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**WAYZATA CITY COUNCIL
MEETING MINUTES
JUNE 6, 2023**

AGENDA ITEM 1. Call to Order.

Mayor Mouton called the meeting to order at 7:00 p.m. Mayor Mouton shared the multiple options for joining remotely and submitting comments or questions.

AGENDA ITEM 2. Pledge of Allegiance.

AGENDA ITEM 3. Roll Call.

Councilmembers present: Mouton, MacDonald, and Parkhill. Councilmembers absent: Iverson and Plechash. Also present: City Manager Dahl, Deputy City Manager Yager, City Engineer/Director of Public Works Kelly, Parks Planner Kieser, and City Attorney Schelzel.

Mayor Mouton noted earlier this evening, the City Council participated in a workshop. The following item was on the agenda:

- The Updated Capital Improvement Plan

AGENDA ITEM 4. Approve Agenda.

Mr. Dahl requested the following amendment to the Agenda:

- Item 8c be moved to Item 8a as City Staff recommends tabling this issue to the June 20, 2023 meeting.

Mr. Parkhill made a motion, seconded by Ms. MacDonald, to approve the agenda, as amended. The motion carried 3/0.

AGENDA ITEM 5. Public Forum.

a. Presentation of the Sustainability Champion Award to the Wayzata Community Church

Parks Planner Kieser stated the Energy and Environment Committee brought forward the idea of the Sustainability Champion Award, which was incorporated into the Energy Action Plan implementation strategies that noted the creation of an annual green recognition program. He described the consideration of the Energy Environment Committee in reviewing sustainability work completed by many businesses and organizations throughout the implementation of the Energy Action Plan to determine the best candidate to receive the Sustainability Champion Award. The Wayzata Community Church was determined to be the recipient based on the many changes it has made to advance sustainability.

Mr. Kieser welcomed Energy & Environment Committee members KC Chermak and Laura Lindelof to present the first annual Sustainability Champion Award to the Wayzata Community Church. He stated the Committee has been engaged in energy action work for three years, talking with businesses and organizations throughout the City to learn about their sustainability initiatives and how the City can assist them move forward with their plans. He added it is the Committee's hope that this will be an annual

1 award to recognize the sustainability work of local businesses and organizations and
2 encourage collaboration with the City.

3 KC Chermak stated the City of Wayzata is taking steps as a community to
4 become a leader in sustainability by reaching out to local businesses and organizations to
5 learn about implementation of sustainability practices. He introduced John Estrem and
6 other representatives of Wayzata Community Church.

7 Mr. Estrem stated Wayzata Community Church has been meeting the needs of the
8 community for 140 years, and hopes to take the lead in caring for the world we have been
9 given. He added the Church has engaged in various projects including variable frequency
10 drivers (VFD's), pollinator gardens, applying for grant funding, and working with Eagle
11 Scouts on sustainability projects. He expressed his excitement that solar panels on the
12 church's roof have been approved by the Church so those plans will come before the City
13 Council soon.

14 Mr. Estrem thanked the other Board Members and the City of Wayzata for this
15 award. He introduced other members present: Jason Park, past Chair of the Grounds
16 Committee; Current Chair, Brian Trunk; and George Robarts, Maintenance. He noted he
17 is the Director of Building and Grounds, celebrating his 42nd year of working for
18 Wayzata Community Church.

19 Mayor Mouton thanked the representatives of the Wayzata Community Church
20 and congratulated them on receiving the Award.

21
22 **AGENDA ITEM 6. New Agenda Items.**

23 None.

24
25 **AGENDA ITEM 7. Consent Agenda.**

26
27 Mr. Parkhill made a motion, seconded by Ms. MacDonald, to approve the consent agenda
28 as amended:

- 29 a. Approval of City Council Workshop and Regular Meeting Minutes of May 16,
30 2023.

31
32 Mr. Parkhill noted a change to the regular minutes of May 16, 2023, item 8c
33 **Consider Adoption of Resolutions 33-2023 and 34-2023 Approving a**
34 **Conditional Use Permit for Municipal Solar at 600 Rice Street East and 747**
35 **Mill Street East**

36
37 Mayor Mouton asked for a motion on the two CUP applications. Ms. MacDonald
38 made a motion, seconded by Mr. Parkhill, to Adopt Resolution 34-2023 Approving
39 a Conditional Use Permit for Rooftop Solar Energy Systems at 600 Rice Street E.
40 (City Hall, Fire Station, and Library). The motion carried 5/0.

41
42 Mr. Parkhill made a motion, seconded by Mr. Plechash, to table Resolution 33-2023
43 to a future date for Rooftop Solar Energy Systems at 747 Mill Street E. (Municipal
44 Liquor Store and Bar & Grill.) The motion carried 5/0.

- 45
46 b. Approval of Check Register

- 1 c. Approval of Municipal Licenses
- 2 d. Receipt of 2023 1st Quarter Financial Report
- 3 e. Adoption of Resolution 36-2023 Accepting Donation from Wayzata Lions Club
- 4 f. Approval of Professional Services Agreement with Delaney Consulting for Bar and
- 5 Grill Assessment
- 6 g. Approval of Proposal and Authorization of Mayor and City Manager to Execute a
- 7 Contract with Sara Peterson Consulting for Strategic Planning Facilitation Services
- 8 h. Authorization to Solicit Bids for the Tennis Court Reconstruction Project at
- 9 Wayzata West Middle School
- 10 i. Approval of Professional Services Agreement with 106 Group Ltd. for Panoway
- 11 Phase 2 Archaeological Monitoring Services
- 12 j. Acceptance of Resignation for Steve Fox from the Housing and Redevelopment
- 13 Authority (HRA) Commission
- 14 k. Approval of Modified Special Event Permit for Wayzata Art Experience
- 15 l. Approval of Plans and Authorization for Staff to Solicit Bids for the Ferndale Road
- 16 Sidewalk Improvement Project

17 The motion carried 3/0.

18
19 **AGENDA ITEM 8. New Business.**

20 The agenda was reordered to first consider Agenda Item 8c.

21
22 **c. Consider Resolution 35-2023 Denying the Rezoning, CUPs for Parking and**
23 **First Floor Residential, Shoreland PUD/CUP, Shoreland Impact Plan/CUP,**
24 **and Design Review at 200 Lake Street East**

25 Mr. Dahl stated, under the 120-day rule, the City must take action by July 5, 2023. He
26 added the item will be included on the June 20, 2023 Council Meeting Agenda, and the
27 applicant has been notified to this effect.

28
29 Mayor Mouton asked for a motion on the application. Ms. MacDonald made a motion,
30 seconded by Mr. Parkhill, to table consideration of this item to the June 20, 2023 Council
31 meeting. The motion carried 3/0.

32
33 **a. Consider Acceptance of the City's 2022 Audited Financial Reports**

34 Deputy City Manager Aurora Yager welcomed Bill Lauer, MMKR, to provide a review
35 of the independent audit of the City's financial reports.

36 Bill Lauer, MMKR, reviewed the audit process, opinions and high level results
37 for the year ending December 31, 2022. He added an unmodified opinion is being
38 provided. He reviewed a change in financial reporting regarding lease activity that is a
39 requirement for all government units. He noted there are no internal control or
40 compliance issues to report.

41 Mr. Lauer reviewed recommendations related to the audit summary: use of
42 deposit sweep accounts and credit card usage. He reviewed general fund expenditures,
43 which were under budget by approximately 3%, spread evenly across all areas; the
44 Enterprise Fund's change in net position; Liquor Fund at \$6.9 million with gross profits
45 at approximately 50%, and Operating Expenses at \$3.3 million.

1 Councilmember MacDonald requested clarification regarding deposit sweep
2 accounts. Mr. Lauer stated deposit sweep accounts are not recommended by the State
3 Auditor due to the possibility of unrecognized risk. He added MMKR is asking all their
4 clients to be aware of deposit sweep accounts.

5 Councilmember Parkhill requested clarification regarding the City's position of
6 \$69 million. Mr. Lauer stated the amount includes investment and capital assets for
7 enterprise funds and governmental activities and includes long-term debt.

8 Mayor Mouton requested clarification regarding the credit card policy. She asked
9 who is authorized to have a P card. She noted everyone has signed an acknowledgement
10 that they reviewed and understand the public use test. She added it would be helpful to
11 have itemized credit card transaction details on the check register in the Council meeting
12 packet, and how that would be addressed internally.

13 Ms. Yager stated the Senior Accountant, and every Department Director are
14 authorized to use City-issued credit cards and are required to sign off on the credit card
15 policy. She added, moving forward, City Staff can increase the level of invoice detail or
16 attach the entire credit card reconciliation statement. She noted City Staff's preference is
17 to include additional credit card transaction detail, and only include the entire credit card
18 statement when necessary.

19 Mayor Mouton asked what type of purchases are being made by the City
20 Accountant. Ms. Yager stated the credit card in the City Accountant's name is used for
21 City purchases. She added employees are responsible for paying credit card charges for
22 purchases that are not related to City business.

23
24 There being no further discussion, Mayor Mouton asked for a motion. Ms. MacDonald
25 made a motion, seconded by Mr. Parkhill, to accept the 2022 Audited Financial Reports.
26 The motion carried 3/0.

27
28 **b. Consider Award of Contract for Dock Construction for Panoway on Wayzata**
29 **Bay to J.F. Brennan Company, Inc.**

30 City Engineer/Director of Public Works Kelly reviewed funding for the Panoway project
31 with an overall budget funding gap of \$412,000. He requested the City Council's
32 consideration of a bid from J.F. Brennan Construction in the amount of \$2,590,000. If
33 the funding gap cannot be met, funding would come from the Parks and Trails CIP Fund.

34 Mr. Kelly stated City Staff recommends that the City Council award the dock
35 supply and install contract to J.F. Brennan Company, Inc. in amount of \$2,590,000.

36 Councilmember Parkhill requested clarification regarding removal of docks due
37 to Panoway 2. Mr. Kelly stated a solution will need to be considered, as the existing
38 docks will need to be removed to construct the boardwalk. He added a floating dock
39 facility could be used.

40 Councilmember MacDonald asked whether there are any opportunities to scale
41 back the cost. Mr. Kelly stated contractors were asked to provide an alternative bid
42 omitting construction of the Depot docks. He added the low bid includes construction of
43 both facilities, but there may be changes to the project that would benefit the City
44 financially. He noted tonight's request is for a City Council vote on the base bid.

45 Mayor Mouton requested clarification regarding the "combined base bid". Mr.
46 Kelly stated the City bid out 4-5 different work scopes, and contractors could bid on any

1 or all of those components. He added, in this case, both bidders bid on other components
2 of the project but were not successful. He noted City Staff did not feel that a combined
3 base bid would be in the best interests of the City.

4 Mayor Mouton asked whether J.F. Brennan provided an alternative bid #2. Mr.
5 Kelly stated they did not bid on that component. He added City Staff will work with the
6 contractor to save money and provide cost savings in any way possible.

7 Peter Hitch, representing Wayzata Conservancy, stated the Panoway project is
8 growing in popularity among residents. He added there has been phenomenal support for
9 the project, including the Carisch family's gift of 500,000 as well as an unrestricted
10 pledge for another \$500,000 over the past few weeks from a former Wayzata resident,
11 and three \$5,000 benches. He reviewed other pledges of support for the project totaling
12 \$1,052,500.

13 Mayor Mouton thanked Mr. Hitch for his hard work in bringing people of all ages
14 together to enjoy the lake and community environment.

15
16 Mayor Mouton asked for a motion. Mr. Parkhill made a motion, seconded by Ms.
17 MacDonald, to accept the bid and award the contract for dock construction for Panoway
18 on Wayzata Bay to J.F. Brennan Company, Inc., in the amount of \$2,590,000 and continue
19 to work with all components of the project to get the project on budget. The motion carried
20 3/0.

21
22 **c. Consider Resolution 35-2023 Denying the Rezoning, CUPs for Parking and**
23 **First Floor Residential, Shoreland PUD/CUP, Shoreland Impact Plan/CUP,**
24 **and Design Review at 200 Lake Street East**

25 This item was considered prior to Agenda Item 8a.

26
27 **d. Review of Panoway Phase 2 – Lakewalk and Docks Logistics, Timeline, and**
28 **Communication Plan**

29 Jessie Houlihan of Onyx Strategy Partners, the City's Owner's Rep for Panoway Phase 2,
30 reviewed the Panoway 2 lake walk logistics and timeline. Kraus-Anderson is setting up
31 operations at the Depot parking lot and the area will be fenced for safety and separation
32 from June 2023 through Spring 2024. The prime contractor will be mobilizing from
33 across the lake in June at NTH Enterprises, or Zenith Tech, and barges will arrive twice a
34 day. Pile driving will begin in July, and a silt fence will be constructed with floating
35 buoys to designate construction areas and assist boat traffic. Broadway docks will be left
36 in place as long as possible and removed in August 2023. Piling will be completed in
37 October, with substantial project completion in early March 2024.

38 Ms. Houlihan stated Kraus-Anderson plans to conduct their construction work
39 Monday through Friday between 7:00 a.m. – 6:00 p.m. The two barge shipments will
40 arrive during those hours. Existing signage is located along Lake Street, and additional
41 signage will be posted with additional information and QR codes. She thanked the
42 Conservancy for their support with existing signage.

43 Ms. Houlihan stated an open house is scheduled for June 8, 2023 from 5:00 - 6:30
44 p.m. at City Hall. Invitations were sent to nearby residents, property owners and
45 businesses. A draft website has been created, and updated materials will routinely be
46 posted in the city newsletter, at the Chamber of Commerce and in local media.

1 Councilmember MacDonald thanked Ms. Houlihan for her report. She asked
2 whether the pile driving will be loud and disruptive. Ms. Houlihan stated there will be
3 constant noise during construction hours. Bob Janssen, project manager with Kraus-
4 Anderson, stated the noise level will be like pile driving outside the water, and water does
5 not muffle the noise. He added it is difficult to gauge noise levels until construction
6 starts. He noted the barges will mobilize across the lake at 7:00 a.m., arriving in Wayzata
7 Bay between 8:00-8:30 a.m. and additional details will be provided on this aspect of the
8 construction.

9 Councilmember Parkhill asked whether the timeline and completion will change
10 due to Depot and Broadway docks installation that was just approved. Mr. Janssen stated
11 the contractors will work with Brennan on lead times for docks into early winter. He
12 added the contract requires that docks will be installed by Memorial Day 2024.

13 Mayor Mouton stressed the importance of residents and local businesses receiving
14 communication and updates with regard to construction and noise disruption, as well as
15 who to contact. Jessie stated residents and businesses were invited to the Open House,
16 and additional communication will be made available throughout the construction
17 process.

18 Mayor Mouton asked whether there will be a live stream of the construction
19 process, as previously discussed. Jessie stated some drone footage has been taken, and
20 live cameras can be put in place. She added that can be discussed further. Mayor
21 Mouton stated she supports having a live stream.

22 Mayor Mouton asked whether a celebration will be planned to commemorate this
23 important milestone. Mr. Dahl stated City Staff are working with the Conservancy and
24 the construction team to determine an appropriate time for a community celebration. He
25 added City Staff plan to review this issue after today's threshold day.

26
27 Informational; no action required.
28

29 **AGENDA ITEM 9. City Manager's Report and Discussion Items.**

30 **a. Upcoming Events/Announcements**

31 Mr. Dahl stated he would like to acknowledge the hard work and efforts of Steve Fox,
32 who has served on the Housing and Redevelopment Authority since 2017. He added the
33 opening will hopefully be filled by the end of the year. Mayor Mouton stated Mr. Fox
34 was a founding member of the Communications Committee and has contributed to the
35 City for many years.

36 Mr. Dahl stated the Splash Pad is now open from 10:00 a.m. – 9:00 p.m.

37 Mr. Dahl expressed his appreciation to the City's Finance Department staff,
38 Deputy City Manager Yager and Senior Accountant Kathy Ovshak. He added the
39 positive results of the City's audit are a result of their hard work and efforts.

40
41 **AGENDA ITEM 10. Public Forum Continued (if necessary).**

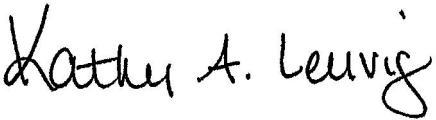
42 There were no comments.
43

1 **AGENDA ITEM 11. Adjournment.**

2 There being no further business, Mayor Mouton asked for a motion to adjourn. Mr. Parkhill
3 made a motion, seconded by Ms. MacDonald, to adjourn. Mayor Mouton adjourned the
4 meeting at 8:40 p.m.

5
6 Respectfully submitted,

7



8

9

10 Kathy Leervig
11 City Clerk

12

13 Drafted by Mary Mullen
14 *TimeSaver Off Site Secretarial, Inc.*