

CITY OF EXCELSIOR
Hennepin County, Minnesota

MINUTES
City Council Work Session

Monday, September 9, 2013

1. Call to Order/Roll Call

Mayor Gaylord called the meeting to order at 6:10 p.m.

Present: Councilmembers Beattie, Caron (arrived at 6:12 p.m.),
Fulkerson, and Mayor Gaylord

Absent: Councilmember Miller

Also Present: Interim City Manager Johnson, Finance Officer Tumberg,
City Engineer Dawley, Public Works Superintendent
Wisdorf, and City Clerk Murphy

2. Agenda Approval

Beattie moved, Fulkerson seconded, to approve the agenda. Motion carried 4/0.

3. Proposal for Lake Improvement District for St. Alban's Bay

Gabriel Jabbour, 141 Minnetonka Boulevard (Tonka Bay Marina), requested that this item be on the Work Session agenda to discuss the treatment of St. Alban's Bay. Mr. Jabbour provided information on an alternative method to fulfill the objective of controlling milfoil in the bays.

Mr. Jabbour, along with Rob Roy, 21270 Excelsior Boulevard, addressed the Council on this issue. The concern is that cities need to find a better alternative for handling milfoil in the bays of Lake Minnetonka. Mr. Jabbour and Mr. Roy discussed establishing a Lake Improvement District (LID) for each bay and having the LID determine the best plan for that particular bay. Through the LID, a majority of the bay residents could determine what level of service they want and the costs would be assessed to the properties on that bay. Mr. Roy also mentioned that LID's are expanding rapidly because of invasive species. Council questioned whether an LID would only go after milfoil. Mr. Roy reassured the Council that an LID would go after all invasive species, including zebra mussels.

The Council was in favor of exploring the possibility of an LID. The Council directed staff to draft a resolution in support of a Lake Improvement District for St. Alban's Bay that it could consider at the next Council meeting.

4. Potential Projects in Conjunction with 2014 Forcemain Project and Financing Options

Dawley presented potential projects and financing options, in conjunction with the 2014 Forcemain Project. Dawley reviewed Beehrlle Ave and the reconstruction of the road, along with some potential add-ons. One potential add-on would be to extend

4. Potential Projects in Conjunction with 2014 Forcemain Project and Financing Options - (continued)

the water main to the city limits along Beehrle to provide an emergency water interconnect in the future with the City of Shorewood. The extension would also help correct the problem with four properties all connected through a one and a half inch service line – the yacht club, dredging company, and two residents on West Lake Street. All four share one service line. Two of the properties are very interested in this improvement. The cost estimate is \$96,900 for this extension.

Tumberg stated that additional projects could be funded without an impact on water rates, if the Water Fund received a loan from another fund. Because the costs of the 2013 and 2014 Forcemain Projects are projected to be funded via fund balances and reserves, the City does not need to bond for these projects. Another advantage of an interfund loan versus issuing bonds is, if the Water Fund is in a position to pay the loan off early, it can be done without any penalties or restrictions.

The Street Lighting Fund and Capital Improvement Fund are able to pay the costs of the potential projects through reserves. The Street Lighting Fund costs will not have an impact on street lighting utility rates. Staff would recommend that an interfund loan be made from the Sewer Fund to the Water Fund of \$300,000 and paid back over a period of 15 years at a three percent interest rate.

5. Update on 2013 Met Council Forcemain Project

Dawley stated that a public hearing ordering the improvements for the 2013 Excelsior Forcemain Improvements Project was held earlier this year and a public hearing was anticipated to be scheduled later in 2013 to consider special assessments associated with the street improvements included in the project.

As the roadway portion of the 2013 Met Council Forcemain Project is yet to be constructed and City infrastructure construction costs are not available from MCES at this time, the special assessment public hearing for the street improvements constructed in 2013 will be held in conjunction with the 2014 Excelsior Forcemain Improvement Project in the 2014 calendar year. The City Attorney reviewed the change to the original schedule and saw no issues with postponing the assessment to 2014. All eight property owners affected by this change on Excelsior Boulevard will be notified in writing that the assessment hearing for the improvements has been postponed until 2014.

6. Retail and Restaurant Mix – (continued to September 28, 2013)

7. Adjournment

Beattie moved, Fulkerson seconded, to adjourn at 6:58 p.m. Motion carried 4/0.

Respectfully submitted,

Shirley Murphy
City Clerk