the various representatives from other cities and included Mayor Labadie, Councilmember Callies and himself from Shorewood. He stated that Chief Tholen presented a number of options for the 2023 budget including a 7.5% increase, a 5.8% increase, a 5.2% increase, or a 5% increase. He noted that the Chief was recommending the 5.8% increase version of the budget. He noted that at the meeting there were some suggestions made regarding some revisions that could be made within the line-item budget so Chief Tholen will be sending a revised budget worksheet to each city when he returns from vacation. He noted that this item is being presented for discussion purposes with the idea that a final budget will be adopted later this summer.

Mayor Labadie explained that she serves on the Coordinating Committee and reviewed details from the budget proposal. She explained that Chief Tholen, on May 11, 2022, went into depth with the board about the need for an additional officer and additional back-up relating to the drug problem in the area. She stated that sadly, on May 12, 2022 a ~~26~~-twenty-six-year old man overdosed in Shorewood. She stated that this is the reality and the budget increase would allow the SLMPD to become part of a drug task force that would avail them resources from the task

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force. She noted that the options for a 5% or 5.2% increase will change the services that are able to be offered and would not allow them to be part of the drug task force. She noted that the number of Narcan and overdose calls have been skyrocketing in the area and the current police force is pretty strapped. She stated that she thinks the documents prepared by Chief Tholen clearly lay out the situation.

Councilmember Callies stated that there was a very strong case made for adding the drug task force position but noted that was not the sole reason for the budget increase. She stated that there is also the desire to establish a CIP which they have never had and also develop a building maintenance schedule. She stated that she believes that Chief Tholen wanted to have feedback from the member cities for their next meeting in July before they hone in on the budget details. She stated that she believes that he wants to know which alternatives the City is most likely to support. She reiterated that she felt that Chief Tholen made a strong case for the proposed 5.8% budget increase.

Mayor Labadie noted that the SLMPD Coordinating Committee meeting will be held on July 20, 2022 and is a public meeting, so all are welcome to attend. She reiterated that Chief Tholen is looking for guidance from the cities on a direction to move with the budget. She stated that she can bring direction from the Council to that meeting if they are not interested in attending. She stated that she also supported the proposed 5.8% increase.

Councilmember Callies stated that she also supported the reasons and items included in the proposed 5.8% increase.

Interim City Administrator Shukle reminded the Council that this item was included on the agenda as a way to get feedback on some of the proposed budget options. He noted that he feels that Chief Tholen has tried to be very reasonable with his requests.

Councilmember Siakel noted that one of the reasons why they have never had a CIP was that the other cities did not support it and had a 'pay as you go' kind of mentality. She asked what their thoughts were now and if there had been any talk about allocating some of the debt service funds and continuing the support. She stated that the City pays about 52% of the police budget and asked what that would mean in terms of the tax levy and what they may have to levy on top of the other needs of the City.

Mayor Labadie stated that historically, the mayors of each of the partner cities have always sat on this board. She stated that she served as an alternate under former Mayor Zerby when he was not able to attend. She stated that she would say the tenor of the previous board, as compared to what it is now, is very different and in the past, was a much less cooperative board than it is now. She stated that in the past, as alluded to by Councilmember Siakel, when improvements were needed on the building, nobody wanted to "foot the bill." She stated that now the board is in support of budgeting for it and adding a CIP and explained that she felt it would be successful.

Councilmember Siakel asked if the Excelsior Fire District would also be looking at a budget increase and if so, how much.

Mayor Labadie stated that the City's representative on the Fire District Board is Councilmember Johnson so she did not know the proposed budget numbers off hand, but did know that they are proposing an increase.

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Interim City Administrator Shukle noted that the proposed increase for the Fire District is around 5%.

Mayor Labadie asked if Finance Director Rigdon had any concerns with what he has seen thus far.

Finance Director Rigdon stated that in looking at the overall percentage, it will not be a huge increase from what they are seeing with other inflationary pressures and is not out of line.

There was Consensus of the Council to support the direction of the proposed 5.8% budget increase for the SLMPD.

D. Yellowstone Trail Concerns

Public Works Director Brown explained that at the June 13, 2022 Council meeting a resident, Ms. Raymond, spoke under Matters from the Floor in order to bring attention to the conditions around Yellowstone Trail. He stated that related to the soil erosion adjacent to her property staff had noticed a crevasse from a utility cut in the pavement from new house construction along the trail. He stated that staff has talked with Ms. Raymond in the past and there were other instances where this area had washed out and the City had tried to establish turf as an erosion proof method. He stated that this time they have put in a reinforced base with some larger rocks embedded in concrete and seeded it well to try to establish a base. He noted that Ms. Raymond had also brought up the expense of maintenance of Yellowstone Trail but noted that the cost to rebuild it would be substantially more than the maintenance costs. He explained that Ms. Raymond had also brought up trees encroaching on the traffic lane of Yellowstone Trail. He stated that both Yellowstone Trail and Country Club Road are in dire need of trimming, but the Public Works Department is down two full-time employees and currently has no seasonal personnel, which means they are actually down four people. He stated that he is hopeful that they will have the sweeping done within the next week and a half, then move back to filling potholes, and then will be able to move onto tree trimming. He noted that the last point raised by Ms. Raymond was about the process for moving the electrical lines underground. He stated that after speaking with representatives from Xcel Energy the neighborhood could petition them directly or the City could petition Xcel Energy which would fall under a surcharge or 'Rider' approved by the Minnesota Public Utilities Commission which means a surcharge on the utility bill for all rate payers in the City. He stated that today there was additional e-mail correspondence provided by Pat Arnst who pointed out that the City has a responsibility, by ordinance, to keep the roadways in good working condition and trimming needs to happen. He explained that she suggested that if Public Works was not able to complete this work soon, perhaps the City should look into having Davey Tree or some other contractor complete the work. He gave an overview of the PHASER method of rating the conditions of the roadway.

Councilmember Callies asked for an update on hiring for the Public Works Department.

Interim City Administrator Shukle stated that the City is in the process of interviewing and have two candidates that will have second interviews on June 28, 2022. He stated that the City is still looking for another Light Equipment Operator (LEO) /shop mechanic because they had previously made an offer to a candidate who turned it down.

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Councilmember Siakel stated that even if the City is successful in hiring a few people there is still a workload that will continue to back up. She stated that even before the letter sent by Ms. Arnst, she wondered why the City would not just get a tree company to come in and complete some of that trimming work in order to take some of the load off of Public Works so they can focus on other things.

Public Works Director Brown explained that he can bring back proposals from contract companies to complete this work.

Mayor Labadie stated that she thinks it would be worthwhile and thinks that there can be specific direction of the work needing to be done, for example, ensuring that the road signs are visible and shoulders are accessible. She asked how the City could move this action along more quickly.

Public Works Director Brown stated that he would define the work and priority roads, then seek quotes.

Councilmember Siakel asked whose responsibility it is in a situation when a utility company comes in and makes a cut that ends up washing away a portion of the road.

Public Works Director Brown stated that he had spoken with the City's inspectors about this situation and because of the severity of the wash-out they felt it was best to just address it immediately but noted that normally, they would ask the contractor to come back and fix it.

Councilmember Siakel stated that she found Ms. Raymond's feedback refreshing because it asked for everything that the City wants to do when they reconstruct a road. She stated that she is in favor of hiring some outside expertise to help the Public Works staff get caught up.

Mayor Labadie stated that she would agree and wants it clear that the City would only be seeking help with the tree trimming.

Councilmember Gorham asked where Yellowstone Trail is on the CIP horizon.

Public Works Director Brown explained that the road rating is a six which puts it in as a good candidate for overlay. He stated that he cannot give the Council a specific answer tonight, but thinks that if Public Works can patch the severe dips and gets the road patched up, he believes that will help with some of the anxiety of this issue and could, hopefully, get this road to 2024, which is when the next overlay is planned.

Mayor Labadie reiterated that she thinks it is a good idea to bring in an outside contractor to assist the Public Works Department.

There was Consensus of the Council to direct staff to seek quotes from contractors to conduct tree trimming work in the City.

10. STAFF AND COUNCIL REPORTS

A. Administrator and Staff

Public Works Director Brown reiterated that the crew is in the homestretch of the street sweeping and following that they will return to pothole patching.

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City Engineer Budde stated that the mill and overlay project on Galpin Lake has begun and will continue over the next few weeks. He stated that the [Grant Street Pond](#) will have some pipe work installation done at the end of the week and grading after the Fourth of July.

Planning Director Darling stated that Code Enforcement has been quite busy and noted that there will likely be a few extension requests that will be coming in front of the Council at their next meeting. She noted that the Park Board will be continuing the park tours on June 28, 2022 beginning at Silverwood Park at 6:00 p.m.

Interim City Administrator Shukle explained that the posting for the City Administrator position is available on the website, the consultant's website, and the League of [Minnesota Cities](#) website. He noted that the deadline for applications to be submitted is July 29, 2022. He stated that he and Mayor Labadie will be attending a meeting with Hennepin County Commissioner Chris LaTondresse later this week to discuss market values and taxes.

B. Mayor and City Council

Councilmember Gorham asked for a reminder at an upcoming meeting, or via e-mail, of the new commission assignments as the rotation changes mid-year.

Mayor Labadie attended the League of Minnesota Cities leadership conference. She asked about the City plans for Night to Unite on August 2, 2022 and noted that several other municipalities have begun posting notices. She asked if the City could coordinate with the Police and Fire Departments to make sure residents know that they can register for a visit from various entities. She stated that she is double booked the evening of the meeting the County Commissioner LaTondresse and suggested that if any of the other Councilmembers would be interested in taking her seat at this meeting that they speak with her following the meeting so she can make the appropriate arrangements.

Interim City Administrator Shukle reminded Mayor Labadie that she wanted to talk to the Council about the possibility of reaching out to Tonka Bay for a meeting.

Mayor Labadie reminded the Council that a few meetings ago there was a presentation by a developer who presented a concept for the land next to the Public Works building with a portion on Shorewood land and a portion of Tonka Bay land. She stated that there was a suggestion at the close of the meeting that there be a joint meeting between the two cities to discuss this proposal. She asked if the Council would like to meet as a full Council with the Tonka Bay council to discuss this or move forward with another approach, for example, the two mayors or city administrators meet and bring information back to the full Council. She stated that she feels a meeting needs to happen but would like Council feedback on how they think it should proceed.

Councilmember Callies stated that she thought there was going to be preliminary discussions between Planning Director Darling and her colleague in Tonka Bay. She asked if anything had happened along those lines since that meeting.

Interim City Administrator Shukle explained that the City had reached out to the Tonka Bay city administrator and he has not yet replied.

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City Attorney Shepherd stated that he had received a preliminary call from Tonka Bay's attorney and has a conference call scheduled with them, but noted that it was all very preliminary.

Mayor Labadie asked City Attorney Shepherd what he felt would be the appropriate step for the cities to meet and discuss this issue.

City Attorney Shepherd stated that he thinks that it may be a good idea to discuss things at a staff level before getting the Council involved. He noted that there was not an application before the Council and at this point was just a discussion about the concept. He stated that from the legal side of things, there needs to be some conversations about whether it is even feasible and reiterated his suggestion that there be some more in-depth discussion with staff first.

Councilmember Callies stated that she agreed that it seemed too premature to have the two Councils meet.

Mayor Labadie asked City Attorney Shepherd and staff to keep the Council in the loop following the initial discussions with Tonka Bay.

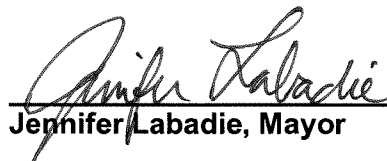
11. ADJOURN

Gorham moved, Siakel seconded, Adjourning the City Council Regular Meeting of June 27, 2022, at 8:25 P.M. All in favor, motion passed 4/0.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor