

GREENWOOD CITY COUNCIL MEETING
Wednesday, March 7, 2012, 7:00 P.M.
Council Chambers, 20225 Cottagewood Road, Deephaven, MN 55331

1. CALL TO ORDER – ROLL CALL – APPROVAL OF AGENDA

Mayor Kind called the meeting to order at 7:01 P.M.

Members Present: Mayor Kind; Councilmembers Fletcher, Page, Quam and Rose

Others Present: City Attorney Kelly and City Zoning Administrator/City Clerk Karpas

Also Present: City Auditors Jennifer Foley and Brady Hoffman with CliftonLarsonAllen

Members Absent: None

Quam moved, Fletcher seconded, approving the agenda as presented. Motion passed 5/0.

2. CONSENT AGENDA

Mayor Kind reviewed the items on the Consent Agenda.

Quam moved, Rose seconded, approving the items contained on the Consent Agenda.

- A. February 1, 2012, City Council Meeting Minutes**
- B. November 2011 Cash Summary Report**
- C. December 2011 Cash Summary Report**
- D. January 2012 Cash Summary Report**
- E. February 2012 Verifieds, Check Register, Electronic Fund Transfers**
- F. March 2012 Payroll Register**
- G. Approving ORDINANCE NO. 202, “An Ordinance of the City of Greenwood, Minnesota Amending Greenwood Ordinance Code Section 1102 Definition of ‘Shore Impact Zone’.”**
- H. Approving ORDINANCE NO. 208, “An Ordinance of the City of Greenwood, Minnesota Amending Greenwood Ordinance Code Sections 510 and 710 to Add Temporary Parking Permits.”**

Motion passed 5/0.

3. MATTERS FROM THE FLOOR

There were no matters from the floor presented this evening.

4. ANNOUNCEMENTS, PRESENTATIONS & REPORTS

A. Presentation: Jennifer Foley & Brady Hoffman (CliftonLarsonAllen), 2011 Auditor's Report

Mayor Kind introduced Jennifer Foley and Brady Hoffman with CliftonLarsonAllen who were present this evening to provide a summary of the audit results for the year ending December 31, 2011.

Ms. Foley noted this is her first time as a partner that she has been involved with the City's audit.

With regard to audit results, Ms. Foley stated their firm issued a "clean" opinion on the financial statements which is the best opinion it can give. The audit provides reasonable, but not absolute assurance because every single transaction is not reviewed. The most significant estimate is for the depreciation of capital assets. Adjustments have been made to ensure the financial statements are in accordance with GAAP (generally accepted accounting principles); also known as the accrual method. There are also Governmental Accounting Standards Board (GASB) 34 conversion entries (similar to prior years). There was a prior period adjustment for the 2010 financial statements. There were some assets related to the road construction projects that should have been capitalized.

Councilmember Quam asked Ms. Foley to explain the difference between cash basis and accrual basis accounting. Ms. Foley stated under cash-basis accounting all transactions are recorded in the books when the cash actually changes hands. Under accrual accounting, expenses are recorded in the year the expenses are incurred even if they were paid in a different year. And revenues are recorded in the year they are for, even if they were received in a different year.

Mr. Hoffman noted the City adopted the GASB 54 Standard in 2011 which was related to fund balances. He explained that the City's fund balances are now classified as committed, restricted or unassigned. If the City wants to change commitments in the future Council would have to through resolution change of the City's Fund Balance Policy. The City's Fund Balance Policy adopted in 2011 established the threshold of maintaining a General Fund balance equal to 35 – 50 percent of the total General Operating Fund expenditures budgeted for the following year. He stated Staff, Mayor Kind and Councilmember Fletcher were all very cooperative throughout the audit. He noted no exceptions were identified. There was a \$20,000 transfer into the Bridge Capital Project Fund.

With regard to financial health, Mr. Hoffman explained during 2011 the balance increased approximately \$15,000, for an ending balance of approximately \$313,000. Revenues were approximately \$21,000 over budget mainly due to revenues from building permits. Expenses were approximately \$6,000 over budget again related to additional building inspections for the additional building permits. The Sewer Fund had an increase in expenses of approximately \$75,000 which was mainly due to the inflow and infiltration project. The City received an approximate \$34,000 grant (a 50 percent match) to help offset the project. In the General Fund Balance approximately \$283,000 (39.8 percent) are unassigned. Approximately \$27,000 is restricted for park dedication. The remainder is reserved for prepaids; it is not in a spendable form.

With regard to the Enterprise Funds, Mr. Hoffman stated the presentation contains a graph which shows what portion of both the Marina Fund and the Sewer Fund are spendable. Sewer expenses did increase as mentioned earlier. He noted the above mentioned grant was non-operating so it does not show up the revenue. The slight decline in revenue is due to the slight decline in the sewer rate in 2011. The Marina Fund reflects a slight increase in revenues due to the slight increase in the dock slip rental rate.

Ms. Foley stated as part of the audit internal controls are tested. She explained because the City's staff is so small it is very likely there will always be a weakness identified with internal controls. She reviewed the material weaknesses in internal control. They are oversight over the financial reporting process (this weakness is identified for approximately 90 percent of the firm's smaller clients), and limited segregation of duties with utility processing and for some aspects of the purchasing process. She explained they reviewed ideas about how to minimize the risks with City Staff, Mayor Kind and Councilmember Fletcher after the audit and those are identified in the Management Letter. Also, they reviewed ways to eliminate material audit adjustments for 2012. She noted they also gave the City an additional letter that was for information only.

Ms. Foley stated that Mr. Hoffman and she were willing to entertain any questions Council may have.

Fletcher moved, Rose seconded, Accepting the Financial Statements and Supplementary Information for the Year Ended December 31, 2011, as presented by CliftonLarsonAllen. Motion passed 5/0.

Fletcher moved, authorizing the City of Greenwood adopt from the 2011 Financial Statements Section G in the Notes to Financial Statement section under Note 1: The Summary of Significant Accounting Policies as its Capital Assets Accounting Policy subject to adding "road rehabilitation with an estimated useful life of twelve years."

Councilmember Fletcher noted that currently the City's roadways are depreciated over 40 years and he thought that is way too long. The new depreciation for roads would be in affect for the 2012 audit.

Quam seconded. Motion passed 5/0.

Mayor Kind thanked Ms. Foley and Mr. Hoffman for their efforts.

5. PUBLIC HEARING

A. Annual Public Hearing for the City's Stormwater Pollution Prevention Program

Zoning Administrator/Clerk Karpas explained that the City is classified as a municipal separate storm sewer system (MS4) by the Minnesota Pollution Control Agency (MPCA). The MS4 classification requires the City to develop and implement a Storm Water Pollution Prevention Program (SWPPP). The SWPPP must address six Minimum Control Measures (MCMs). They are: 1) public education and outreach on stormwater impacts; 2) public participation/involvement; 3) illicit discharge detection and elimination; 4) construction site stormwater runoff control; 5) post-construction stormwater management in new development and redevelopment; and, 6) pollution prevention/good housekeeping for municipal operations. Holding an annual public hearing on the SWPPP addresses one of them. The purpose is to take public comment on the City's current MS4 Permit. The SWPPP must be approved before the City can receive an MS4 permit for its storm sewer conveyance system. The current permit expires in July 2012. He noted that in the near future some of the requirements may change and the City will have to amend its permit.

Quam moved, Rose seconded, opening the Public Hearing. Motion passed 5/0.

There were no public comments.

Rose moved, Fletcher seconded, closing the Public Hearing. Motion passed 5/0.

6. UNFINISHED BUSINESS

A. Planning Commission Appointments

Mayor Kind explained that the planning commission holds public hearings and makes recommendations to the city council regarding the zoning code. This includes recommendations on variance and conditional use permit applications. Each year three to four of planning commissioner terms expire. Terms are for two years and there is no limit to the number of terms that may be served. Planning Commission members are appointed by the Council during its March meeting and as needed to fill a vacancy. Residents were notified of term expirations during Council's December 6, 2011, meeting. The City published an article seeking applicants in the winter 2011-2012 edition of the City's quarterly newsletter. City residents interested in serving on the Planning Commission were asked to complete an application which was available at City Hall and on the City's website. New applicants are generally asked to attend the March Council meeting so Council can conduct a casual "interview." All the applicants are incumbents. They typically submit a letter and do not attend the Council meeting.

Kind then explained that the terms of Brian Malo, John Beal, Dave Paeper and Douglas Reeder expire in March 2012. All except Brian Malo have stated that they are willing to serve another 2-year term and have submitted letters or applications. As of the meeting no new applications have been received. Past protocol has been to reappoint commissioners that are willing to serve again, for alternate members to move up to voting positions that open up on the Planning Commission, and for new applicants to fill the alternate positions. Based on that protocol the new appointments would be: Douglas Reeder (2-year term, Seat A-1); John Beal (2-year term, Seat A-2); Dave Paeper (2-year term, Seat A-3); Kristi Conrad (2-year term, Alternate Seat 1); and, Alternate Seat 2 for a 1-year term remains open.

Fletcher moved, Quam seconded, making the appointments of Douglas Reeder (2-year term, Seat A-1); John Beal (2-year term, Seat A-2); Dave Paeper (2-year term, Seat A-3); and, Kristi Conrad (2-year term, Alternate Seat 1) to the City of Greenwood Planning Commission and directing that the Oath of Office be administered to them during the next Planning Commission Meeting. Motion passed 5/0.

Mayor Kind thanked the newly appointed Planning Commissioners for serving the community.

B. Recognizing Outgoing Planning Commissioner Brian Malo

On behalf of the Council and the residents of Greenwood, Mayor Kind thanked Brian Malo for his two plus years of service as a Planning Commissioner. She noted that Mr. Malo was not present this evening.

Fletcher moved, Quam seconded, Adopting RESOLUTION NO. 04-12, "A Resolution Recognizing the Planning Commission Contribution of Brian Malo" and directing the City Clerk to mail an original signed copy of the Resolution to Mr. Malo. Motion passed 5/0.

C. Greenwood Park Skating Rink

Mayor Kind explained that during Council's January 4, 2012, meeting Greenwood Park neighbor Kristi Conrad approached the Council about the idea of creating a skating rink on the pond at the park. She stated that the neighbors would be willing to flood and maintain the rink if the City would clean out the fallen trees, branches, and other debris in the dry pond bed. Since the January 4 meeting Kind learned

from a representative at the League of Minnesota Insurance Trust that the City's insurance would not allow the neighbors to maintain the rink at the Park.

Councilmember Quam asked if that meant the City would not be insured if the residents maintained the rink. Mayor Kind responded that is correct.

Mayor Kind explained that during the January 4th meeting Council directed the City Clerk to secure estimates for the cost to clean up the pond. No estimates were received in time for Council's February 1st meeting so the topic was continued to this meeting. The City has received a \$440 quote to clean out the pond from Cornerstone Industries, noting the City contracts with that company for trail plowing and signage work. She noted the quote is contingent on the ground being frozen. She stated the meeting packet contains a copy of an excerpt from an email from Deephaven City Administrator Young containing an estimate of approximately \$3,660 to flood the pond bed to same standards Deephaven keeps its rinks at. She noted that earlier this evening Council was emailed a proposal from Shawn Conrad on behalf of Allen Hanson (a Greenwood resident) quoting a cost of \$1,650 to clean out the pond.

Kind asked Council how it would like to proceed.

Councilmember Page recommended cleaning out the pond and deciding about whether or not to have a skating rink in late summer or early fall.

Mayor Kind asked if Council wants to have the fallen trees, branches and other debris removed from the dry pond bed or just those things that are not natural (e.g., the brush pile in the center of the pond).

Councilmember Fletcher explained the quote from Cornerstone Industries includes removing all of the brush, down trees, three or four treated railroad ties, etc. and hauling it away for disposal.

Councilmember Page noted the difference between the two quotes is significant.

Mayor Kind stated she thought it would make sense to at least have the brush pile cleaned out and that the \$440 price seems reasonable.

Quam moved, Page seconded, accepting the estimate from Cornerstone Industries in the amount of \$440 to clean up the pond in Greenwood Park and authorizing that it be paid out of the General Fund. Motion passed 5/0.

D. Potential Sump Pump Program

Mayor Kind explained that during its February 1, 2012, meeting Council discussed the possibility of conducting a new sump pump program in light of the recent excess flow problem from a Channel Drive property. The last sump pump program was conducted in 2006. The program is outlined in Section 310.30, subd. 5(d) of the City Code, noting a copy of it is included in the meeting packet. It is believed that in 2006 property owners were asked to complete a form to certify that their sump pump was not hooked up to the sewer system. But it is believed there was no follow up with on-site inspections of properties whose owners did not return the certification form. She related that it is the City Attorney's recollection that the then council thought in-home inspections were seen as intrusive and costly so it chose to focus on repairing manholes and so forth instead.

Kind then explained Council's discussion during its February 1st meeting centered on whether the Channel Drive property's excess flow was caused by a sump pump. Council directed Zoning

Administrator/Clerk Karpas to do an on-site inspection. He conducted it on February 16th, noting she went along. The property is currently for sale. The house is vacant; it has been winterized and the water has been turned off. The sump pump basket was dry with no water flowing. On that same day the Karpas asked the City's "sewer guy" (Randy) to stop by the property to check to see if water was running into the manhole. Randy determined there was not. The realtor's plumber was at the property when Randy was there. The plumber told Randy that the excess flow issue may be caused by the water softener regenerating, but he wouldn't be able to say for sure until the water is turned back on. For the time being, the surcharge to the property's sewer bill has been removed. This will be reviewed again after the water is turned back on.

Kind went on to explain that during its February 1st meeting Council also directed Karpas to contact Metropolitan Council Environmental Services (MCES) to get information about what the City's typical flow into the Metropolitan Sanitary Sewer System has been for the previous five years. A copy of that information for 2005 – 2012 and a rain event report from August 2012 are included in the meeting packet. Council wanted the information to help determine if the City's inflow and infiltration (I/I) projects have helped reduce the flow.

Kind also explained that based on the information provided, it is not clear how much the City's total volume has been reduced by the I/I projects completed in recent years. The information reflects there are fluctuations in total volume from year to year which can be interpreted to mean that there is some amount of stormwater and the related sump pump flow going into the sanitary sewer system. For example, the City's wastewater volume billed in 2012 is 16.82 million gallons; an increase from 13.84 million gallons billed in 2011. The volumes billed are for the period July 2010 – June 2011 and July 2009 – June 2010 respectively. She noted the City completed another I/I project after June 2011 and stormwater flow into the system may have been reduced.

Kind stated that based on the information obtained Council may want to conduct a new sump pump program to reduce the amount of money the City is paying to treat clean sump pump water. Or, it may want to wait to make that decision until another year's worth of total volume information is available to assess the impact of the 2011 I/I projects.

Councilmember Fletcher suggested continuing this until the April Council meeting. He stated he had contacted Planning Commissioner Bill Cook to talk about I/I, noting Cook is employed by the Metropolitan Council and has some experience with this. He noted that Cook was out of state and Cook indicated he would speak with Fletcher upon his return.

Councilmember Quam supported continuing this to the April Council meeting.

Fletcher moved, Quam seconded, continuing the discussion about a potential sump pump program to Council's April 4, 2012, meeting. Motion passed 5/0.

7. NEW BUSINESS

A. Response to Potential Hennepin County Policy to Charge 911 Fees to Cities

Mayor Kind explained the City received a letter from Hennepin County Sheriff Stanek regarding 911 dispatch fees. A copy of the letter is included in the meeting packet. Currently the fees are not charged back to cities. The Hennepin County Board of Commissioners (the Board) is considering changing the policy so that fees will be charged back to cities. Sheriff Stanek has indicated that he does not support such a change in policy. Stanek encouraged member communities to let their representatives on the Board

know that they want no change to the current dispatch policy. The City's representative is Commissioner Jan Callison. It is anticipated that the Board will make a decision regarding this potential policy change during 2012.

Kind noted that Commissioner Callison hosted a Lake Minnetonka Mayors' Breakfast on February 3, 2012. During that gathering this topic was discussed. She explained that currently every city in Hennepin County shares in the Sheriff's Office 911 Emergency Communications Center (the Center) expense via property taxes. Commissioner Callison explained that some cities (e.g., Minneapolis, Edina, and Minnetonka) have their own 911 service centers and are therefore paying twice for 911 services. These cities have asked the Board to make a change in policy so that only the cities that use the 911 service pay for the service.

Kind stated that if cities are charged for their 911 use, theoretically Greenwood would benefit because its tax capacity is high compared to its percentage of use. Adding 911 service charges to the City's General Fund budget would mean that other City spending would need to be reduced or City taxes would need to be increased to cover the added expense. She commented that it is unlikely there would be a corresponding reduction in County taxes paid by Greenwood residents.

Kind explained that the South Lake Minnetonka Police Department (SLMPD) Coordinating Committee discussed 911 fees during its February 8, 2012. During that meeting SLMPD Chief Bryan Litsey noted that he had anticipated this issue may come up. Therefore, Litsey and Excelsior Fire District (EFD) Scott Gerber had recommended each of the South Lake cities add a stipulation regarding costs to the resolutions they adopted supporting a new 911 Sheriff's Office 911 Center. A copy of the City's adopted resolution is included in the meeting packet. Litsey had pointed out 911 dispatch service is a basic service that should be provided by the County, and if cities choose to pay a premium to have their own 911 service that is their choice.

Councilmember Quam clarified that those cities that have their own 911 dispatch service centers basically pay for those services twice. Councilmember Fletcher stated that is correct. Mayor Kind commented that same argument could be made for police services. The City is paying for Hennepin County Sheriff Department services and it is paying for SLMPD police services.

Councilmember Fletcher stated that if the County decides to charge municipalities for 911 dispatch services the municipalities may want to consider purchasing dispatch services from someone other than the County.

Councilmember Page stated if the City decides to purchase dispatch services from another organization residents will still pay for the Sheriff's Office 911 the Center expense through the general County tax. He questioned why Council would want there to be an extra charge.

Councilmember Quam suggested the City send a letter to Commissioner Callison expressing the Council's desire to have the Sheriff's Office continue with the current dispatch policy.

Councilmember Fletcher stated he preferred to do nothing.

Page moved, Quam seconded, asking Mayor Kind to write and send a letter on behalf of Council to Hennepin County Commissioner Callison expressing the City's desire to have no changes to the Sheriff's Office 911 dispatch policy. Motion passed 4/1 with Fletcher dissenting.

Councilmember Fletcher stated he thought cities who use the 911 service should pay for the service, so he supports a change in policy to bill 911 fees to cities. He said residents will probably end up paying more taxes to the City, but less to the County. Also, the City would have choices. Mayor Kind stated she agreed with Councilman Fletcher and would be in favor of charging the cities for 911 service if she believed there would be a corresponding reduction in County taxes.

B. Conduit Financing for Wayzata Bay Project

Mayor Kind stated the meeting packet contains a copy of a letter dated February 3, 2012, from John Utley, with Kennedy and Graven, regarding conduit financing for the Wayzata Bay Project (the Project).

Kind explained Mr. Utley came before Council during its February 1, 2012, meeting to discuss the possibility of Greenwood issuing \$10 million of bank-qualified conduit bonds to assist in financing the Project for Wayzata Bay Senior Housing, Inc., the company formed to undertake the development of the Project. That discussion is detailed in the minutes of that meeting. If Greenwood participates at the maximum \$10 million level, the City would receive a minimum of \$12,500 and up to as much as \$50,000 as an administrative fee payable on the date of the issuance of the bonds. The City also would be reimbursed for legal costs. According to Mr. Utley there is no risk to the City. Cities participating in the financing would have to publish notice, hold a public hearing, and approve a resolution that would be provided by Kennedy Graven.

Kind stated that during the February 1st meeting Council decided to continue the item to this meeting to allow the City Attorney time to review the concept and advise Council. She explained Attorney Kelly suggested Council consult with an attorney who specializes in municipal financing, and he recommended contacting Tim Keane with Malkerson Gunn Martin. She noted that a copy of Mr. Keane's proposal letter is included in the meeting packet.

Kind explained the latest news from Mr. Utley is that the City of Wayzata may decide to issue regular tax-exempt (not bank-qualified) bonds for the entire Project. Therefore, participation from other cities may not be needed because regular tax-exempt bonds do not have a \$10 million limit like bank-qualified tax-exempt bonds do. There is a possibility the Project will be financed through a combination of bank-qualified and regular tax-exempt bonds. Mr. Utley has indicated the decision will be made in March. Mr. Utley also indicated that if Wayzata Bay Senior Housing decides to go with some or all bank-qualified bonds, participating cities would need to move fairly quickly. Mr. Utley thought Greenwood would be one of the first cities contacted because it expressed interest early on. She stated based on that it may be prudent for the Council to authorize the engagement of Mr. Keane in the event his services are needed.

Councilmember Fletcher stated if the City engages with Mr. Keane and after his doing some work Wayzata Bay Senior Housing decides to go a different direction with financing the City is out \$2,000 – \$3,000. He then stated he prefers to do nothing.

Councilmember Page stated he is not in favor of the City participating in the financing should the opportunity present itself. He is opposed to the City lending \$10 million in bonds. Mayor Kind clarified the City would not be lending \$10 million. Page stated he is not in favor of lending a good name for a project in the Wayzata that a private developer is doing.

Councilmember Fletcher noted that for this he is a do nothing person. He stated these are revenue bonds in theory and therefore there is no risk. But he still does not want to move forward with this.

Mayor Kind stated that Attorney Kelly has told her that these bonds are as good as they sound based on discussions with Mr. Keane. Kelly noted he and Mr. Keane did not engage in an in-depth conversation. Kelly stated he is not prepared to ride on the casual conversation he had with Mr. Keane. Kelly recommended that if Council wants to pursue this farther it should hire legal counsel that specializes in this.

Kind moved, authorizing the City to engage the services of Tim Keane to advise the Council if the option opens up for the City to possibly participate in bank-qualified tax-exempt conduit bond financing of the Wayzata Bay Project with the cost not to exceed \$3,000 for Mr. Keane's services and with the cost being paid for out of the General Fund with the understanding that this cost shall be reimbursed to the City if the City participates in the financing. Motion died for lack of a second.

Mayor Kind stated she thought Council should entertain anything where the City can get free money; up to \$50,000.

C. Procedure for Authorization of City Expenditures

Mayor Kind explained the City's auditors would like Council to establish an official policy regarding the authorization of City expenditures. Currently when a need for an expenditure is identified the city clerk contacts the mayor to get verbal approval before authorizing the work on behalf of the City. According to the auditors this basic procedure is acceptable, but expenditure orders should be documented and the procedure should be made official by a Council motion. The meeting packet contains a copy of a proposed "expenditure log sheet."

Kind reviewed the proposed procedure for approving City expenditures for Council's consideration. They are: a) When a need is determined, the city clerk may write a work order or make a purchase for expenditures up to \$500. b) If the expenditure is larger than \$500, the city clerk must contact the mayor or mayor pro tem for approval. The mayor or mayor pro tem will review the budget and give verbal approval or denial as the case may be. c) The city clerk documents all expenditures on an "expenditure log sheet." d) The mayor or mayor pro tem compares invoices with the expenditure log sheet and approves, dates, and initials all invoices.

Quam moved, Fletcher seconded, authorizing the proposed procedure for approving City expenditures.

Councilmember Fletcher recommended inserting an item between the current item b and item c. The new item c would read "If the city clerk or public works is unable to contact the mayor or mayor pro tem regarding an emergency expenditure exceeding \$500 for which need has been determined they may write a purchase order or make a purchase without prior approval." He noted that it still has to be documented.

Councilmember Quam suggested that item d be changed to read "... and must approve, date, and initial all invoices."

Without objection from the maker and seconder, the motion was amended to insert an item between the proposed item b and item c that reads "If the city clerk or public works is unable to contact the mayor or mayor pro tem regarding an emergency expenditure exceeding \$500 for which need has been determined they may they may contact any other council member for approval." and changing the new item f to read "The mayor or mayor pro tem compares invoices with the expenditure log sheet and must approve, date, and initial all invoices." Motion passed 5/0.

D. Election Precincts and Polling Places

Zoning Administrator/Clerk Karpas explained that Minnesota statute section 204B.14, subd. 3 (d) requires that precinct boundaries must be reestablished within 60 days of when the legislature has been redistricted or at least 19 weeks before the state primary election, whichever comes first. The polling place will again be the Old Log Theater. The meeting packet contains a draft copy of resolution to comply with the law for the Council's consideration.

Councilmember Fletcher asked what happens if the Old Log Theater property is sold. Zoning Administrator/Clerk Karpas responded the City will worry about that when it happens, noting he has spoken to another business owner in the City about potentially having the polling place there.

Quam moved, Fletcher seconded, Adopting RESOLUTION NO. 05-12, "A Resolution Establishing Precincts and Polling Places." Motion passed 5/0.

E. Hennepin County Assessor Contract Extension

Mayor Kind explained the meeting packet includes a copy of the 2011-2012 agreement with Hennepin County to provide assessor services for the City. The contract is through July 31, 2012. Prior to Council approving the most recent contract in August 2010, Council researched other options for assessor services. It was unable to find anyone willing to submit a proposal. Since then former County Assessor Bill Davey has started to provide assessment services to cities. Mr. Davey participated in the valuation of Greenwood properties in the past. There is no reason to believe he would take a different approach if the City was to contract with him.

Kind then explained that paragraph 11 of the 2011-12 agreement states that either party may initiate an extension of the agreement for a term of two years by giving the other written notice of its intent to so extend no less than 150 days prior to the termination of the agreement (March 3, 2012). The City received written notification of intent from Hennepin County Assessor James Atchison on February 1, 2012. The City needs to respond by April 12, 2012 if Council decides not to extend the agreement. If the City does not respond the contract will be extended through July 31, 2014. She stated she thought it would be courteous to respond.

Fletcher moved, Page seconded, authorizing Mayor Kind to send written notice to the Hennepin County Assessor stating the City approves extending the 2011-2012 agreement to provide assessor services through July 31, 2014.

Mayor Kind stated if she thought there was a chance to find someone other than the Hennepin County to provide assessor services she would try.

Motion passed 5/0.

F. Hennepin County Recycling Program

Zoning Administrator/Clerk Karpas noted the City has not received a model resolution from Hennepin County for the County's new recycling program. He explained County representatives have stated adopted resolutions are to be submitted by March 2012 but cities don't have to worry about it because the County is the delay.

This item will be placed on Council's April 4, 2012, meeting agenda for consideration.

8. OTHER BUSINESS

A. None

9. COUNCIL REPORTS

A. Fletcher: Planning Commission, Lake Minnetonka Communications Commission, Excelsior Boulevard Water Project, Excel PRT Tree Project

With regard to the Planning Commission, Councilmember Fletcher stated there is nothing for him to report this month. He noted there will not be a Commission meeting this month.

With regard to the Lake Minnetonka Communications Commission (LMCC) activities, Fletcher stated there is nothing significant to report.

With regard to the Excelsior Boulevard Street and Water project, Fletcher stated Greenwood Excelsior Boulevard residents have raised enough funds to hire the City of Excelsior's engineer to do the initial engineering work for extending Excelsior municipal water system along Excelsior Boulevard to about twelve properties in Greenwood. He recently learned the Met Council would like to know by May if the Greenwood residents want to move forward with the water extension. If there is substantial resident interest this may be on Council's April 4, 2012, meeting agenda for discussion.

With regard to the Xcel Energy LRT Project, Fletcher stated the meeting packet contains a copy of an Xcel Energy Notice of Certificate of Need regarding Xcel Energy's 115 kilovolt transmission line upgrade.

B. Kind: Police, Administration, Freshwater Society Mayor Meetings, Website

With regard to the South Lake Minnetonka Police Department, Mayor Kind stated the SLMPD Coordinating Committee met on February 8, 2012. She highlighted the meeting. The SLMPD has moved cash investments from the 4M Fund (Minnesota Municipal Money Market Fund) to Beacon Bank to improve its investment earnings. There is nothing new to report on a common animal control ordinance for SLMPD member cities. She noted the individual responsible for recent residential daytime burglaries in the City was arrested on February 6, 2012. SLMPD Detective Sergeant Steve Neururer and Detective Mike O'Keefe joined forces with their counterparts in other communities experiencing similar burglaries to find the individual. She reviewed some of the details of his arrest. She noted the individual had been on parole and therefore his bail was set higher. She expressed the City's and the City's residents' gratitude to all law enforcement people involved in solving the case.

With regard to administration, Kind reminded Council that the pre-board meeting with the assessors is scheduled for 6:00 P.M. April 4th, the Local Board of Appeal and Equalization meeting is scheduled for 6:00 P.M. April 12th, and the subsequent Board of Appeal and Equalization meeting is scheduled for 6:00 P.M. April 26th. There is a work session scheduled with the Excelsior City Council for April 10th at 7:00 P.M. in the Deephaven Council Chambers to talk about the St. Alban's Bay Bridge. There is a meeting schedule for tomorrow morning at 8:30 A.M. to talk about total maximum daily load.

Councilmember Page asked how the work session with the Excelsior City Council came about. Mayor Kind stated Excelsior's engineer is presenting information about the Bridge and this Council was invited to hear the presentation.

With regard to mayors meetings, Kind noted she attended a mayors meeting with Hennepin County Commissioner Jan Callison on February 3rd. State Senator Gen Olson, State Representative Connie Doepke, Hennepin County Sheriff Rich Stanek, and Hennepin County Attorney Mike Freeman were also in attendance. She stated Representative Doepke indicated she is forming an aquatic invasive species caucus with members from both major political parties. She noted that Representative Doepke has decided to run for outgoing Senator Olson's seat. She learned: the City of Orono is researching the possibility of a composting program; the City of Long Lake is considering purchasing land next to its City Hall; and the City of Wayzata is researching a scenic bypass loop around Lake Minnetonka. She attended a mayor lunch on February 8th where she learned the City pays almost \$54,000 in taxes to the Minnehaha Creek Watershed District. She questioned what the City is getting for that money.

Kind noted that Councilmember Fletcher has applied to be on the Minnehaha Creek Watershed District Board of Managers.

Kind highlighted usage statistics about the City's website www.greenwoodmn.com. She commented that residents learned about the burglaries from the City's email system before hearing about it by word of mouth.

C. Page: Lake Minnetonka Conservation District

Councilmember Page reported on Lake Minnetonka Conservation District (LMCD) activities. He noted that earlier in the day he spent time reviewing the LMCD's 2011 audit. He explained revenues were higher than budget primarily due to increased fine revenue from violations of the LMCD Ordinance. The extra revenues helped fund the purchase of a new harvester. The LMCD received one-half of the insurance reimbursement it is due when it placed the order for the new harvester and it will receive the remainder when it takes possession of the harvester. He stated the LMCD held a training session for new members. The new members are from the Cities of Mound, Shorewood and Tonka Bay. There may be a fourth new member. Some relatively new members also attended the training session.

D. Quam: Roads & Sewer, Minnetonka Community Education

Councilmember Quam stated the City's roadways will be inspected in early April to assess how they weathered the winter season. He then stated he will speak with Engineer Martini to review what remains to be done with regard to inflow and infiltration improvements to the sewer system. He indicated he thought that overall project should be finished. Councilmember Fletcher suggested waiting until the Council hears from Planning Commission Bill Cook about the City's I/I. Mayor Kind stated if the improvements have not reduced the amount of flow into the system it may not be worthwhile to continue making those types of improvements. Quam stated the flaws should be fixed because eventually they will cause more of a problem. He noted he will update Council on what he learns from Martini during Council's April meeting. Councilmember Page asked if anyone knows how the snowmelt near the Old Log Theater property has been flowing. Kind stated she thought it was flowing very well.

E. Rose: Excelsior Fire District

Councilmember Rose stated there has not been Excelsior Fire District (EFD) Board meeting since the last Council meeting.

10. ADJOURNMENT

Page moved, Quam seconded, Adjourning the City Council Regular Meeting of March 7, 2012, at 8:28 P.M. Motion passed 5/0.

RESPECTFULLY SUBMITTED,
Christine Freeman, Recorder