

**MOUND CITY COUNCIL MINUTES**  
**May 28, 2019**

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, May 28, 2019 at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Ray Salazar, Council Member Jeff Bergquist, Sherrie Pugh, and Paula Larson

Members absent: Phil Velsor

Others present: City Manager Eric Hoversten, Director of Finance & Admin Services Catherine Pausche, Michael Lattery, Machel Whitmore, Jake Saatzer, Mackenzie Saatzer, Mark Christianson, Margo Christianson, Brian Gibbons, Sally Welborn, Mary McCauley, Michael Hulzebos, Anna Peters, Bruce McKeeman, Karl Weisenhorn

*Consent agenda: All items listed under the Consent Agenda are considered to be routine in nature by the Council. There will be no separate discussion on these items unless a Councilmember or citizen so requests, in which event it will be removed from the Consent Agenda and considered in normal sequence.*

**1. Open meeting**

Mayor Salazar called the meeting to order at 7:00 p.m.

**2. Pledge of Allegiance**

**3. Approve agenda, with any amendments**

Hoversten requested that on agenda item 4D, Sunday be changed to Saturday, and noted additional page 1062.1, a resolution regarding dock funds that was adopted in December of 2018.

MOTION made by Bergquist, seconded by Larson, to approve the agenda as amended. All voted in favor. Motion carried.

**4. Consent agenda**

MOTION made by Bergquist, seconded by Pugh, to approve the consent agenda. Upon roll call vote, all voted in favor. Motion carried.

- A. Approve payment of claims \$198,478.40
- B. Approve minutes: 05-14-19 Regular Meeting
- C. **RESOLUTION NO. 19-36: RESOLUTION APPROVING PUBLIC GATHERING PERMIT AND MUSICAL CONCERT PERMIT FOR 2019 RUNNING OF THE BAYS HALF MARATHON AND 5K RUN BEING HELD ON SATURDAY, SEPTEMBER 7, 2019**
- D. **RESOLUTION NO. 19-37: RESOLUTION APPROVING PUBLIC GATHERING PERMIT AND MUSICAL CONCERT PERMIT FOR NO NONSENSE BEACH WRESTLING TOURNAMENT AND SPIKE BALL EVENT AT SURFSIDE BEACH AND PARK ON SATURDAY, JULY 13, 2019**

**E. RESOLUTION NO. 19-38: RESOLUTION APPROVING PUBLIC GATHERING PERMIT FOR 2019 FISHERS OF MEN BASS TOURNAMENT AT CENTERVIEW BEACH ON SATURDAY, JUNE 8, 2019**

5. **Comments and suggestions from citizens present on any item not on the agenda.**  
None

6. **Steve McDonald, representing Abdo, Eick & Meyers, LLP, presenting the 2018 Comprehensive Annual Financial Report and Management Letter, and requesting action receiving the same**

McDonald said the auditors are hired to give an opinion on the financial statements, and noted the qualified opinion is due to the city not implementing certain accounting standards due to cost benefit concerns. McDonald said the legal compliance review resulted in one finding related to the 110% collateral coverage requirement because the market rate had gone down resulting in 109% coverage. McDonald summarized results of General Fund showing fairly even expenditures and increasing fund balance. McDonald noted public safety is typically the largest expenditure. McDonald highlighted the special revenue funds, debt service funds, and the enterprise funds. McDonald noted the water, sewer and storm water funds cash flow. McDonald showed the key ratio comparison to other cities, including taxes, expenditures and debt per capita. McDonald noted bottom line for liquor fund was up by \$76K, with revenues flat and a gross profit percentage similar to other munis their size.

MOTION by Pugh, second by Larson, to receive the 2018 Comprehensive Annual Financial Report. All voted in favor. Motion carried.

7. **City Manager Eric Hoversten requesting discussion and possible action on extension of Municipal Sewer Mains to Bay Ridge Road Cul-De Sac as part of 2019 Sewer Improvements**

Hoversten noted the repair that took place at 6370 Bay Ridge Road revealed a unique configuration of the sewer lateral, which prompted staff and engineers to look at options to extend sewer service to 6370 Bay Ridge Road to more conforming service level configuration. Hoversten said Option 1 would be to run sewer down Bay Ridge Road, but the terrain does not accommodate the flow of gravity and it has a higher estimated cost of \$60K. Option 2 would be to replace the private line with a city owned line for approximately \$45K using a pipe bursting method that minimally disturbs the surface. Hoversten said this work qualifies for credit against Met Council I&I workplan, for which there is an established budget. Hoversten noted this is the last year of the plan that was derived from the 2014 exceedance events for which we were required to make investments.

Hoversten said the request is to direct staff to have engineers finalize plan sheets, specs and bid quantities and to request quotes as part of the larger water and sewer projects. Salazar asked if the 8 inch main would be large enough to serve the adjacent property at 6380 as well. Hoversten said yes. Salazar noted property owner responsibility ends at manhole in

the street. Hoversten said the attorney will work with the property owner to develop legal documents to surrender the land necessary.

MOTION by Pugh, seconded by Larson, to direct staff to have engineers finalize plan sheets, specs and bid quantities and to request quotes as part of the larger water and sewer projects. All voted in favor. Motion carried.

**8. Anna Peters, 3004 Highland Boulevard, requesting discussion on the composition of the Docks and Commons Commission and dock program fee structure**

Peters asked how often dock fees are evaluated and whether it was ever considered to use surplus funds for other purposes. Salazar said it was discussed last fall and the Council passed a resolution specifically saying the funds would only be used for the dock program. Salazar said the spirit of the program is to keep it affordable, noting the original intent was to have a traversable shoreline and it was not until the 1960s and 1970s when people starting putting in docks that the need to formalize the program was realized.

Peters said she thinks it is a wonderful program, but is just curious why there is such a large discrepancy in fees compared to neighboring cities. Peters asked why there are not open seats on the Docks and Commons Commission. Salazar said the program exists for the non-abutters, so they are given 3 of the 5 seats. Salazar said he thinks higher fees equates to double taxation. Hoversten said he thought Peters was looking at it from a business operation, as the staff does when creating the budget, but the Council is ultimately the policy making authority. Hoversten said the program is physically different than the neighboring cities dock sites, who resemble marina-like facilities whereas the majority of Mound sites are in someone's back yard. Hoversten noted the Lost Lake slips are more expensive and are more comparable to the neighboring city sites.

**9. Catherine Pausche, Director of Finance and Administrative Services, requesting discussion and action on a proposed policy to regulate dock structures and dimensions for non-abutting dock sites with less than or equal to 32 feet of linear shoreline**

Pausche said the Docks and Commons Commission (DCC) have been discussing how to relieve congestion for some time and noted that all dock program participants received notice of potential changes with the 2019 dock renewal application as well as DCC packets and this Council agenda packet was email to all participants. Pausche walked through a presentation that outlined the proposed policy, displayed a chart showing how many exceptions would exist, what the LMCD rules are, and finally examples of docks on commons both during the boating season and during winter. Discussion ensue on why the LMCD limits lift canopies to 30" and Pausche said she thought it was aesthetics.

Chris Hill, 1652 Eagle Lane, said he has a \$120K boat and the newer boats with towers require the longer sides of lift canopy which also provides sun and wind protection. Hill noted the covers no longer have snaps since you have to slide over the edge and now have

straps and ratchet system instead. Hill also asked about the difference between abutting and non-abutting status. Hoversten clarified that for most commons, the City owns the shoreline but with Dreamwood, abutters have fee simple title with an unrevokable easement. Hill commented he thought the abutters and non-abutters should have the same rights and access.

Mike Lattery, 1720 Dove Lane, Dreamwood addition, thanked the Dock Commission for their work, but asked for the impact to be considered. Lattery said his main concern is the lift storage over the winter and that the heavy equipment can be a danger. Lattery said he did not understand the program when he bought his house. Lattery said he just doesn't know where 100 more lifts can go and it is not just aesthetics. Lattery said he understands why the non-abutters would want a lift, but he thinks 2.3 Lifts and Canopies in the proposed policy should be stricken or modified to restrict size of lifts.

Carl Weisenhorn, 1733 Bluebird Lane, said he has resided here for 20 years and said he paid more for his home for access to the Dreamwood Commons and abutters pay less because they share their shoreline. Weisenhorn said it is good to discuss these issues as the nature of boating is changing. Weisenhorn said Dreamwood spent a lot of time nailing down the details and communicating. Weisenhorn said commons are never going to be a park since there is just too much stuff.

Bruce McKeenan, 1744 Avocet, said he negotiated the Dreamwood Settlement Agreement, noting 9 non-abutting sites were removed, abutters were given fee simple title in exchange for the non-abutters right to storage access. McKeenan said the agreement is very detailed and can benefit the overall program. McKeenan asked the Council not to take rights from the little guys. Salazar asked if the original agreement has provisions for storage and whether it mentioned lifts. McKeenan said no, storage was addressed but just 'docks' were referred to in the agreement and that it states "abutting lot owner shall not unreasonably withhold their consent." McKeenan said his abutter neighbor said he is OK with him having a lift.

Brian Gibbons, 1709 Dove Lane, said he also bought his property because of the Dreamwood commons. He said his site is between two abutters and the two non-abutting sites are shares. Gibbons said his cooling system has had to be flushed out the last two years due to AIS and boat owners have to be allowed to protect their investment.

Mike Lattery, 1720 Dove Lane, reiterated the Dreamwood Settlement Agreement is silent on boat lifts.

Machel Whitmore, 2156 Cardinal Lane, suggested the site storage plan requirement would ensure the storage is reasonable. Whitmore said she also had extraordinary expense due to AIS. Whitmore said the floating lifts, particularly for jet skis, is similar to size of dock sections. Pausche noted that staff and the DCC felt the 30 feet of linear shoreline was sufficient to store the dock sections and one lift.

Hoversten noted the last paragraph of the proposed policy lends some flexibility and Pausche noted lifts are currently allowed at non-abutting dock sites per code. Pausche said staff proposed a policy versus an ordinance to provide for greater flexibility and in the event there are unintended consequences. Pausche said she would not recommended addressing Dreamwood in the policy as it is governed by the agreement.

Larson asked about non-abutting sites with two people and Pausche said the are not that many and that there is a primary and a secondary, so the primary would decide.

Salazar said there are pluses and minuses but he is surprised that it costs \$1,000 to store a lift off-site.

Bruce McKeenan, 1744 Avocet, said he pays \$400 to take dock out and \$400 to put back in. Mike Lattery, said he pays \$240 to have the lift taken out of the water and put on the shoreline.

Salazar suggested going through the policy line item by line item. Salazar said he moved here in 1992 and the program was not explained by the realtor. Salazar said his neighborhood came up with the concept of multiple slips to relieve congestion. Salazar said there was a lot of friction back in those days over the program and the Council is trying to their best to preserve the program and create reasonable rules.

MOTION by Bergquist, seconded by Pugh to adopt the following policy. All voted in favor. Motion carried.

**ADMIN-008: ADMIN POLICY ON DOCK STRUCTURES AND DIMENSIONS**

**10. City Manager Eric Hoversten requesting discussion and possible action on approving LMC annual conference related expenditures for Council Member(s)**

Hoversten highlighted the information in the packet regarding the LMC annual conference in Duluth. Pugh said she requested to attend the conference as she found the newly elected official training very useful and she thought it would help her in her capacity on the Council. Bergquist said the good thing is it rotates and it will be in the cities next year. Larson said she is just concerned about depleting the budget in case something else comes up. Salazar said he does not recall any other Council Member requesting to attend the annual conference. Salazar said he thought much of the agenda was social and many topics are not germane to Mound, so he does not think it is necessary.

Salazar asked if anyone was interested in making a motion to recommend approval of the request for Council Member Pugh to participate in the annual conference in Duluth. Upon receiving no motion, the issue was closed.

**11. Information/Miscellaneous**

A. Comments/reports from Council members/City Manager:  
Hoversten highlighted the following dates:

Thursday, May 30 – WeCAN Annual Community Breakfast  
Saturday, June 1 – Fish Fry  
July 20 – 21 – Spirit of the Lakes Festival

Salazar thanked recently retired city employee Jill Norlander, who retired after 18 years of service to the City of Mound and said it has been a pleasure to work with her.

B. Reports:

C. Minutes: Docks & Commons Commission:

January 17, 2019

February 21, 2019

March 21, 2019 - DRAFT

D. Correspondence:

MN Dept of Health – Sanitary Survey for Mound Public Water System – April 4, 2019

Xcel Upper Midwest Energy Plan Announcement

Met Council 2018 Population Estimate

**12. Adjourn**

MOTION made by Bergquist, seconded by Larson, to adjourn at 9:50 p.m. All voted in favor. Motion carried.

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Mayor Raymond J. Salazar

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Attest: Catherine Pausche, Clerk