



**MINUTES
CITY COUNCIL MEETING
April 2, 2024**

CALL TO ORDER

The meeting was called to order at 6:30 pm.

Present: Mayor: Charlie Miner; Council: Jahn Dyvik, Gina Joyce, and Deirdre Kvale

Staff Present: City Administrator: Scott Weske; Finance Director: Amanda Nowezki; and City Clerk: Jeanette Moeller

Absent: Council: Mike Feldmann (with prior notice)

PLEDGE OF ALLEGIANCE

MAYOR'S COMMENTS – LONG LAKE NEWS, MEETING REVIEW AND UPDATES

Mayor Miner reported that he had given a presentation last week for the Wayzata Area Chamber of Commerce at their annual 'State of the Cities' meeting.

APPROVE AGENDA

A motion was made by Dyvik, seconded by Joyce, to approve the agenda as presented. Ayes: all.

CONSENT AGENDA

The Consent Agenda consisted of the following:

- A. Approve Minutes of March 19, 2024 City Council Meeting
- B. Receive Unofficial Draft Minutes of March 19, 2024 Economic Development Authority Meeting
- C. Approve Vendor Claims and Payroll
- D. Adopt Resolution No. 2024-14 Approving a Salary Step Increase for Fire Chief Michael Heiland
- E. Approve a Fixed Property Release Waiver Related to Property Damage by a Vehicle in the Vicinity of the Wayzata Boulevard W/Old Long Lake Road intersection, and Authorize the Mayor to Execute the Release

Council member Kvale referenced Consent Agenda Item E and noted that it did not expressly say that the City retains the right to pursue the driver for remaining damages. She pointed out that the total amount of the damage was \$13,000, the City was being paid \$10,000 by insurance, and the City has the right to go after the individual responsible for the damage.

City Administrator Weske confirmed that the City does have the opportunity to go after the individual responsible if they choose to, but explained that at this time, staff was not intending to pursue that avenue because the difference was only about \$3,000.

Council member Kvale asked if the City could send a letter so that the City's right to pursue damages is on the record.

Weske explained that the individual involved had been under-insured which meant that Progressive was only responsible for \$10,000 worth of damages, despite the fact that there was \$13,000 worth of damage. He added that he did not feel that sending a letter to the individual responsible would add any value, and mentioned that the cost to pursue damages might actually exceed the \$3,000 not covered by the driver's insurance.

Council member Kvale stated that she would like to send a message to the driver because the City is taking a financial hit in this situation, and she questioned whether wages could be garnished or whether the amount could be certified to takes.

Weske clarified that light poles had inadvertently not been included in the rider within the City's insurance policy at the time of the damage, but that they have been added for coverage for the year 2024. In the future, any amount not covered by the driver's insurance should be covered by the City's insurance.

A motion was made by Dyvik, seconded by Miner, to approve the Consent Agenda as presented.

Council member Joyce noted that the salary step increase for Fire Chief Heiland was well earned and well deserved.

Ayes: all.

OPEN CORRESPONDENCE

No one was in attendance to address the City Council during Open Correspondence.

BUSINESS ITEMS

Receive and Accept the 2023 Audited Financial Report

Andy Berg of Abdo, LLP gave a presentation and answered Council questions regarding Long Lake's annual audit results. He noted that the City received a clean unmodified opinion with no instances of non-compliance. He indicated that as usual the audit resulted in internal control findings related to preparation of financial statements and limited segregation of duties, but recalled that those findings have been present in the City's audit results for many years and are consistently very common in small cities. He reviewed General Fund balances; a comparison of budgeted numbers to actuals; revenues and expenditures by type; and Special Revenue fund balances. He also highlighted audit results pertaining to the Fire Department Fund; Capital Projects Fund; Debt Service Funds; the Water Fund; the Sewer Fund; the Surface Water Fund; the Recycling Fund; and discussed cash and investment balances by fund types. Lastly, he provided depictions of key performance indicators including comparisons to cities in a similar size class.

Mayor Miner stated that the City has been paying legal fees, many of which were incurred during 2023; however, the City was a party to two court orders directing reimbursement of fees related to legal action, and that will occur once the court's repayment order is final. He reflected that overall, things appear to be looking good for the City. He expressed his appreciation to Finance Director Nowezki and the rest of the City's staff for their work to get the City on the right trajectory, especially in relation to water and sewer funds. He commented that it was nice to see those numbers moving in the right direction.

Mr. Berg stated that the audit process was definitely a team approach between Abdo and the City, and they had also appreciated being able to work together as everything went smoothly.

A motion was made by Dyvik, seconded by Joyce, to receive and accept the Executive Governance Summary and Annual Financial Report for the year ended December 31, 2023 issued by City external auditors, Abdo, LLP. Ayes: all.

Updates Regarding Fire Department Matters

Mayor Miner reported that on the previous Monday, Judge Miller had issued a second order for contempt against the City of Orono in the case of the City of Long Lake versus the City of Orono regarding the contract for fire service. Staff had distributed information on the Listserv and the City website with more details. The ruling was related to the City of Orono hindering the Long Lake Fire Department's operations by recruiting two additional firefighters after the Judge's order in November, and also to activities related to Station 2. The Judge ordered the City of Orono to pay Long Lake's legal fees and also a fine to the court. He observed that the City had been fighting very hard for this and he wanted to be clear that the City's focus is about protecting the Long Lake Fire Department and the citizens it serves, as well as ensuring that the Department can continue to properly provide service to the four cities it serves, including Orono. He commented that he was very thankful for Judge Miller's understanding and ruling in favor of Long Lake in these matters. A trial would not occur until January of 2025.

Council member Joyce mentioned that one other thing that came from Judge Miller's ruling is that Orono cannot hire anymore of Long Lake's firefighters, nor can they build a new facility at Station 2.

Mayor Miner indicated that Orono had already hired 10 Long Lake firefighters, but would not be allowed to hire anyone else without Long Lake's express written consent. He advised that the Council had just held a closed session meeting with staff and the City's legal team earlier this evening to discuss the situation. He pointed out that another part of the order from Judge Miller was to essentially continue some sort of mediation with the City of Orono. He reflected that Long Lake has always been interested in having further discussions with them and will continue to do so. The Council has directed City Administrator Weske and Fire Chief Heiland to have some discussions with their Orono counterparts over the next few weeks regarding operational issues.

Mayor Miner also shared that the West Suburban Fire Department Pancake Breakfast will be April 7, 2024, and the Long Lake Fire Department's Pancake Breakfast will be held on Sunday of the following weekend.

OTHER BUSINESS

Contact Regarding Concept for City Owned Property - City Clerk Moeller stated that she had been contacted by someone interested in putting up a three-story building on the former BP station property. Their described plan would be for 12 to 14 luxury apartments on two upper stories, a first level coffee shop, and possibly a dog related business. She noted that she had spent some time doing parking calculations right before the meeting and they would be at least seven spaces under what was needed without including the coffee shop component of their plans. She indicated that she would be sharing some of the realities of the property with the interested party tomorrow.

City Council Minutes

April 2, 2024

Page 4

ADJOURN

Hearing no objection, Mayor Miner adjourned the meeting by general consent at 7:15 pm.

Respectfully submitted,

Jeanette Moeller

City Clerk