



MINUTES
CITY COUNCIL MEETING
February 3, 2010

CALL TO ORDER

The meeting was called to order at 6:36 pm.

Present: Mayor: Randy Gilbert; Council: Sam Rettinger, Sharon Henderson, and Liz Olson

Staff Present: City Administrator: Terrance Post

Absent: Council: Brian Carpenter (with prior notice)

PLEDGE OF ALLEGIANCE

APPROVE AGENDA

A motion was made by Henderson, seconded by Rettinger, to approve the Agenda as presented. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of:

- A. Approve Minutes of January 19, 2010 City Council Work Session
- B. Approve Minutes of January 19, 2010 City Council Meeting
- C. Approve Minutes of January 23, 2010 City Council Special Meeting
- D. Approve Vendor Claims and Payroll
- E. Establish April 20, 2010 at 6:00 pm as the Date and Time for the 2010 Local Board of Review Hearing
- F. Adopt Resolution No. 2010-06 Approving Extension of GIS Conditional Use License Agreement with Hennepin County
- G. Approve Issuance of a 2010 Residential Kennel Permit to Marci Doolittle, 330 Wolf Pointe Trail

A motion was made by Henderson, seconded by Olson, to approve the Consent Agenda as presented. Ayes: all.

OPEN CORRESPONDENCE

No one was in attendance to address the City Council during Open Correspondence.

BUSINESS ITEMS

Approve 2010 Water Rates for Inclusion in 2010 City Fee Schedule

Post reported that the City is required to comply with Minnesota DNR water conservation rate requirements beginning in 2010. The water utility's current rate methods of a minimum charge with includes up to 6,000 gallons of usage and a flat per 1,000 gallon rate regardless of usage are both deemed to not be acceptable conservation rate structures. In order to facilitate compliance with the DNR requirements, the City of Long Lake engaged Ehlers and Associates to assist staff in conducting a water rate study. The draft findings and methodology of the study were presented to the City Council at the January 19, 2010 work session.

The specific rate recommendations are to create a quarterly fixed charge of \$3.84 per water connection and to create three customer types (i.e. residential (apartment units are considered residential and not commercial), commercial, and large industrial) with two rate tiers for each classification. The rates for each tier are the same for each customer type; however, the usage breakpoints vary by customer type (i.e. residential greater than and less than 10,000 gallons, commercial greater than and less than 40,000 gallons, and large industrial greater than and less than 340,000 gallons). The rate study twin objectives of having a new rate structure be both "revenue neutral" as well as being compliant with DNR conservation rate requirements were both accomplished. Post also commented that the 2009 sewer, surface water management and recycling rates adopted in the 2010 fee schedule would continue unchanged.

Council and staff discussed the impact of the changes on water bills, and how the two large industrial user businesses would be affected. It was agreed effort must be made to communicate the impact of the change to the two businesses.

Mayor Gilbert commented on the statutorily required water rate conservation tiers as an unfunded mandate placed upon cities.

A motion was made by Olson, seconded by Henderson, to approve Resolution No. 2010-05 establishing water utility conservation rates and tiers as recommended in the recently completed Ehlers Water Rate Utility Study and to amend the 2010 City Fee Schedule to reflect these water utility rates and tiers. Ayes: all.

Appraisal Services Request for Virginia Avenue Parcel

Post stated that the MnDOT Right of Way group previously offered to sell the Virginia Avenue conveyance property parcel. The original offer was allowed to expire as it was the City's position the offer did not represent current market pricing. The possible action of this property acquisition by the City of Long Lake was discussed at the recent January 23, 2010 special meeting. The obtaining of a current market value appraisal to base a counteroffer to MnDOT is a necessary first step. Staff recently contacted the MnDOT Right of Way group and inquired how to proceed with a counteroffer. MnDOT advised that they would need a current appraisal funded by the City of Long Lake by an appraiser that was on their list of certified appraisers.

Council member Henderson suggested obtaining an appraisal from a realtor familiar with the area, which is a service at no cost.

Council agreed an appraisal of value should be obtained from a source not on MnDOT's certified list. Should MnDOT desire to counter a counteroffer by the City then MnDOT could pay their desired appraiser.

Direction was given to Administrator Post to explore options for obtaining a market value appraisal from a realtor or appraiser with area familiarity for the MnDOT owned Virginia Avenue land parcel.

OTHER BUSINESS

Virginia Avenue Parcel – Mayor Gilbert noted that regardless of who the future owner is of the parcel, the City will be a partner in future development on the site as the City owns the tract of land for the road.

Business Community Meeting – Council member Olson stated that members of the business community were currently meeting at the Country Cake Cupboard to revive their discussions from

past December and review how to move forward in the coming year. Council member Olson would be going to that meeting following the Council meeting.

Vacation Dates – Council member Henderson indicated she will be on vacation for two weeks beginning the following Thursday. Post reported that Council member Carpenter is currently on vacation. Post will also be going on vacation the second week of March.

LMCC Resident Representative – Post stated the City has an opening for a resident to serve on the Lake Minnetonka Communications Commission.

Chamber President Contact Information – Mayor Gilbert said he had received contact information for the new Chamber of Commerce President from Bob Erickson, new Chamber Vice President.

ADJOURN

Hearing no objection, Mayor Gilbert adjourned the meeting by general consent at 7:07 pm.

Respectfully submitted,

Jeanette Moeller
City Clerk