



**Agenda
Minnetonka City Council
Regular Meeting
Monday, Feb. 13, 2023
6:30 p.m.
Council Chambers**

1. Call to Order
2. Pledge of Allegiance
3. Roll Call: Coakley-Kirk-Schack-Wilburn-Calvert-Schaeppi-Wiersum
4. Approval of Agenda
5. Approval of Minutes:
 - A. Jan. 13, 2023 special study session minutes
 - B. Jan. 23, 2023 study session minutes
 - C. Jan. 30, 2023 regular meeting minutes
6. Special Matters: None.
7. Reports from City Manager & Council Members
8. Citizens Wishing to Discuss Matters Not on the Agenda
9. Bids and Purchases:
 - A. Bids for the Water Treatment Plant #15 Chemical Room Improvements Project
Recommendation: Award the contract (5 votes)
10. Consent Agenda - Items Requiring a Majority Vote:
 - A. Resolution amending Council Policy 1.3
Recommendation: Approve the resolution (4 votes)
 - B. Resolution authorizing the expenditure of fiscal year 2022 and 2023 opioid settlement funds
Recommendation: Adopt the resolution (4 votes)
11. Consent Agenda - Items Requiring Five Votes: None.
12. Introduction of Ordinances: None.

13. Public Hearings:
 - A. On-sale intoxicating and Sunday on-sale intoxicating liquor licenses for MN Opus Operating VII LLC, dba Minneapolis Marriott Southwest, located at 5801 Opus Parkway
Recommendation: Motion to continue the public hearing to Mar. 27, 2023, for final consideration (4 votes)
14. Other Business:
 - A. 2023 budget revision - The Marsh
Recommendation: Adopt the resolution (5 votes)
15. Appointments and Reappointments: None.
16. Adjournment

Minutes
City of Minnetonka
Special meeting Legislative Breakfast
Friday, Jan. 13, 2023

Council Present: Deb Calvert, Kissy Coakley, Rebecca Schack, Brain Kirk, Kimberly Wilburn

Staff: Mike Funk, Moranda Dammann, Darin Nelson, Julie Wischnack, Kelly O’Dea, Corrine Heine, Will Manchester, Andrew Wittenborg, John Vance, Scott Boerboom

Guests: Senator Steve Cwodzinski, Tom Poul, Gary Carlson, Anne Finn, Patricia Nauman, Representative Patty Acomb, Senator Kelly Morrison

1. Call to order

Acting Mayor Coakley called the meeting to order at 7:31 p.m.

2. Introductions/ Roll Call

The city staff, councilmembers, legislatures and guests in attendance introduced themselves. Mayor Wiersum and Councilmember Schaeppi were excused from the meeting.

3. Local Highlights

City Manager Funk discussed local highlights.

4. Legislative priorities

City Manager Funk reviewed the city of Minnetonka’s legislative priorities, which included topics of bonding bill, housing, public safety and taxes. Awareness topics were also briefly discussed.

5. Comments from legislators

Coakley allowed each of the legislatures, as well as each guest discuss their committees and legislative priorities. Members also commented and asked questions of City Manager Funk and staff regarding Minnetonka’s priorities mentioned in previous agenda items.

6. Adjournment

Meeting was adjourned at 8:47 a.m.

Respectfully submitted,

Becky Koosman
City Clerk

**Minutes
City of Minnetonka
City Council Study Session
Monday, Jan. 23, 2023**

Council Present: Deb Calvert, Kissy Coakley, Brian Kirk, Rebecca Schack, Bradley Schaeppi, Kimberly Wilburn

Staff: Moranda Dammann, Mike Funk, Sarissa Falk, Darin Nelson

1. Call to Order

Acting Mayor Coakley called the meeting to order at 6:32 p.m.

2. Introductions/Roll Call

The city staff and councilmembers in attendance introduced themselves. Mayor Wiersum was excused from the meeting.

3. Boards and commissions interviews

City Manager Mike Funk introduced the topic.

The city council interviewed three applicants for the Senior Advisory Board and four applicants for the Park Board: Ted Nearman, Pamela Rixe, Catherine Goset, Anne Hanley, Aaron Doyle, Elizabeth DiLorenzo, and Lisa Fowler.

Interviews were held up to 15 minutes each.

Coakley recessed the study session meeting.

Coakley reconvened the city council meeting.

4. Local option sales tax discussion

City Manager Funk introduced the topic.

Funk asked the council if there is any appetite for this, knowing it is a minimum 2-3 year conversation, as cities need to follow strict rules and procedures to get legislative authority for the creation of local sales tax.

Councilmembers asked questions and provided feedback.

Councilmembers agreed to move forward with next steps for consideration of the local option sales tax discussion.

**Minutes
City of Minnetonka
City Council Study Session
Monday, Jan. 23, 2023**

5. February study session- topics and dates

This item was moved to earlier in the meeting after Senior Advisory interviews.

Funk summarized the upcoming council study session work plan to affirm topics and dates for 2023.

Funk stated that unless modified by city council, the 2023 study session agenda items for Feb. 6 would be Housing updates (pathways and homelessness), Council compensation, Review and update Council Policy & Rules of Procedure, and 2023 Community Survey questions review.

Councilmembers asked questions and provided feedback.

6 Closed session to conduct city manager performance evaluation; pursuant to Minnesota Statute § 13D.05, subd. 3(a)

This item was pulled from the agenda and will be rescheduled for the Minnetonka City Council Meeting, Jan 30, 2023.

7. Adjournment

Coakley adjourned the meeting at 9:33 p.m.

Respectfully submitted,

Becky Koosman

City Clerk

**Minutes
Minnetonka City Council
Monday, January 30, 2023**

1. Call to Order

Mayor Brad Wiersum called the meeting to order at 6:32 p.m.

2. Pledge of Allegiance

All joined in the Pledge of Allegiance.

3. Roll Call

Council Members Deb Calvert, Bradley Schaeppi, Kissy Coakley, Brian Kirk, Kimberly Wilburn and Brad Wiersum were present.

Council Member Rebecca Schack was excused.

4. Approval of Agenda

Calvert moved, Kirk seconded a motion to accept the agenda with addenda to Items 10.D, 14.A and 15.A. All voted "yes." Motion carried.

5. Approval of Minutes:

A. December 12, 2022 study session minutes

Calvert moved, Kirk seconded a motion to approve the minutes. All voted "yes." Motion carried.

B. January 9, 2023 regular meeting minutes

Calvert moved, Kirk seconded a motion to approve the minutes. All voted "yes." Motion carried.

6. Special Matters: None.

7. Reports from City Manager & Council Members

City Manager Mike Funk reported on upcoming city events and council meetings.

Calvert acknowledged there are people in the country that are hurting. She discussed the mass shootings that occurred in California, along with the other tragic events in the news. It was her hope that the people involved in these

events would be held accountable. She encouraged everyone to be kind to one another.

Schaeppi stated his family attended the family fun event at the fire station. He thanked staff for hosting this family friendly event.

Schaeppi encouraged residents interested in providing feedback on the proposed city-wide sales tax to be engaged with the city.

Schaeppi discussed several events that occurred in Minnetonka recently. He thanked the Minnetonka Police Department for their dedicated service to the community in these difficult times.

Wiersum thanked Councilmember Calvert and Councilmember Schaeppi for their comments. He explained he recently spoke with a retired school teacher about the rising number of mental health concerns among children. He encouraged everyone to think about how they can be more considerate and kind. He stated he was proud of the Minnetonka Police Department and how dedicated they were to keeping the community safe.

Wiersum stated last week he attended a mayors meeting for mayors that border the southwest rail line. He reported construction and status updates were provided to the mayors. He explained he challenged the Met Council Chair Charlie Zelle to provide safe and crime free transportation.

8. Citizens Wishing to Discuss Matters not on the Agenda:

Virginia Berglund, 14424 Woodhaven Avenue, stated she moved into her home last year and has since learned she has wild turkeys roosting on her property. She reported she spoke to the police department, DNR and code enforcement officials regarding this concern and noted she was not feeding the turkeys. She encouraged the residents of Minnetonka to stop feeding the turkeys because she would like them off her property. She suggested the city consider regulating the wild turkeys because if left unchecked problems would only get worse. She proposed the city have a wild turkey hunt in order to assist with managing the population in the community.

Mary Ness, 11507 Old Bren Road, agreed the city had a turkey problem. She stated she had an excess of 30 turkeys on her property that approach her front door. She explained she had a problem with the amount of droppings in her front yard that could be brought into her home. She reported she was not feeding the turkeys but she still had in excess of 30 turkeys. She discussed how the turkeys had destroyed her landscaping and noted she would like to have them removed.

9. Bids and Purchases:**A. Bids for the Minnetonka Community Center project**

Public Works Director Will Manchester gave the staff report and recommended the council reject all bids.

Schaeppi explained he spoke with City Manager Funk today and noted the process going forward would involve engaging the senior community in order to prioritize all of the projects being pursued by the city.

Wiersum thanked the bidders for all of their work. He explained the city does not take the bid rejections lightly. He discussed how circumstances for the city have changed since requesting the bids, noting the city has recently purchased The Marsh. He encouraged bidders to please standby because the city would be rebidding this project in the future.

Calvert moved, Wilburn seconded a motion to reject all bids. Calvert, Wilburn, Coakley, Schaeppi and Wiersum voted “yes.” Kirk “abstained”. Motion carried.

10. Consent Agenda – Items Requiring a Majority Vote:

Schaeppi requested Item 10.B be pulled from the consent agenda for further comment.

A. Resolution for the Smetana Road Trail project

Kirk moved, Calvert seconded a motion to adopt Resolution 2023-008 and authorization to execute an agreement. All voted “yes.” Motion carried.

B. Gleason Lake Road reconstruction project

This item was removed for further comment.

C. Resolution for the Red Circle Drive turn lane improvements project

Kirk moved, Calvert seconded a motion to adopt Resolution 2023-009. All voted “yes.” Motion carried.

D. 2023 Strategic Profile action steps

Kirk moved, Calvert seconded a motion to accept the action steps. All voted “yes.” Motion carried.

E. 2023 general liability insurance and workers’ compensation renewals

Kirk moved, Calvert seconded a motion to authorize renewal of policies as outlined. All voted "yes." Motion carried.

F. Approve 2023 study session work plan

Kirk moved, Calvert seconded a motion to approve work plan. All voted "yes." Motion carried.

G. Appointment of hearing officers for administrative citation hearing program

Kirk moved, Calvert seconded a motion to approve the appointment. All voted "yes." Motion carried.

B. Gleason Lake Road reconstruction project

Schaeppi indicated he lives in the Gleason Lake Road neighborhood and understood this project was being done in conjunction with the City of Plymouth. He explained he spoke with staff regarding this project and asked if there was disappointment with the proposed crossings. Public Works Director Will Manchester stated three crossings were shown originally and during final design impacts were considered and only two crossings were included in the final plans. He reported rapid flashing beacons would be installed at the two crossings.

Schaeppi moved, Kirk seconded a motion to approve the updated intersection concept. All voted "yes." Motion carried.

11. Consent Agenda – Items requiring Five Votes:

Calvert stated she would like to pull Item 11.B for further comment.

A. Applications for renewed precious metal and secondhand dealer licenses for 2023

Calvert moved, Kirk seconded a motion to approve the license renewals. All voted "yes." Motion carried.

B. Conditional use permit and site plan review, with variance and expansion permit for a drop-off and pick-up loop at Groveland Elementary at 17310 Minnetonka Boulevard

Calvert discussed Alternate A and Alternate B for this project. She encouraged the Minnetonka School District to complete Alternate B for this project because this was a better solution.

Wiersum agreed Alternate B would properly address the stacking along Minnetonka Boulevard.

Calvert moved, Kirk seconded a motion to adopt Resolution 2023-010. All voted "yes." Motion carried.

12. Introduction of Ordinances:

A. Items concerning Greystar at 10701 Bren Road East

City Planner Loren Gordon and Community Development Director Julie Wischnack gave the staff report.

Calvert encouraged the developer to have this project solar ready and to include EV charging stations. She stated she appreciated the mix of affordability within this project. She asked that the planning commission consider if the Opus area has capacity to support these new units.

Kirk explained he was concerned with how quickly the Opus area was developing. He indicated the AUAR gives him some level of comfort, but encouraged the planning commission to investigate this further. He suggested the parking lot placement also be considered given how it will impact the adjacent property.

Calvert reported there were really nice trees on this property and she asked that the mature trees be protected where possible.

Kirk agreed the mature trees should be protected within Opus.

Wiersum stated this was a big building that would utilize the entire lot. He understood Greystar was an experienced developer and he appreciated the number of affordable units that were included within this development. He encouraged the planning commission to consider the size of the building and how the new units will impact the surrounding area.

Kirk moved, Coakley seconded a motion to introduce the ordinance and refer it to the planning commission. All voted "yes." Motion carried.

13. Public Hearings:

A. On-sale intoxicating and Sunday on-sale intoxicating liquor licenses for Novel Spirits, LLC, dba The Social Kitchen & Libations, located at 12411 Wayzata Boulevard

Community Development Director Julie Wischnack gave the staff report.

Kirk asked if the council was approving the on-sale liquor license at this meeting. Wischnack reported the council was being asked to grant the license.

Wiersum opened the public hearing.

Tom Leuer, representative from Macy's, thanked the council for considering his request.

There being no further comments from the public, Wiersum closed the public hearing.

Calvert moved, Kirk seconded a motion to grant the licenses. All voted "yes."
Motion carried.

14. Other Business:

A. Concept plan for Marsh Run II Development at 11816 Wayzata Boulevard

City Planner Loren Gordon gave the staff report.

Tony Kuechle, Doran Development, discussed the Marsh Run II development in further detail with the council. He commented on the design of this building, noting it would be similar to the Birke. He described how parking concerns would be addressed, noting there would be a larger surface parking lot. He noted 10% of the units would be affordable within this project.

Kirk stated he appreciated the feedback the planning commission provided to the developer regarding the parking concerns at the Birke and thanked the developer for being willing to address these concerns. He believed it would be helpful for this project to have additional surface parking. He encouraged the developer to have a stronger connection between the Marsh Run II and the Birke.

Coakley asked if the affordable units could be provided at 40% AMI. Mr. Kuechle explained there were a lot of affordable units at 40% AMI within the marketplace, which led him to provide units at other AMI levels (60% and 80%). Community Development Director Julie Wischnack stated there were 206 affordable units at 50% AMI in the Opus neighborhood and another 100 units of affordable single family housing. She reported the proposed affordable units would meet other needs in the community. She explained the council could opt to push the AMI down further, but this would create a greater TIF request from the developer.

Coakley stated she would like further information on how the TIF request would be impacted if the AMI percentages were decreased.

Wiersum opened the meeting for public comment.

Jane Gordon, 11460 Fairfield Road West, explained she was a city councilmember from 1980 to 1992 and she thanked the councilmembers for their service to the community. She reported she loved this city. She stated she met with the developers and encouraged the council to consider the mistakes that were made with the Birke building. She discussed how overflow parking was impacting the neighbors at the Birke building and encouraged the council to properly address this concern. She asked that the Marsh Run II building be properly parked.

Wiersum closed the meeting for public comment.

Gordon stated he has had many conversations with Jane Gordon over the years and noted for the record Jane is not his mother.

Calvert suggested the developer reconsider the parking fee schedule at the Birke in order to assist in addressing the parking concerns. She wanted to be assured residents could afford to pay their rent and be able to park on the property. She recommended the amenity deck overlook the wetland instead of the highway. She thanked the residents for voicing their concerns regarding the wetland and encouraged the city to ensure the wetland was protected throughout the development of this site. She requested the residents of Minnetonka do better to pick up after their pets. She encouraged the developer to have EV charging stations and a building that was prepped for solar. She noted she supported the proposed affordable housing units but discussed how much these new affordable units would cost the city.

Schaeppi explained he believed the concept plan process was difficult. He understood the metro area had a housing deficit at this time. He believed affordable housing should be provided through assistance from the government, but also by the private market. He thanked this developer for being willing to invest further in Minnetonka.

Kirk commented on how long it took for developments to be approved by the city. He understood this site would be eligible for redevelopment TIF funds. He discussed how the Opus area has changed over the past 10 to 15 years. He questioned if this building had enough of a buffer in place to separate it from the adjacent neighborhood. He requested the developer consider this further. He encouraged the developer to address the parking and dog concerns that have been voiced. He appreciated how the footprint of this building would match the

Birke and requested the developer save as many trees as possible on this parcel.

Wiersum stated parking was a concern for both this development and at the Birke. He explained he understood parking was not free and asked the developer to address this concern. He thanked Doran for offering some of their affordable units to people with disabilities. In addition, he thanked the developer for including affordable units within this development but stated he would like to see the cost of affordable housing shared between the city and the developer with a 50/50 split. He challenged the developer to consider the environmental impacts this development would have on the wetland. He encouraged the neighbors to stay involved in this development process.

Wiersum recessed the city council meeting.

Wiersum reconvened the city council meeting.

B. Concept plan for Ridgewood Road Villas located at 18116 Ridgewood Road

City Planner Loren Gordon gave the staff report.

Schaepfi requested further information regarding the capacity of Lindsey Lane. Gordon stated Lindsey Lane was a public road and was 26 feet wide with curb and gutter. He explained the city does not allow the interior of cul-de-sacs to be landscaped anymore, which was done on Lindsey Lane and Kylie Court.

Kirk asked if the north part of this parcel could be developed. Gordon stated he did not believe there was any opportunity to develop the property to the north.

Coakley questioned how common shared driveways were in Minnetonka. Gordon reported the city encourages public roadways for residential access, but noted private connections were also allowed for three driveways.

Kirk inquired what part of the development was public street and which part was private. Gordon reviewed the areas of the development that public and private.

Calvert asked how the affordable housing policy would apply to this development. Community Development Director Julie Wischnack reported the city's affordable housing policy applied to developments that had 10 or more attached units. She explained this development does not have attached units and therefore does not apply.

Wiersum stated he remembered when Lindsey Lane and Kylie Court developed. He understood this area was quite low and questioned if there were concerns

with poor soils and the hydrology of this area. Gordon stated the area where the homes are planned was upland.

Wiersum questioned what the public purpose was for this development. Gordon stated this was a fair question that has been posed to the developer. He recommended the developer speak to this further.

Mike Waldo, Ron Clark Construction, thanked the council for their time and consideration. He explained his expectation was that the street coming up to the cul-de-sac would be public and anything to the north would be private. He reported this development would have an HOA which would assist with the yard maintenance and snow removal. He reported full wetland delineation and soil borings have been completed on this property. He stated 6.1 of the 24 acres was upland. He indicated he would not be filling in any wetlands for this development. He commented further on the type of units this development would include. He reported he would be meeting or exceeding the city's tree ordinance. He explained he would be working to pursue HERZ ratings on the homes within this development.

Kirk questioned how many parcels were included in this development. Mr. Waldo reported his property includes two parcels. He stated the property to the north was owned by the city.

Kirk requested the developer report back to the council with further information on the density and size of the homes that would be constructed within this development.

Wiersum opened the meeting for public comment.

Jay Jenson, 4209 Lindsey Lane, explained he submitted a list of questions for the developer. He indicated he was concerned about protecting the environment and discussed how his neighborhood works diligently to protect the environment so as to reduce the impact on the ponds. He stated he was concerned with how this new neighborhood would interface with the existing homes. He reported he was concerned with how the construction equipment and grading would impact his ponds. He asked that further tree preservation be considered along Lindsey Lane or that a buffer be replanted with pine trees. He suggested further consideration be made on how water would flow into his neighborhood from this development. He recommended rain gardens be added to the yards. He suggested Ron Clark Construction put in place many of the environmental protection measures that his neighborhood had in place in order to reduce the impact on the surrounding property and wetlands.

Mary Ann Coleman, 18317 Kylie Court, stated she understands Ron Clark was a good builder. However, she was against the proposed development. She

discussed how unique her development was and stated she believed the proposed development was too dense. She discussed how the new homes, driveways and streets would flood Powderhorn and her neighborhood. She commented on the natural springs that were located in the pond behind her home. She explained she was shocked by the proposed development and noted she did not want a road going through the development on Outlot C. She discussed the roadway easement that was in place in her neighborhood and how this easement would adversely impact her neighborhood. She reported previous developers had tried to come in and develop this property, but have been unsuccessful. She begged the city to work with the neighbors in order to reduce the density within the proposed development. She encouraged the developer to keep as many trees as possible in order to reduce the impact on the eagle and trumpeter swan populations.

John Coleman, 18317 Kylie Court, reported he believed the proposed development was too dense. He asked who would take care of the property to the north and asked what the stewardship plan would be for the lake. He explained he was concerned with how this development would adversely impact the lake. While he understood this development did not have to match the existing neighborhood, he would like to see it blending in more with the existing neighborhood. He challenged the developer to build several affordable houses within this development, noting this was done within his neighborhood. He suggested the developer make a serious investment in trees in order to shield the development from oncoming traffic and headlight wash. He discussed how construction traffic and construction noise would impact the adjacent neighbors and requested the developer be considerate.

Joe Boyer, 4218 Lindsey Lane, discussed the topography and flood zone for this property. He explained he lives in the Purgatory Creek wetland water flow area. He commented on the amount of water that would flow through his neighborhood from one inch of rainfall. He indicated this neighborhood was surrounded by water and he would like further consideration to be given on how this development would impact the watershed. He was of the opinion this development was too dense and should be reconsidered so as not to adversely impact the ponds and lake. He reported the developer property was a flag lot that had no access unless granted an easement by the city. He encouraged the city to deny access in order to protect the trees, wetlands and land.

Pat Montgomery, 17833 Powderhorn Drive, stated he was concerned with how the natural flow of water would be impacted if this property was developed. He anticipated Powderhorn Drive and his property would be flooded. He reported his neighbors were being inundated with water runoff as the water table rises.

Wiersum closed the meeting for public comment.

Schaeppi stated he was familiar with this property, noting his wife's family lived in this neighborhood. He commented on the changing elevations in this neighborhood. He thanked the neighbors for coming forward and sharing their concerns. He anticipated the city had a history with this developer and could investigate his track record with previous developments.

Kirk thanked all of the neighbors who got up to share their concerns. He discussed the next steps for this project and noted the city has worked with Ron Clark in the past. He stated he appreciated how patient Mr. Waldo has been with the planning commission and city council in the past. He explained the city does not approach projects in a manner that holds one developer to the same covenants as another development. He explained he was concerned about the proposed density within this development. He stated he wanted to be confident the engineering, stormwater and hydrology would be properly addressed within this project. He stated he would like to have more information regarding the parking that was available based on the number of housing units to see if the neighborhood was under parked. He anticipated the project was too dense for him to offer his support.

Calvert stated she has appreciated working with Ron Clark in the past and how patiently they work with neighbors. She encouraged Ron Clark to live up to their reputation and to take the comments from the neighbors to heart. She reported this project was being proposed as a PUD and while she was seeing private good, she was failing to see the public good. She explained she had concerns with where snow would be stored and where visitors would park, especially during in the winter months. She appreciated the fact the developer was proposing one story villas because this was a much needed housing type in Minnetonka. It was her hope that any project developed on this property would improve and not hinder the stormwater management on the site. She encouraged the developer to take into consideration the practices at the Marshes and to minimize the impact on the wildlife and trees. She discussed how weather patterns were changing and indicated the developer would have to properly address the stormwater runoff on this property to ensure the neighboring properties were not impacted. Lastly, she encouraged the developer to reduce the density.

Coakley reported this development was taking up a great deal of space with the homes. She stated she had concerns with the amount of traffic that would be coming in and out of the development. She indicted she was also concerned with the proposed alignment of the public and private roadways. She explained she was also concerned with how water runoff would impact the neighboring properties.

Wiersum stated this is a challenging site. He commented on how weather patterns were changing and that properties would have to be prepared for

extremes. He explained he was concerned about the neighbor's comments and the changes they have seen over the years. He supported the city building in more resilience when consider new developments. He encouraged the developer to reconsider the density and to have more shared driveways in order to reduce the impact on this sensitive property.

15. Appointments and Reappointments:

A. Boards and commissions appointments and reappointments

Wiersum gave the staff report.

Wiersum moved, Wilburn seconded a motion to approve the appointments and reappointments. All voted "yes." Motion carried.

16. Closed session to conduct city manager performance evaluation; pursuant to Minnesota Statute § 13D.05, subd. 3(a)

Calvert moved, Kirk seconded a motion to meet in a closed session to conduct a performance evaluation on the city manager pursuant to Minnesota Statute 13D.05, subdivision 3(a). All voted "yes". Motion carried.

17. Adjournment

Calvert moved, Schaeppi seconded a motion to adjourn the meeting at 11:05 p.m. All voted "yes." Motion carried.

Respectfully submitted,

Becky Koosman
City Clerk



**City Council Agenda Item 9A
Meeting of Feb. 13, 2023**

Title: Bids for the Water Treatment Plant #15 Chemical Room Improvements Project

Report From: Mike Kuno, P.E., Utility Operations Engineer

Submitted through: Mike Funk, City Manager
Will Manchester, P.E., Public Works Director
Darin Nelson, Finance Director

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

The Water Treatment Plant #15 Chemical Room Improvements Project proposes to upgrade the treatment process by repurposing the existing chemical feed room into three separate chemical closets.

Recommended Action

1. Award the contract for the Water Treatment Plant #15 Chemical Room Improvements Project, Project No. 22904, to Construction Results Corporation in the amount of \$218,929.00.
2. Authorize the Utility Operations Engineer to expend the allocated funds for project costs without further council approval, provided the total project costs do not exceed the project budget of \$500,000.
3. Amend the 2022-2026 capital improvements program (CIP) to authorize project funding to utilize 2022 available fund balance.

Strategic Profile Relatability

- | | |
|---------------------------------------------------------------------------------|-------------------------------------------------------------|
| <input checked="" type="checkbox"/> Financial Strength & Operational Excellence | <input type="checkbox"/> Safe & Healthy Community |
| <input checked="" type="checkbox"/> Sustainability & Natural Resources | <input type="checkbox"/> Livable & Well-Planned Development |
| <input checked="" type="checkbox"/> Infrastructure & Asset Management | <input type="checkbox"/> Community Inclusiveness |
| <input type="checkbox"/> N/A | |

Statement: The Water Treatment Plant #15 Chemical Room Improvements Project includes upgrades to the chemical storage and treatment equipment to optimize the treatment process at the plant.

Financial Consideration

Is there a financial consideration? No Yes \$500,000
 Financing sources: Budgeted Budget Modification New Revenue Source
 Use of Reserves Other [Enter]

Statement: The Water Treatment Plant #15 Chemical Room Improvements Project is budgeted in 2022 of the 2022 – 2026 Capital Improvements Program.

Background

On Dec. 5, 2022, council adopted a resolution ordering the improvements, accepting plans and specifications and authorizing the advertisement for bids for Water Treatment Plant (WTP) #15, which is currently equipped to feed chlorine from a single cylinder to four automatic feeders for pre and post chlorination. The current capacity of WTP #15 is approximately 2,500 gallons per minute (gpm); however, the chemical feed equipment can only treat up to 2,000 gpm. In order to optimize the treatment process and achieve the maximum demand from WTP #15, the existing chemical storage and treatment process needs to be reconfigured.

A project location map is attached.

Proposed Improvements

Optimization of the treatment plant requires upgrading the chemical feed equipment to utilize multiple chlorine cylinders simultaneously. The existing chemical feed room will be repurposed into three separate chlorine closets that would all open to the outside of the building for improved access and safety of chemical tank installations. One closet will be dedicated to post-chlorination with the other two closets dedicated to pre-chlorination of the two wells.

Bid Opening

Bids were opened electronically for the project on Feb. 2, 2023. Five bids were received in response to the call for bids, and the results are as follows:

Contractor	Total Bid
Construction Results Corporation	\$218,929.00
M. Magnuson Construction Co., Inc.	\$235,463.00
Pioneer Power, Inc.	\$273,265.00
Municipal Power, Inc.	\$284,100.00
Shaw-Lundquist Associates, Inc.	\$307,430.00
Engineer's Estimate	\$185,000.00

The low bidder, Construction Results Corporation, has satisfactorily completed similar projects.

Estimated Project Costs and Funding

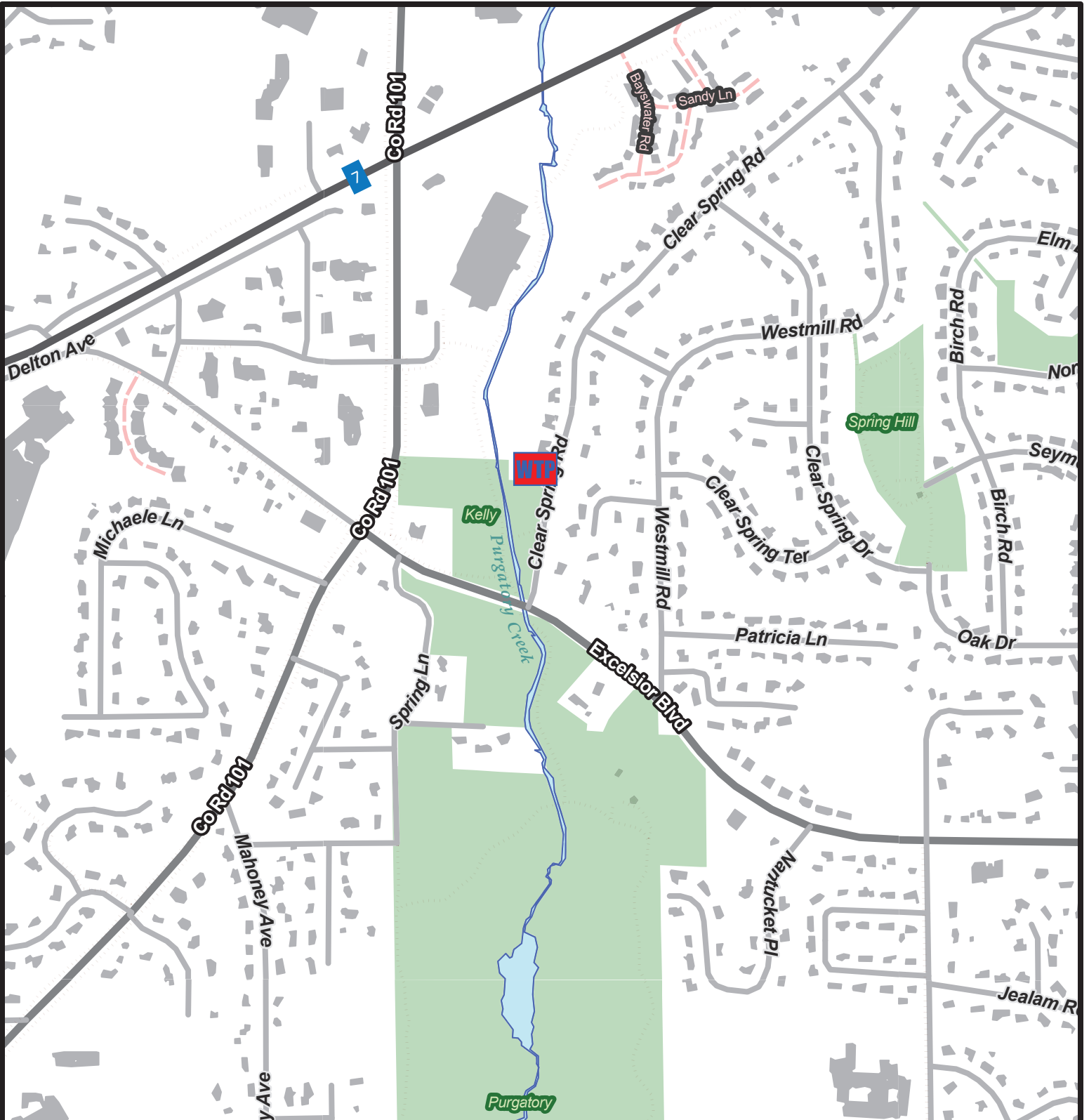
The total estimated construction cost, including engineering, administration and contingency, for the Water Treatment Plant #15 Chemical Room Improvements project is \$335,000. The 2022 – 2026 Capital Improvements Program (CIP) included \$350,000 in 2022 project funding for the Water Treatment Plant #15 project and replacing the water filter media at Water Treatment Plant #13. The plant #13 media replacement work has been completed, but was unfortunately more expensive than budgeted due to inflationary costs of the market when the work was completed earlier this year.

The Water Treatment Plant #15 Chemical Room Improvements is also slightly more expensive than originally budgeted based on market conditions. Due to the increased costs associated with both projects, as discussed at the Dec. 5, 2022 council approvals, staff is recommending to amend the 2022 CIP by \$150,000, utilizing available Utility Fund balance. The budgeted amounts for the project are shown below and the fund balance can support the project costs.


	Budget Amount	Proposed Funding	Expense
Construction Costs			\$220,000
Contingencies			\$15,000
Engineering, Administration, and Indirect Costs			\$100,000
WTP #13 Media Replacement			\$165,000
Utility Fund (2022 CIP #22904)	\$350,000	\$350,000	
Utility Fund (Available Utility Fund Balance)	\$150,000	\$150,000	
Total Budget	\$500,000	\$500,000	\$500,000

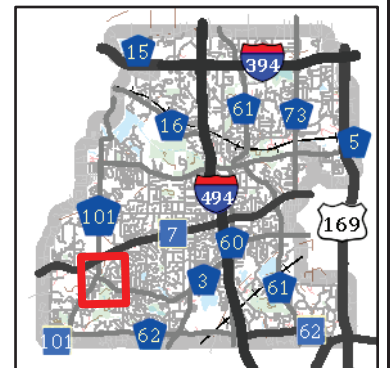
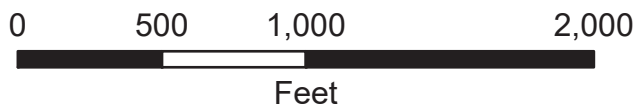
Schedule

If council supports the recommended actions, construction is expected to begin in the fall of 2023 and be completed by May 2024.



WTP 15 Chemical Room Improvements Project

 Water Treatment Plant 15
MI_SDE.HN.CENTRALINE



This map is for illustrative purposes only.





**City Council Agenda Item 10A
Meeting of Feb. 13, 2023**

Title: Resolution amending Council Policy 1.3

Report from: Darin Nelson, Finance Director

Submitted through: Mike Funk, City Manager
Corrine Heine, City Attorney

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

The city recognizes that elected officials receive value from attending workshops, conferences, events and other assignments. Council Policy 1.3 sets forth the conditions under which related expenses will be reimbursed by the city. This policy was first adopted in September 2005. The amended policy institutes a per diem allowance for overnight travel.

Recommended Action

Approve the resolution amending Council Policy 1.3, regarding city council conferences, meetings and training expense reimbursement.

Strategic Profile Relatability

Financial Strength & Operational Excellence Safe & Healthy Community
 Sustainability & Natural Resources Livable & Well-Planned Development
 Infrastructure & Asset Management Community Inclusiveness
 N/A

Statement: Periodic review and updating of policies and procedures ensures strong internal controls and practical application.

Financial Consideration

Is there a financial consideration? No Yes [Enter estimated or exact dollar amount]
Financing sources: Budgeted Budget Modification New Revenue Source
 Use of Reserves Other [Enter]

Statement: N/A

Background

Last fall, the city amended its internal finance policy related to travel authorization and expense reimbursement for city employees. The amendment revised the policy for overnight travel by providing for the use of per diems for meal and incidental expenses for city employees when traveling overnight rather than reimburse for actual meal costs incurred. To maintain consistency between similar policies that govern staff and city council, staff is recommending the city council amend its policy 1.3 related to city council conferences, meetings and training expense reimbursement.

The per diem meal allowance is a daily payment for meals and related incidental expenses incurred in connection with overnight travel. The city will make per diem payments to councilmembers based upon the Standard Federal Per Diem Rate Schedule in effect at the time of travel, as published by the U.S. General Services Administration. These schedules can be found at [Per Diem Rates | GSA](#) (M&IE column).

Councilmembers may claim an amount not to exceed the allowable per diem rate for meals at the travel destination. The federal per diem schedules are used only for meals; the city reimburses lodging, transportation, and other miscellaneous travel expenses as provided in the other sections of policy 1.3.

Another change of note in the policy relates to out-of-state travel. The current policy provides that out-of-state travel must be approved in advance by the city council. Under the proposed revision, the policy would include an exception allowing the council to approve, by a two-thirds majority vote, the reimbursement of out-of-state travel expenses that were incurred without prior council approval, if the council determines that the circumstances justified the lack of prior approval.

Attached to this memo is a redlined version of the updated council policy.

Resolution No. 2023-

Resolution amending Council Policy 1.3, city council conferences, meetings and travel expense reimbursement

Be it resolved by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

- 1.01. The city recognizes that its elected officials may at times receive value from attending workshops, conference, events and other assignments.
- 1.02. Minnesota Statute 471.661 requires governing bodies of charter cities to adopt policies regarding payment of expenses relating to out-of-state workshops, conferences, events and other assignments.
- 1.03. The city council first adopted this policy on Sept. 12, 2005.
- 1.04. Periodic review and updating of policies and procedures ensures strong internal controls and practical application.
- 1.05. The amended policy authorizes the use of per diems for meal and incidental expenses for councilmembers traveling overnight rather than reimbursing for actual meal costs incurred.
- 1.06. The amended policy also includes an exception stipulating the city council may approve, by a two-thirds majority vote, the reimbursement of out-of-state travel expenses that were incurred without prior council approval, if the council determines that the circumstances justified the lack of prior approval.

Section 2. Council Action.

- 2.01. Council Policy 1.3, city council conferences, meetings and travel expense reimbursement is amended as shown in the attached Exhibit A.

Adopted by the City Council of the City of Minnetonka, Minnesota, on Feb. 13, 2023.

Brad Wiersum, Mayor

Attest:

Becky Koosman, City Clerk

Action on this resolution:

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on Feb. 13, 2023.

Becky Koosman, City Clerk

Policy Number 1.3
City Council Conferences, Meetings and Training
Expense Reimbursement

Purpose of Policy: This policy establishes the procedures and conditions under which the city's elected officials will be reimbursed for attendance at conferences, meetings and training.

Introduction

The city recognizes that its elected officials may at times receive value from attending workshops, conferences, events and other assignments. This policy sets forth the conditions under which related expenses will be reimbursed by the city.

Allowable Expenses

Except where this policy provides for per diem payments, the ~~The~~ following types of expenses are ~~approved-eligible~~ for reimbursement contingent upon their meeting the usual tests of appropriateness and reasonableness in specific instances:

- Transportation

Transportation to and from events is ordinarily by private car, city car, or by air. The appropriate transportation is determined on a least cost basis, unless otherwise authorized by the city council.

Private car. When a private car is used, mileage reimbursement is made at the rate established by the city manager. When two or more council members travel to the same destination together by private car, reimbursement is made to only one person. Carpooling is encouraged whenever possible. When travel is directly to an event, mileage will be computed from the council member's home or normal place of work, whichever is less. If air travel is determined to be the most cost effective transportation and a council member chooses to drive, only mileage is reimbursed, and the mileage reimbursement may not exceed ~~is limited to~~ the cost of round trip airfare; ~~There there~~ would be no reimbursement for hotel, meal or other expenses, including travel time, or other expenses incurred.

Rented car. Car rental costs are not reimbursable unless specifically authorized by the city council in advance of travel.

Air travel. Air travel reimbursement is limited to coach or economy fares, when such services are available. Every effort will be made, when practical, to book tickets early to take advantage of money saving offers.

Also reimbursable are fares for shuttle or airport bus service, where available. Costs for public transportation or other ground travel such as taxi service will be reimbursed but should be used only when no other safe, efficient, or economical means of travel exists. Reasonable safety considerations take precedence over economy factors in travel situations. If driven to or from the airport in a private car by another employee or family member, round trip mileage will be reimbursed.

Other forms of transportation. Other forms of transportation such as bus or rail may be utilized if costs are reasonable or similar to costs incurred by air travel.

Parking costs. The cost to park a private or city car at an event site is reimbursable.

- Lodging

Reimbursement for lodging is limited to the minimum number of nights required to conduct the assigned city business. If a council member chooses, for personal reasons, to arrive earlier or leave later, the additional lodging and other expenses related to this decision are his/her personal expense.

Council members will choose lodging based on reasonableness of cost and proximity to the conference, meeting, school or training site. A council member will be reimbursed at the single standard rate for the room they occupy or for the proportionate share of the total room rate if a room is shared with another council member attending the conference.

Lodging expenses will ordinarily not be reimbursed for events held in the metro area unless authorized in advance by the city council.

- Meals and Refreshments

The use of city funds in reasonable amounts for meals and refreshments is permitted in the following circumstances:

- Professional association meetings, [i.e. League of Minnesota Cities, I-494 Corridor Commission, Association of Metropolitan Municipalities, -etc. Reimbursement limited to actual cost not to exceed U.S. General Services Administration meal allowance for geographic location.](#)
- Meetings, training or conferences held outside the seven-county area, [Reimbursement limited to actual cost not to exceed U.S. General Services Administration meal allowance for geographic location.](#)
- Conferences and training when meals are included as part of the registration or program fee.
- City council meetings, including study sessions.

[Meals and refreshments associated with overnight travel are subject to the per diem limits set forth in this policy.](#)

Miscellaneous Expenses

- Reimbursement of telephone calls and similar miscellaneous expenses will be limited to those directly connected to carrying out official city business.
- The city in advance of the event usually pays registration fees. When this is not possible, fees for registration paid by the council member are reimbursable.

- Tips will be reimbursed when included with the transportation, ~~lodging~~, and meal expenses. [Tips associated with overnight travel for lodging and meal expenses are included within the daily per diem allowance, as provided in this policy.](#)
- Recreational expenses such as golf, tennis and sightseeing are not reimbursable.
- Travel or air insurance premiums are not reimbursable.
- City funds will not reimburse for the purchase of alcoholic beverages.
- No reimbursements will be made for attendance at events sponsored by or affiliated with political parties.

Out-of-State Travel

An out-of-state event, workshop, conference or assignment must be approved in advance by the city council, including an estimate of the cost of the travel. In evaluating the out-of-state travel request, the city council will consider the following:

- Whether the elected official will be receiving training on issues relevant to the city or to his or her role as the mayor or as a council member.
- Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the city or on the official roles of local elected officials.
- Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the city where the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.
- Whether the elected official has been specifically assigned by the council to visit another city for the purpose of establishing a goodwill relationship.
- Whether the elected official has been specifically assigned by the council to testify on behalf of the city at the United States Congress or to otherwise meet with federal officials on behalf of the city.
- Whether the city has sufficient funding available in the budget to pay the cost of the trip.

Prior council approval is not needed for attendance at meetings or conferences of the National League of Cities, the U.S. Conference of Mayors, the League of Minnesota Cities, and organizations for which the council member serves as the city's appointed representative. There is a rebuttable presumption that attendance at these events is appropriate, if there are sufficient funds available from the approved budget. Nevertheless, a council member may request that attendance by another council member at one of these events be placed on a council agenda for consideration. If the council decides that attendance is or was not appropriate, no reimbursement of expenses is allowed.

By a ~~two-thirds~~two-thirds majority vote, the council may approve reimbursement of out-of-state travel expenses that were incurred without prior council approval, if the council determines that the circumstances justified the lack of prior approval.

Requests for Reimbursement Per Diem Allowance

When council members travel overnight, ~~the city will pay a daily per diem meal allowance to council members traveling overnight rather than reimburse for actual meal costs and related incidental expenses incurred in connection with overnight travel.~~

The city will make per-diem payments to council members based upon the Standard Federal Per Diem Rate Schedule in effect at the time of travel, as published by the U.S. General Services Administration. Councilmembers must use personal funds to pay for meals and related expenses while traveling and submit a request for per diem reimbursement after the travel is completed.

Councilmembers may claim an amount not to exceed the allowable per diem rate for meals at the travel destination. The federal per diem schedules are only for meals; the city reimburses lodging, transportation, and other miscellaneous travel expenses as provided in the other sections of this policy. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- o Meals including expenses for breakfast, lunch, dinner, and related taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons) and
- o Incidental expenses, including:
 - Fees and tips given to wait staff, baggage carriers, maids, and
 - Transportation and tips between places of lodging or business and places where meals are taken, if suitable meals cannot be obtained at site.

Meals for which the city pays directly, such as meals included in a conference registration fee or as part of airfare, or hotel costs, must be excluded from the per diem claim and will not be reimbursed. Councilmembers must note on the expense claim if a meal is included in the cost of the travel fare, conference fee, or hotel lodging. If a lodging facility provides a hot breakfast, the breakfast allowance is excluded from the per diem amount. This provision does not apply to "continental breakfast" provided by a lodging facility. On "travel days", defined as the first and last day of travel (departure and return), per diem amount equals 75% of total M&IE regardless of departure time.

Procedure for requesting reimbursement or per diem allowance

To apply for reimbursement or per-diem allowance, the council member requesting reimbursement must complete, sign and submit an expense voucher, ~~complete with the expenditures totaled, receipts attached for non-per diem covered expenditures, and signature of the person requesting reimbursement must be submitted to the city manager.~~ All requests for reimbursement of actual expenses must be accompanied by receipts; receipts are not required for meals associated with overnight travel. The city

~~manager will review for reviewing~~ the completed form for proper documentation and reasonableness of expenses.

The voucher must be completed and submitted to the city manager not later than two weeks following completion of the trip.

~~A~~Council members charging expenses on the city charge card must also provide receipts or some form of official validation for those charges.

Airline Travel Credits

~~State law prohibits public employees from claiming personal travel awards for any city-paid travel.~~

~~Airline travel credits resulting from travel paid by the city will accrue to the benefit of the city.~~

- ~~Whenever city funds are used to pay for airline travel for a council member the credits or benefits resulting from that travel are to be retained in an account separate from that person's own personal account.~~
- ~~The credits or benefits may be used only toward future travel on behalf of the city. The credits or benefits may be used for an individual's own personal benefit if the person pays the city for their value as determined by the city.~~

Applicability

This policy is intended as a general guide to be followed by the city council. It is not binding and may be modified by the city council as it sees fit at its sole discretion. This policy does not apply to travel that is not paid by the city or that is paid by the city but is reimbursed by the individual or a third party.

Adopted by Resolution No. 2005-111
Council Meeting of September 12, 2005

~~Amended by Resolution No. 2023-~~
~~Council Meeting of February 13, 2023~~

Policy Number 1.3
City Council Conferences, Meetings and Training
Expense Reimbursement

Purpose of Policy: This policy establishes the procedures and conditions under which the city's elected officials will be reimbursed for attendance at conferences, meetings and training.

Introduction

The city recognizes that its elected officials may at times receive value from attending workshops, conferences, events and other assignments. This policy sets forth the conditions under which related expenses will be reimbursed by the city.

Allowable Expenses

Except where this policy provides for per diem payments, the following types of expenses are eligible for reimbursement contingent upon their meeting the usual tests of appropriateness and reasonableness in specific instances:

- Transportation

Transportation to and from events is ordinarily by private car, city car, or by air. The appropriate transportation is determined on a least cost basis, unless otherwise authorized by the city council.

Private car. When a private car is used, mileage reimbursement is made at the rate established by the city manager. When two or more council members travel to the same destination together by private car, reimbursement is made to only one person. Carpooling is encouraged whenever possible. When travel is directly to an event, mileage will be computed from the council member's home or normal place of work, whichever is less. If air travel is determined to be the most cost effective transportation and a council member chooses to drive, only mileage is reimbursed, and the mileage reimbursement may not exceed the cost of round trip airfare; there would be no reimbursement for hotel, meal or other expenses, including travel time, or other expenses incurred.

Rented car. Car rental costs are not reimbursable unless specifically authorized by the city council in advance of travel.

Air travel. Air travel reimbursement is limited to coach or economy fares, when such services are available. Every effort will be made, when practical, to book tickets early to take advantage of money saving offers.

Also reimbursable are fares for shuttle or airport bus service, where available. Costs for public transportation or other ground travel such as taxi service will be reimbursed but should be used only when no other safe, efficient, or economical means of travel exists. Reasonable safety considerations take precedence over economy factors in travel situations. If driven to or from the airport in a private car by another employee or family member, round trip mileage will be reimbursed.

Other forms of transportation. Other forms of transportation such as bus or rail may be utilized if costs are reasonable or similar to costs incurred by air travel.

Parking costs. The cost to park a private or city car at an event site is reimbursable.

- Lodging

Reimbursement for lodging is limited to the minimum number of nights required to conduct the assigned city business. If a council member chooses, for personal reasons, to arrive earlier or leave later, the additional lodging and other expenses related to this decision are his/her personal expense.

Council members will choose lodging based on reasonableness of cost and proximity to the conference, meeting, school or training site. A council member will be reimbursed at the single standard rate for the room they occupy or for the proportionate share of the total room rate if a room is shared with another council member attending the conference.

Lodging expenses will ordinarily not be reimbursed for events held in the metro area unless authorized in advance by the city council.

- Meals and Refreshments

The use of city funds in reasonable amounts for meals and refreshments is permitted in the following circumstances:

- Professional association meetings, i.e. League of Minnesota Cities, I-494 Corridor Commission, Association of Metropolitan Municipalities, etc. Reimbursement limited to actual cost not to exceed U.S. General Services Administration meal allowance for geographic location.
- Meetings, training or conferences held outside the seven-county area. Reimbursement limited to actual cost not to exceed U.S. General Services Administration meal allowance for geographic location.
- Conferences and training when meals are included as part of the registration or program fee.
- City council meetings, including study sessions.

Meals and refreshments associated with overnight travel are subject to the per diem limits set forth in this policy.

Miscellaneous Expenses

- Reimbursement of telephone calls and similar miscellaneous expenses will be limited to those directly connected to carrying out official city business.
- The city in advance of the event usually pays registration fees. When this is not possible, fees for registration paid by the council member are reimbursable.
- Tips will be reimbursed when included with the transportation and meal expenses.

Tips associated with overnight travel for lodging and meal expenses are included within the daily per diem allowance, as provided in this policy.

- Recreational expenses such as golf, tennis and sightseeing are not reimbursable.
- Travel or air insurance premiums are not reimbursable.
- City funds will not reimburse for the purchase of alcoholic beverages.
- No reimbursements will be made for attendance at events sponsored by or affiliated with political parties.

Out-of-State Travel

An out-of-state event, workshop, conference or assignment must be approved in advance by the city council, including an estimate of the cost of the travel. In evaluating the out-of-state travel request, the city council will consider the following:

- Whether the elected official will be receiving training on issues relevant to the city or to his or her role as the mayor or as a council member.
- Whether the elected official will be meeting and networking with other elected officials from around the country to exchange ideas on topics of relevance to the city or on the official roles of local elected officials.
- Whether the elected official will be viewing a city facility or function that is similar in nature to one that is currently operating at, or under consideration by the city where the purpose for the trip is to study the facility or function to bring back ideas for the consideration of the full council.
- Whether the elected official has been specifically assigned by the council to visit another city for the purpose of establishing a goodwill relationship.
- Whether the elected official has been specifically assigned by the council to testify on behalf of the city at the United States Congress or to otherwise meet with federal officials on behalf of the city.
- Whether the city has sufficient funding available in the budget to pay the cost of the trip.

Prior council approval is not needed for attendance at meetings or conferences of the National League of Cities, the U.S. Conference of Mayors, the League of Minnesota Cities, and organizations for which the council member serves as the city's appointed representative. There is a rebuttable presumption that attendance at these events is appropriate, if there are sufficient funds available from the approved budget. Nevertheless, a council member may request that attendance by another council member at one of these events be placed on a council agenda for consideration. If the council decides that attendance is or was not appropriate, no reimbursement of expenses is allowed.

By a two-thirds majority vote, the council may approve reimbursement of out-of-state travel expenses that were incurred without prior council approval, if the council determines that the circumstances justified the lack of prior approval.

Per Diem Allowance

When council members travel overnight, the city will pay a daily per diem meal allowance rather than reimburse for actual meal costs and related incidental expenses.

The city will make per-diem payments to council members based upon the Standard Federal Per Diem Rate Schedule in effect at the time of travel, as published by the U.S. General Services Administration. Councilmembers must use personal funds to pay for meals and related expenses while traveling and submit a request for per diem reimbursement after the travel is completed.

Councilmembers may claim an amount not to exceed the allowable per diem rate for meals at the travel destination. The federal per diem schedules are only for meals; the city reimburses lodging, transportation, and other miscellaneous travel expenses as provided in the other sections of this policy. The per diem allowance covers all charges, including taxes and service charges where applicable for:

- Meals including expenses for breakfast, lunch, dinner, and related taxes (specifically excluded are alcoholic beverage and entertainment expenses, and any expenses incurred for other persons) and
- Incidental expenses, including:
 - Fees and tips given to wait staff, baggage carriers, maids, and
 - Transportation and tips between places of lodging or business and places where meals are taken, if suitable meals cannot be obtained at site.

Meals for which the city pays directly, such as meals included in a conference registration fee or as part of airfare, or hotel costs, must be excluded from the per diem claim and will not be reimbursed. Councilmembers must note on the expense claim if a meal is included in the cost of the travel fare, conference fee, or hotel lodging. If a lodging facility provides a hot breakfast, the breakfast allowance is excluded from the per diem amount. This provision does not apply to “continental breakfast” provided by a lodging facility. On “travel days”, defined as the first and last day of travel (departure and return), per diem amount equals 75% of total M&IE regardless of departure time.

Procedure for requesting reimbursement or per diem allowance

To apply for reimbursement or per-diem allowance, the council member requesting reimbursement must complete, sign and submit an expense voucher to the city manager. All requests for reimbursement of actual expenses must be accompanied by receipts; receipts are not required for meals associated with overnight travel. The city manager will review the completed form for proper documentation and reasonableness of expenses.

The voucher must be completed and submitted to the city manager not later than two weeks following completion of the trip.

Council members charging expenses on the city charge card must also provide receipts or some form of official validation for those charges.

Airline Travel Credits

State law prohibits public employees from claiming personal travel awards for any city-paid travel.

Applicability

This policy is intended as a general guide to be followed by the city council. It is not binding and may be modified by the city council as it sees fit at its sole discretion. This policy does not apply to travel that is not paid by the city or that is paid by the city but is reimbursed by the individual or a third party.

Adopted by Resolution No. 2005-111
Council Meeting of September 12, 2005

Amended by Resolution No. 2023-
Council Meeting of February 13, 2023



**City Council Agenda Item 10B
Meeting of Feb. 13, 2023**

Title: Resolution authorizing the expenditure of fiscal year 2022 and 2023 opioid settlement funds

Report from: Darin Nelson, Finance Director

Submitted through: Mike Funk, City Manager
Scott Boerboom, Police Chief
Corrine Heine, City Attorney

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

The city opted-in on the national opioid settlement in December 2021. Since that time, the city has begun to receive opioid settlement dollars. In order for the city to spend these dollars on opioid remediation, the city council is required to approve identified expenditures for a stated period.

Recommended Action

Adopt resolution authorizing the expenditure of fiscal year 2022 and 2023 opioid settlement funds.

Strategic Profile Relatability

Financial Strength & Operational Excellence Safe & Healthy Community
 Sustainability & Natural Resources Livable & Well-Planned Development
 Infrastructure & Asset Management Community Inclusiveness
 N/A

Statement: Opioid settlement funds will be used to mitigate the opioid crisis.

Financial Consideration

Is there a financial consideration? No Yes
Financing sources: Budgeted Budget Modification New Revenue Source
 Use of Reserves Other [Enter]

Statement: Opioid settlement dollars will provide funding to supplant current and future opioid remediation expenditures.

Background

On December 20, 2021, the city adopted Resolution No. 2021-133 to support an opt-in to the national opioid settlements, and to ratify the city manager's execution of (1) opioid litigation settlements with opioid distributors McKesson, Cardinal Health, and Amerisource Bergen and opioid manufacturer Johnson & Johnson, and (2) Memorandum of Agreement ("MOA") between the State of Minnesota and local governments relating to the distribution of settlement funds to fight the opioid crisis.

Minnesota will receive settlements over the next 18 years with the vast majority paid directly to cities and counties. Distribution within Minnesota will be determined by the MOA. Settlement payments started in October 2022. Settlement funds received by the State of Minnesota are to be distributed as follows:

- Seventy-Five percent (75%) of the funds, subject to a 7% reduction for funds held for the special opioid abatement backstop account, will be paid directly to counties and participating cities.
- Twenty-Five percent (25%) of the funds will be paid to the State of Minnesota and will go into a special opioid abatement account.

Under the terms of the settlement and the MOA, Minnetonka's percentage of the settlement funds, is approximately 0.197%.

Minnetonka may use the opioid settlement funds on a number of pre-approved categories detailed in the MOA, including: opioid prevention treatment of use; support of people in treatment and recovery; connections to care; addressing the needs of criminal justice for involved persons; and addressing the needs of the perinatals, caregivers and families with babies with neonatal opioid withdrawal syndrome. While the MOA sets forth a list of settlement fund uses, they are not exclusive.

Per the MOA, the city is required to create a separate special revenue fund that is designated for the receipt and expenditure of opioid settlement funds. This fund may not be commingled with any other money or funds of the city. The city may only expend monies from the special revenue fund in accordance with a separate resolution that authorizes the expenditure of a stated amount of opioid settlement funds for a specified use during a stated period of time.

Proposed Expenditures

Upon review of the allowed uses, staff is recommending the following expenditures from the Opioid Settlement for the years 2022 and 2023:

Opioid Remediation Uses Per MOA	Funding Level (Up to)
PART ONE; TREATMENT	
B. Support People in Treatment and Recovery	
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed in section B	\$ 25,000.00
PART THREE: OTHER STRATEGIES	
I. First Responders	
1. Law enforcement expenditures related to the opioid epidemic	\$ 85,000.00
	<u>\$ 110,000.00</u>

A full-time Hennepin County social worker is assigned to the police department, which provides direct access to those in need of treatment and recovery. This collaboration enhances the level of care to those in need, providing better outcomes. These funds will support this program.

Police officers are likely to come into contact with a mixture of illicit drugs during routine job duties. In recent years, fentanyl, which is a synthetic opioid, has become more prevalent and is often mixed with other illicit drugs. Fentanyl is 50 times stronger than heroin and 100 times stronger than morphine and the smallest amount can be very dangerous. The department has implemented safety procedures to minimize exposure and the equipment purchased will be located in the police department's evidence room further minimizing exposure.

Resolution No. 2023-

Resolution authorizing the expenditure of fiscal year 2022 and 2023 opioid settlement funds

Be it resolved by the City Council of the City of Minnetonka, Minnesota as follows:

Section 1. Background.

- 1.01. On December 20, 2021, the city council adopted Resolution No. 2021-133 approving the city's participation in national opioid litigation settlements and execution of the Minnesota Opioids State-Subdivision Memorandum of Agreement (MOA) regarding the use of settlement funds.
- 1.02. The MOA requires the city to pass a resolution authorizing the expenditure of Opioid Settlement funds and specifying the activities that will be funded.
- 1.03. The city has a developed a proposal for the use of opioid settlement funds in 2022 and 2023.

Section 2. Council Action.

- 2.01. The city council approves and authorizes the following annual expenditures of funding from the opioid settlement for the years 2022 and 2023:

Opioid Remediation Uses Per MOA	Funding Level (Up to)
PART ONE; TREATMENT	
B. Support People in Treatment and Recovery	
15. Hire or train behavioral health workers to provide or expand any of the services or supports listed in section B	\$ 25,000
PART THREE: OTHER STRATEGIES	
I. First Responders	
1. Law enforcement expenditures related to the opioid epidemic	\$ 85,000
	<hr/> \$ 110,000 <hr/>

Adopted by the City Council of the City of Minnetonka, Minnesota, on Feb. 13, 2023.

Brad Wiersum, Mayor

Attest:

Becky Koosman, City Clerk

Action on this resolution:

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Resolution adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on Feb. 13, 2023.

Becky Koosman, City Clerk



**City Council Agenda Item 13A
Meeting of Feb. 13, 2023**

Title: On-sale intoxicating and Sunday on-sale intoxicating liquor licenses for MN Opus Operating VII LLC, dba Minneapolis Marriott Southwest, located at 5801 Opus Parkway

Report From: Fiona Golden, Community Development Coordinator

Submitted through: Mike Funk, City Manager
Julie Wischnack, AICP, Community Development Director

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

MN Opus Operating VII LLC, dba Minneapolis Marriott Southwest, has submitted an application for an on-sale intoxicating and a Sunday on-sale intoxicating license. The application is due to a change in ownership from the previous licensee, Sage Client 335, LLC. The city council is required to hold two public hearings to consider the licenses and receive public testimony.

Recommended Action

Motion to continue the public hearing to Mar. 27, 2023, for final consideration.

Strategic Profile Relatability

Financial Strength & Operational Excellence Safe & Healthy Community
 Sustainability & Natural Resources Livable & Well-Planned Development
 Infrastructure & Asset Management Community Inclusiveness
 N/A

Financial Consideration

Is there a financial consideration? No Yes [Enter estimated or exact dollar amount]
Financing sources: Budgeted Budget Modification New Revenue Source
 Use of Reserves Other [Enter]

Subject: On-sale intoxicating and Sunday on-sale intoxicating liquor licenses for MN Opus Operating VII LLC, dba Minneapolis Marriott Southwest, located at 5801 Opus Parkway

Background

On Aug. 4, 2014, Sage Client 355, LLC, was approved as the licensee for the 14,000 sq. ft., 300-room Marriott hotel in Opus. On Dec. 29, 2022, Sage Client 355, LLC transferred ownership to MN Opus Operating VII LLC. A management agreement between the two entities has been submitted and approved by City Attorney Corrine Heine, to operate under the current license until the final council decision on Mar. 27, 2023. The officers of the new entity are Robert Indeglia Jr – President and Secretary, and Douglas Stevens, Vice President. None of the officers have ownership in excess of 10%. General Manager, James Peterson, was previously employed by Sage Client 355, LLC, and was administratively approved for the GM position in Nov. 2022.

Business Operation Description

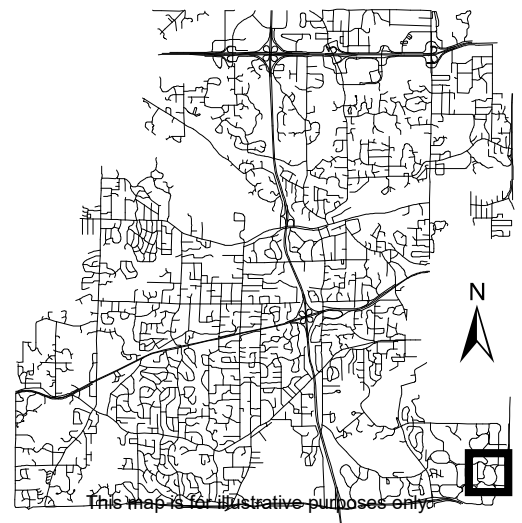
Liquor sales are permitted in the Blue Birch restaurant, the adjoining lounge, and through room-service from the restaurant. The Blue Birch Restaurant is open daily, Mon. - Fri. 6:30 a.m. – 10 p.m., Sat. 7 a.m. – 10 p.m., and Sun. 7 a.m. – 9 p.m. Liquor sales are permitted within the building in the Lake of the Woods & Lake Minnetonka Ballrooms, Lake of the Isles meeting rooms, and outdoor patio area. The change in ownership necessitates the need for a new liquor license. All other day-to-day operational aspects of the hotel will remain the same.

A complete application and license fees have been submitted. The police department's investigative report on this application is pending and will be forwarded to the council prior to the continued public hearing on Mar. 27, 2023.



Location Map

Address: 5801 Opus Parkway



This map is for illustrative purposes only.

Blue Birch Restaurant Operation team is in full control of service/cleaning of patio and restoring to normal operating condition prior to end of shift so that morning crew can serve breakfast outside (weather permitting). Team also has housekeeping team members that can assist if necessary, along with overnight security to help maintain space.

ALCOHOL TRAINING

All associates who sell, serve or supervise those who sell or serve alcohol will diligently require proper identification.

All associates who sell, serve or supervise those who sell or serve alcohol will receive formal training in the responsible service of alcohol through TIPS or another nationally or regionally recognized training program.

The focus of TIPS training is on responsible consumption. Using video presentations, discussion, simulations, and role-playing exercises, TIPS training provides real-life information about the effects of alcohol and empowers employees with the knowledge, skills and confidence they need to:

- Recognize signs of intoxication.
- Intervene more quickly and assuredly in potential problem situations.
- Spot underage drinkers and prevent sales to minors.
- Handle alcohol-related situations with greater confidence.
- Understand the difference between people enjoying themselves and those who are getting into trouble with alcohol.

Properties Food/Beverage Manager is in process of renewing her Tips Training Instructor card which will help continue educating team members with TIPS training even in the midst of turnover and/or onboarding of talent.

MENU

Menu attached

[Menus | Blue Birch in Minnetonka, MN \(bluebirchrestaurant.com\)](http://bluebirchrestaurant.com)

BLUE BIRCH

EAT DRINK GATHER

SHAREABLES

RICE PAPER WRAP 11

FRESH BASIL, RICE NOODLES, SHRIMP,
JULIENNE CARROTS WITH TANGY HOISIN SAUCE

HUMMUS 12

AVOCADO CILANTRO HUMMUS, TOASTED GARLIC NAAN BREAD AND
GRILLED SEASONAL VEGETABLES

WINGS 14

CRISPY CHICKEN WINGS WITH BLUE CHEESE OR RANCH
BUFFALO, BBQ, OR HOUSE SMOKEY RUB

POT STICKERS 11

PAN SEARED PORK POT STICKERS WITH SESAME SOY SAUCE

SHRIMP 14

FRIED SHRIMP TOSSED IN SAMBAL AIOLI
WITH ENGLISH CUCUMBER

FISH & CHIPS 18

SUMMIT BEER BATTERED MN WALLEYE AND DILL PICKLE AIOLI
WITH FRIES

FLAT BREADS

SMOKED SALMON 16

SMOKED SALMON, CAPER CREAM CHEESE, BABY ARUGULA,
LEMON ZEST

CAPRESE 16

MIDNIGHT BASIL, TOMATO, BUFFALO MOZZARELLA CHEESE

BARBECUE CHICKEN 16

FIRE BRAISED BARBECUE CHICKEN
AND CRISPY FRIED ONIONS

HANDHELDS

SERVED WITH FRIES OR POTATO CHIPS
UPGRADE TO SIDE SALAD OR CUP OF SOUP +3

BLUE BIRCH BURGER 16

ANGUS BEEF PATTY, LETTUCE, TOMATO, CHEDDAR CHEESE,
APPLEWOOD SMOKED BACON ON A BRIOCHE BUN

YOSHI BURGER 16

GROUND BEEF MARINATED IN GINGER SOY SAUCE, GARLIC,
SCALLION AND LETTUCE, RED CABBAGE SLAW, HOUSE AIOLI
ON A BRIOCHE BUN

PULLED PORK SANDWICH 16

SLOW COOKED PULLED PORK, SLAW, TANGY LIGHT SAUCE
ON A BIANCO BUN

VEGGIE BURGER 16

PLANT BASED PATTY, LETTUCE, TOMATO, PEPPER JACK CHEESE
ON A POTATO BUN

TURKEY WRAP 16

GLUTEN FREE TORTILLA, AVOCADO LIME SPREAD, LETTUCE,
TOMATO AND PEPPER JACK CHEESE

SMOKED TURKEY BLT 16

BUTTER LETTUCE, TOMATO, APPLEWOOD SMOKED BACON,
HERB AIOLI ON A TOASTED MULTI GRAIN BREAD

SOUPS

MINNESOTA CHICKEN WILD RICE

CUP 7 | BOWL 9

SOUP OF THE DAY

CUP 7 | BOWL 9

GLUTEN FRIENDLY 

DAIRY FREE 

SALADS

ADD PROTEIN

GRILLED CHICKEN 8.50 | SHRIMP 9 | SALMON 9 | STEAK 12

TACO SALAD 15 ^{GF}

CILANTRO LIME CHICKEN, LETTUCE, TOMATOES, SWEET CORN, CREAMY AVOCADO, HEARTY BLACK BEANS, SHAVED COTIJA, CILANTRO LIME DRESSING

CAESAR SALAD 13

CHOPPED ROMAINE, SHAVED PARMESAN CHEESE, HERB & GARLIC CROUTONS, CAESAR DRESSING

PROSCIUTTO SALAD 14 ^{GF}

PEACHES AND PROSCIUTTO, PICKLED BEETS, SHAVED FENNEL, PISTACHIO, MINT, GOAT CHEESE, BERRY VINAIGRETTE

CHOPPED SALAD 14 ^{GF}

ROMAINE LETTUCE, AVOCADO, SWEET CORN, TOMATO, POMEGRANATE, GARBANZO BEANS, FETA CHEESE, CREAMY BUTTERMILK DRESSING

BURRATA SALAD 13 ^{GF}

CUCUMBER, HEIRLOOM TOMATO, RED PICKLED ONION, CHIMICHURRI

DINNER

SERVED 4PM - 10PM DAILY

TIBETAN MOMOS 21 ^{DF}

TIBETAN BEEF MOMOS WITH SIGNATURE HOT SAUCE AND HOUSE MADE CABBAGE SLAW

BASMATI RICE BOWL 21 ^{GF DF}

GRILLED CHICKEN, PAN FRIED EGG, BOK CHOY, BLANCHED BROCCOLI

STIR FRY 23 ^{DF}

EGG NOODLES, PEA SHOOTS, SHIITAKE MUSHROOMS, SCALLIONS AND SPROUTS

SCALLOPS 29 ^{GF}

PAN SEARED SCALLOPS, SWEET CORN WITH MAPLE BOURBON BROWN BUTTER AND BACON, CREAMY SUN DRIED TOMATO SAUCE

STRIPLOIN STEAK 29 ^{GF}

STRIPLOIN STEAK, CREAMY MASHED POTATOES, STEAKHOUSE GRILLED ASPARAGUS AND PORCINI MUSHROOM DEMI

WALLEYE 25 ^{GF}

GRILLED MINNESOTA RED LAKE WALLEYE, SWEET CORN SUCCOTASH, RED PEPPER COULIS, LEMON GARLIC BUTTER

DESSERTS

CHEESECAKE FUNK 7.50

BANANA, STRAWBERRY, PLAIN, OR TURTLE

SEASONAL SORBET 6 ^{GF}

ASK YOUR SERVER FOR OUR CURRENT SELECTIONS

ICE CREAM SUNDAE 7 ^{GF}

CHOCOLATE OR VANILLA

CHOCOLATE CAKE 7.50

BEVERAGES

PEPSI PRODUCTS, ICED TEA, & LEMONADE 3.50

STARBUCKS COFFEE

12oz 3.25 | 16oz 4 | 20oz 5

TAZO HOT TEA

12OZ 3.25 | 16oz 3.50 | 20oz 3.75

SAN PELLEGRINO

375ML 4 | 750ML 7



**City Council Agenda Item 14A
Meeting of Feb. 13, 2023**

Title: 2023 budget revision - The Marsh

Report From: Kelly O'Dea, Recreation Director

Submitted through: Mike Funk, City Manager
Corrine Heine, City Attorney
Darin Nelson, Finance Director

Action Requested: Motion Informational Public Hearing
Form of Action: Resolution Ordinance Contract/Agreement Other N/A
Votes needed: 4 votes 5 votes N/A Other

Summary Statement

The city council approved purchase of the properties at 15000 and 15208 Minnetonka Blvd. (known as 'The Marsh') from the YMCA for \$4,275,000 at their Jan. 9, 2023 meeting. Staff presented an estimated cost of \$2,000,000 to operate the facility for 2023 and 2024, which was referenced in the approved resolution on Jan. 9 authorizing an internal interfund loan. Since Jan. 9, staff has analyzed revenues and expenditures and request the council to approve a 2023 budget.

Recommended Action

Approve the resolution amending the 2023 budget to include the carrying and operational costs of The Marsh facility.

Strategic Profile Relatability

Financial Strength & Operational Excellence Safe & Healthy Community
 Sustainability & Natural Resources Livable & Well-Planned Development
 Infrastructure & Asset Management Community Inclusiveness
 N/A

Financial Consideration

Is there a financial consideration? No Yes (see details in report)
Financing sources: Budgeted Budget Modification
 New Revenue Source
 Use of Reserves Other (CIP Amendment)

Statement: As discussed at the January 9 meeting, the funding source for the carrying and operational costs at The Marsh will be from program and membership fees and a \$2 million interfund loan to be utilized over the course of 2023 and 2024. Council action is required for this budget alteration.

Property Background

At its [Jan. 9, 2023 meeting](#), the city council approved purchasing the properties at 15000 and 15208 Minnetonka Blvd (known as The Marsh) from the YMCA for \$4,275,000. In addition to approving the purchase of the properties, the council also adopted a resolution to authorize an interfund loan in the amount of \$6,275,000. The difference in the amounts (\$2,000,000) reflects the facility's estimated carrying and operating costs over the next two year. The January 9 meeting did not include action to approve an operational budget.

Since the January 9 meeting, the YMCA board has approved the purchase agreement and the city will likely close on the property later this month.

Budget

After the city council approved the purchase of the properties, city staff began work on a plan to open the facility in the short term. The plan includes a budget with a net loss of approximately \$2,000,000 over the two-year period. Typically, a revised budget is brought forward when adopting the next year's budget, but due to the timing and nature of this purchase there is a need for a 2023 budget alteration at this point in time. A second budget alteration or revised budget will be brought forward with the traditional budget process later this year. Due to the uncertainty and other unknowns the estimated revenues and expenditures are likely to change once the facility becomes operational. Budget adjustments will be reviewed during the final revised budget process later this year.

The Marsh	2023	2024
Estimated Revenues	\$410,000	\$775,000
Estimated Expenditures		
Personnel	\$660,000	\$825,000
Supplies	\$110,000	\$145,000
Other services & charges	\$460,000	\$525,000
Capital Outlay	\$375,000	\$75,000
Total Estimated Expenditures	\$1,605,000	\$1,570,000
Total Estimated Loss	\$1,195,000	\$795,000

Operating expenditures include, but are not limited to:

- Personnel – full-time and part-time staff, including appropriate benefits
- Supplies – building supplies, such as chlorine for pools, and janitorial supplies
- Other services & charges – gas and electric fees, service contracts, etc.
- Capital Outlay – major building items such as fiber for the building, furniture, as well as the Recreation Facilities Study

The recommended action is to approve the resolution authorizing the 2023 Marsh budget. The Marsh budget for 2024 will be presented to the city council as part of the city's budget process in late 2023.

Resolution No. 2023-XXX

Resolution adopting the Marsh budget for the Year 2023.

Be it resolved by the City Council of the City of Minnetonka, Minnesota, as follows:

Section 1. Background.

1.01. The city manager has presented to the city council a proposed 2023 Marsh Budget.

Section 2. Authorization

2.01. The city manager's proposed 2023 Marsh Budget is hereby approved and adopted with the official copy being on file with the city clerk.

2.02. The following sums of money are included in the 2023 Marsh Budget:

<u>The Marsh</u>	<u>2023</u>
Estimated Revenues	\$410,000
Estimated Expenditures	
Personnel	\$660,000
Supplies	\$110,000
Other services & charges	\$460,000
Capital Outlay	\$375,000
Total Estimated Expenditures	\$1,605,000
Total Estimated Loss	\$1,195,000

2.03. The 2023 estimated loss is being covered by a \$2 million interfund loan approved by the city council on Jan. 9, 2023.

Adopted by the City Council of the City of Minnetonka, Minnesota on Feb. 13, 2023.

Brad Wiersum, Mayor

ATTEST:

Becky Koosman, City Clerk

ACTION ON THIS RESOLUTION:

Motion for adoption:

Seconded by:

Voted in favor of:

Voted against:

Abstained:

Absent:

Resolution was adopted.

I hereby certify that the foregoing is a true and correct copy of a resolution adopted by the City Council of the City of Minnetonka, Minnesota, at a meeting held on _____, 2023.

Becky Koosman, City Clerk