



**MINUTES  
CITY COUNCIL MEETING  
September 3, 2013**

**CALL TO ORDER**

The meeting was called to order at 6:37 pm.

**Present:** Mayor: Tim Hultmann; Council: Kurt Kaminski, Tom Skjaret, Donny Chillstrom, and Liz Olson

**Staff Present:** City Administrator: Terrance Post; Public Works Director: Marv Wurzer; Fire Chief: James Van Eyll; and City Clerk: Jeanette Moeller

**Absent:** None

**PLEDGE OF ALLEGIANCE**

**LONG LAKE NEWS UPDATE**

Mayor Hultmann offered the following updates:

- Mayor Hultmann thanked residents Brian and Maureen Torney of Greenhill Lane for donating a portable announcement audio system to the City.
- Weather conditions have been favorable and the Brimhall/Tamarack Avenues Street Improvement Project continues to proceed. An unexpected development in the project required the addition of 3" binder rock to the street base. Fortunately the added cost for the change in work will not exceed the 10% contingency for the project.
- The James J. Hill Days annual summer festival will be taking place in Wayzata this coming weekend. Mayor Hultmann has volunteered to sit in the dunk tank for a shift as a fundraiser for the Wayzata Crime Prevention Coalition.

Lastly, Mayor Hultmann reminded everyone of the importance of shopping locally and supporting local businesses as often as possible.

**APPROVE AGENDA**

*A motion was made by Chillstrom, seconded by Skjaret, to approve the Agenda as presented. Ayes: all.*

**CONSENT AGENDA**

The Consent Agenda consisted of:

- A. Approve Minutes of August 20, 2013 Joint Long Lake and Wayzata City Councils Work Session
- B. Approve Minutes of August 20, 2013 City Council Work Session
- C. Approve Minutes of August 20, 2013 City Council Meeting
- D. Approve Minutes of August 27, 2013 City Council Work Session
- E. Approve Vendor Claims and Payroll

- F. Adopt Resolution No. 2013-38 Accepting a Donation of a Used Portable Address System from Residents Brian and Maureen Torney
- G. Receive Unofficial Draft Minutes of August 27, 2013 Park Board Meeting
- H. Adopt Resolution No. 2013-41 Approving Issuance of Special Event Permit #S2013-13 for the Gear Western Country Half Marathon and 5K to be Held October 12, 2013; Approve Issuance of Noise Variance Permit

*A motion was made by Chillstrom, seconded by Kaminski, to approve the Consent Agenda as presented. Ayes: all.*

#### **OPEN CORRESPONDENCE**

No one appeared to address the City Council during Open Correspondence.

#### **BUSINESS ITEMS**

##### **Adopt Preliminary 2014 Payable Levy and Proposed 2014 Budget and Set Public Meeting Date to Discuss Proposed 2014 Budget**

Post reviewed primary factors influencing the determination of the proposed preliminary 2014 General Fund operating levy. Overall, proposed 2014 General Fund revenue is up from the adopted 2013 budget. Primary items driving this increase include property tax collections, additional anticipated Fire Relief Aid from the 2013 legislative session, fire contract customer capital contributions, and not budgeting any LGA. Likewise, proposed 2014 General Fund expenditures are also up by \$28,960 from the adopted 2013 budget. The most significant factors driving this increase are a part-time accounting clerk headcount addition in the Administration Department, a 3.0% increase in the Wayzata Police Protection Services contract in 2014, an increase in the Fire Department CIP, and the expenditure pass-through of a State Fire Aid increase to the Relief Association. The preliminary 2014 operating budget also includes a 2.0% pay plan range move, anticipates expenditures for the 2014 election, and includes \$50,000 for a potential street seal coating project.

The proposed 2014 preliminary operating levy of \$859,221 coupled with a required 2014 debt service levy of \$152,016 produces a total 2014 preliminary levy of \$1,011,237, which represents a 0.93% increase compared to the adopted total 2013 payable levy.

*A motion was made by Skjaret, seconded by Chillstrom, to adopt Resolution No. 2013-39 establishing the preliminary 2013 property tax levy payable in 2014 for the City of Long Lake. Ayes: all.*

*A motion was made by Kaminski, seconded by Chillstrom, to adopt Resolution No. 2012-40 establishing the 2013 public meeting date to discuss the proposed levy and budget for taxes payable 2014 for the City of Long Lake. Ayes: all.*

##### **Accept Professional Services Agreement Proposal from Brimeyer Fursman, LLC**

Post indicated that since he announced his resignation previously, the topic of replacement strategies and timelines has been discussed by the Council at work session meetings. A special work session meeting was held on August 27, 2013 with representatives of the Brimeyer Fursman LLC recruitment firm making a presentation and answering questions from Council members. The firm emphasized their search process timeline of approximately 12 weeks and encouraged the Council to begin a process as Post's last day will be November 8, 2013.

Jim Brimeyer, Brimeyer Fursman LLC, described the position recruitment staging process and timeframe, and responded to Council member questions regarding line items in the recruitment services proposal.

Council member Skjaret pointed out that the proposal does include a statement that the City would be responsible for travel expenses for interviewing candidates, and reflected that doing so was a typical practice for this type of hiring.

*A motion was made by Skjaret, seconded by Kaminski, to accept the proposal for a professional services agreement for the recruitment and hiring process for the Long Lake City Administrator position for a total search fee and expenses total not to exceed \$17,800 and authorize the Mayor to approve the agreement on behalf of the City of Long Lake. Ayes: all.*

### **Long Lake Fire Relief Association Deferred Interest Recommendation**

Post reported that the LLFRA has amended their bylaws to address a situation where vested retired members are not able to access their pension benefits until age 50 by Minnesota Statute. While vested retired members over the age of 50 who choose not to collect lump sum pension benefits receive no accrued interest benefits, it was thought that members below the age 50 threshold do not have the ability to invest pension benefits because they are restricted in accessing the benefit until age 50. While there are no current vested retired members in this category, the Board of Trustees was attempting to be pro-active in addressing this situation in the bylaws, and voted to recommend approval of a 5% deferred interest rate for pension benefits for those retired members below the age of 50.

In the course of the audit review by the Office of State Auditor, it was noted that the Council's acceptance or rejection of the LLFRA's deferred interest recommendation would have to be forwarded to the OSA before September 15, 2013 to meet the certification deadline for October 2013 release of State Fire Aid. Staff is recommending denial of the LLFRA's request at this time, and supports the Council becoming more aware of the intent, and consequences, of this bylaw change implementation through a work session meeting with LLFRA representatives. Staff would advise that the LLFRA and City Council address this issue again in December 2013 to establish a deferred interest rate for 2014.

Jim Elder, LLFRA President, noted that while the decision may not impact any firefighters at this time, it was made by the LLFRA as a best faith effort to address all stakeholders on the Long Lake Fire pension plan. The LLFRA was of the understanding that State Statute permits their organization to set a deferred interest rate benefiting pensions for those retired members under 50 years of age, but did not realize that once set, the interest rate would remain as is indefinitely until another recommendation were made by the LLFRA and approved by the Council. Mr. Elder will be proposing to the LLFRA Board of Trustees that the bylaws be amended to state that a deferred interest recommendation would be reviewed and voted upon annually. Mr. Elder also requested that in the future, the Council give consideration to ratifying the LLFRA's recommendations when made regarding deferred interest rates and other pension benefits.

Council members reflected that no firefighters would be directly impacted by denying action at this time, and were in agreement that a work session meeting with LLFRA representatives would be beneficial.

*A motion was made by Chillstrom, seconded by Kaminski, to not accept the recommendation of the Long Lake Fire Relief Association (LLFRA) Board of Trustees to establish a deferred interest rate of 5% for the year 2013 for vested retired members who are not yet 50 years of age and not eligible to collect their pension benefits. Ayes: all.*

## **OTHER BUSINESS**

**Letter to Long Lake Rowing Club** – Council member Kaminski questioned whether a letter had been sent to the Long Lake Rowing Club reminding them of the expiration of their Interim Use Permit and other related issues. Post responded that the letter had been sent, and no feedback had been received from the LLRC as of yet.

**Recognizing LMCC Representative** – Council member Skjaret thanked the City's resident LMCC representative Paul Mahoney for his time and attendance at LMCC meetings, and for providing the Council with an update on issues regarding the LMCC's operations and the future of the organization.

**Park Board Signage Efforts** – Council member Chillstrom expressed appreciation to the Park Board for their recent accomplishments regarding park and trail map signage, and improving signage at Nelson Lakeside Park.

**Temporary No Parking Signs** – Council member Olson noted that temporary no parking signs had been placed on street in front of her property during the recent wakesurfing event, and noted that similar signs would be a good idea to prevent congestion during future events using Nelson Lakeside Park. Mayor Hultmann added that tickets had been issued to wakesurfing event attendees who parked in "no parking" signed areas, and parking arrangements should be better addressed for future event permits.

**CSAH 112 Plan Update** – Post advised that Hennepin County Engineer Jim Grube would like to meet with the City Council in October to discuss the updated CSAH 112 turnback project plans. At that meeting, Mr. Grube is anticipating being able to present project costs which more accurately will reflect the County's contribution and City contributions for the proposed work. Council member Olson stated that the Council needs to meet prior to any action moving forward to discuss Long Lake priorities and expectations for the project. Post noted that Hennepin County will be seeking municipal consent for the project by the end of December or early January.

**Beach Closed for Season** – City Clerk Moeller reported that beach testing results have continued to show higher than acceptable levels of bacteria; therefore, the beach will remain closed for the remainder of the season. The beach is normally closed each year a week or two after the Labor Day holiday weekend, dependent upon weather conditions.

## **ADJOURN**

*A motion was made by Skjaret, seconded by Chillstrom, to adjourn the meeting. Ayes: all. The meeting was adjourned at 7:20 pm.*

Respectfully submitted,

Jeanette Moeller  
City Clerk