



## CITY COUNCIL WORK SESSION MINUTES

August 04, 2025 at 5:00 PM

7701 County Road 110 West Minnetrista, MN 55364

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### 1) CALL TO ORDER

Mayor Whalen called the meeting to order at 5:00 p.m.

Council present: Mayor Whalen, Council Members Vickery, Lacy, Govern. Staff present: City Administrator Jasper Kruggel, Finance Director Brian Grimm, Community Development Director David Abel, Director of Public Safety Craig Squires, Director of Public Services Gary Peters, City Clerk Ann Meyerhoff, City Engineer Alyson Fauske.

Absent: Council Member Cathleen Reffkin

### 2) DISCUSSION ITEMS

#### a) 2026 Levy Discussion

City Council Summary – 2026 Preliminary Budget & Levy

- The Council reviewed initial proposals for the 2026 budget and tax levy.
- The preliminary levy must be set by September 30, 2025. It can be reduced later but not increased.

Levy Overview

- Proposed levy increase: About \$700,000 (10%) compared to 2025.
- Main funding areas:
  - General Fund: \$5.7 million
  - Debt Service: \$1.25 million
  - Capital Equipment & Road Maintenance: Increased to support infrastructure and vehicle/equipment needs.

Tax Impact

- Average property value increase projected at 4% for 2026.
- Estimated annual tax increase for typical homes:
  - \$450,000 home: +\$67
  - \$650,000 home: +\$109
  - \$850,000 home: +\$150
- Monthly increase: Roughly \$6 to \$12

Use of Property Tax

- Residents' tax dollars are distributed among:
  - City of Minnetrista: ~22%
  - Hennepin County: ~40%

- School District: ~30%
- Other services (e.g., parks): ~8%

#### Capital Projects

- Continued investment in the Pavement Management Plan.
- Road funding totals ~\$975,000 (cash and ongoing debt from 2023 projects).
- Planned bonding for water infrastructure in late 2025 or early 2026.

#### Revenue Outlook

- Building permit activity expected to decline in 2026 due to fewer available lots.
- Admin fee revenue (~\$350,000) projected from major water project to help offset general fund staff time.

#### Financial Stability

- Fund balance projected at 40% by end of 2026—meeting city policy and state auditor guidelines.
- Labor contracts for 2026 are already settled, reducing budget uncertainty.

#### Next Steps

- Another budget discussion scheduled for the August 18 work session.
- Preliminary levy adoption expected on September 3 or 15.
- PowerPoint presentation will be shared with council members in advance.

#### b) Water Treatment Plant Bidding Update

Aaron Voll, AE2S, provided an update on the Water Treatment Plant.

##### Key Updates:

- Bid Schedule:
  - The project was advertised for bids on July 8.
  - The original bid opening was scheduled for August 7, but has been delayed to September 25 to allow for design adjustments.
- Reason for Delay:
  - Concerns were raised by residents of Woodland Cove regarding the location of the access driveway and visual impact of the facility.
  - As a result, site civil modifications and architectural revisions are underway.
- Design Adjustments:
  - Access Road: Will be relocated to enter near the Woodland Cove neighborhood, passing by the pickleball courts.
  - Berming and Landscaping: Additional berming using excavation material will be added between the water plant and pickleball courts, with trees planted for visual screening.

- Building Facade: Options to soften the building's appearance are under review. These will be presented as alternate bid items to manage cost concerns.
- Timeline Impact:
  - Substantial completion has shifted from late 2027 to early 2028 (winter), with no anticipated impact on water service or summer 2028 demand.
- Cost Consideration:
  - The revised access road is expected to result in a neutral cost impact ("a wash"), balancing savings and additional needs (e.g., retaining wall).
- Bidding Process:
  - A mandatory pre-bid meeting was held with **four** qualified contractors, who also toured the site.
  - All four have received an addendum reflecting the updated schedule.
  - No new bidders are expected due to the mandatory nature of the pre-bid requirement.

Next Steps:

- Revised plans will be presented for council review and approval before the September 25 bid opening.
- Additional updates will be provided as final design adjustments are completed.

c) Police Workout On Duty Policy

Item was pulled to go to personnel committee then a work session

d) Trista Day Discussion

Chief Squires provided information for discussion

Key Points:

- Reason for Change:
 

Attendance has declined in recent years, not due to weather. Staff believe a weekday late afternoon/early evening time may attract more attendees who are home from work and not otherwise committed.
- Benchmarking:
 

Other communities hold similar public safety events on weeknights with success.
- Proposed Date:
 

Wednesday, May 13, 2026 – aligns with Police Week and is favorable for vendors and public safety partners.
- Activities & Partnerships:
  - Event will still include attractions like pony rides, petting zoo, and balloon art.
  - Staff are working with Mackenthun's Grocery to potentially provide free or reduced-price hot dogs, replacing staff-cooked food from prior years.
  - Possibility of adding food trucks, which may be more available on weeknights.

- Event Duration:  
Council input requested on keeping the event at 3 hours or reducing to 2 hours. This will be treated as a trial run.
- Budget Considerations:
  - Event budget is approximately \$10,000, excluding staff time.
  - Total estimated cost with staff time: \$10,000–\$15,000.
  - Weeknight scheduling may reduce some vendor costs (e.g., tent delivery and teardown fees).
- Attendance:  
Historical attendance ranges from several hundred to over a thousand, depending on weather and competing weekend events.
- Council Feedback:
  - Generally supportive.
  - Recognized potential for improved attendance and cost savings.
  - Agreed to try the change for 2026, with the option to revert if it doesn't succeed.
  - Conclusion:  
Council supports trying Trista day on Wednesday, May 13, 2026. Staff will finalize planning and revisit event success afterward.

e) Miscellaneous Drainage Issues Update

- The council had previously asked staff to provide budget recommendations for various drainage concerns.
- City Engineer Fauske updated the memo with new info, especially about drainage in the Bayside backyard.
- One issue is a minor outwash at a pond outlet on Minneapolis Avenue that drains Bayside Lane.
  - The city attorney said the HOA can only be responsible for pond maintenance if they agree; the city cannot force it.
  - The Minneapolis Ave project recently made improvements that should suffice for now.
  - The council could explore stormwater improvement financing via a formal assessment process (429 process).
- Another bigger issue is erosion in a fire lane along Minneapolis Ave, near the lake.
  - Staff reached out twice to the watershed district for partnership/funding but have not heard back.
  - Estimated cost for erosion repair is about \$49,000.
  - Some upstream improvements were done about 14 years ago, but this erosion is a new problem closer to the lake.
- Next issue discussed was erosion at the southeast intersection of County Road 110 and 151.

- Estimated repair cost is around \$82,000.
- Repairs include tree clearing and restoring the drainage channel where the storm culvert outlets.

Additional details about drainage and erosion issues:

- There's erosion moving down toward the lake and some inflow/infiltration concerns at a sanitary sewer manhole nearby.
- The biggest update is on Bayside Lane, where homes on the west side have backyard drainage problems.
  - Residents helped by providing hand-drawn maps showing existing drain tiles and inlets.
  - There's an existing storm sewer pipe (shown in the report) that could serve as a public utility line.
  - However, the adjacent property owner currently refuses to allow others to connect to this pipe.
  - There are 5-foot drainage and utility easements on either side of the properties that the city could potentially use to install new infrastructure, though 10 feet would be ideal.
  - The city could explore installing a new storm pipe within these easements, with cost estimates around \$35,000 if a new pipe is needed.
  - If the existing pipe's location and elevation work, public costs could be minimal.
  - Residents who want to connect would need a license agreement with the city for any private pipe extensions within their easements.
- Regarding the Minneapolis Ave fire lane erosion:
  - Staff will follow up again with the watershed district (MCWD) to seek possible cost-sharing.
  - If no funding is available, the city would proceed alone, ideally in the fall to avoid runoff and summer storms.
  - The adjacent property owner has been notified and is agreeable.
- For erosion at the intersection of County Road 110 and 151:
  - There may not be an existing utility drainage easement, but the property owner seems willing to cooperate.
  - The drainage originates from the county road, so staff has asked the county for potential cost sharing.
  - Council wants to pursue county funding first since it's primarily a county issue.
- There's concern about water infiltrating the nearby sanitary sewer manhole from surface drainage.

- Public Works is involved and will ensure drainage improvements address this.
- There is significant inflow and infiltration (I&I) at a sanitary sewer manhole near the drainage area, contributing to increased flow at a nearby lift station to be addressed in Fall 2025.
- The Met Council sent a letter noting increased flows, but no penalties were applied as the city has been proactively addressing I&I.
- The plan is to line or spray-seal the manhole internally to reduce infiltration.
- The city will explore whether Met Council funding or grants are available to help with this work.
- Addressing the sewer infiltration is considered a priority and separate from the stormwater drainage issue, which depends on county participation.
- For the stormwater erosion at County Roads 110 and 151:
- Staff will continue to seek county cost sharing since the drainage originates from county property.
- Property owners are generally cooperative and willing to allow access or easements.
- On Bayside Lane:
- There is a 10-foot utility easement (5 feet on each side) where the city could install new storm infrastructure.
- There's an existing pipe on private property that the city may need to take ownership of or require the owner to remove so new infrastructure can be installed.
- The city plans to contact the property owner soon to discuss options.
- The solution aims to be practical and agreeable to all involved.
- Timing:
- Priority is on the sewer infiltration project and the Minneapolis Ave fire lane erosion repair.
- If needed, the Minneapolis Ave project could be done next fall, but the sewer issue is more urgent.
- Staff will explore combining projects to get better contractor pricing and check timelines to complete the work this year.

Key Points raised in the discussion about the flow and erosion issues at Bayside and D'Chene:

Bayside (1040 Bayside)

- The issue here is primarily about improving flow by replacing riprap at the outlet (tail end of the drainage path).
- There was some earlier council discussion about ownership and maintenance of the pond involved.

- It looks like the city will likely take ownership of the pond.
- Next step: Public Works Director and others will reach out to the property owner to discuss necessary work.
- Contact property owners of 880 and 890 Jennings Bay Road regarding the city's desire to extend a public storm sewer between the properties.
- The existing pipe is the city's preferred option so long as the elevation and size of the pipe meet the design criteria.
- The work here is relatively minor and could be grouped with other small projects for cost efficiency.

## D'Chene Road Drainage and

### Erosion Options discussed:

- Stilling Basin (~\$21,000): A small pond-like area with rock to dissipate the energy of water flow at low points on the road before water reaches ravines.
- Ravine Restoration (~\$170,000 more): Much larger project involving work directly in the ravines, which is technically challenging due to:
  - Steep, shaded ravines with tree removal and restoration difficulties.
  - Lack of easements, though some residents may support city involvement.
  - Need to establish vegetation (ferns or similar) for erosion control in shaded areas.

### Function and effectiveness:

- The stilling basin smooths flow during smaller rain events but might not stop damage during heavy storms.
- Adding check dams at the start of the ravine could improve control during larger events but would increase costs.
- The ravine restoration is complex but could address larger, long-term issues.

### Additional Context and Concerns

- The drainage ultimately flows south into wetlands and possibly into Painter Creek.
- There may be opportunities to partner with other agencies like Hennepin County or watershed districts (e.g., MCWD) for funding and collaboration.
- This drainage and erosion issue affects several homes (more than three), including some on North Branch.
- There's historical context of prior discussions and possible past funding attempts that might be revisited.

### Cost and Responsibility Questions

- Question raised whether homeowners bear any costs, especially given this is an affluent area.
- Consensus from discussion:

- If runoff and resulting erosion is caused by city infrastructure or roads, the city should address it regardless of property values.
- The focus is on responsibility rather than ability to pay.

## Summary

- Small-scale improvements (riprap replacement, stilling basin) are relatively affordable and should be pursued.
- Larger restoration projects require more research, cooperation, and funding.
- Engagement with property owners and partner agencies is crucial.
- The city is leaning toward owning and maintaining critical drainage infrastructure like ponds.
- Responsibility lies with the city if runoff originates from its roads, but cooperative efforts with residents and agencies can help.

## Key Takeaways on D,Chene Drainage Discussion

- Full project cost (~\$170K for ravine restoration) is too high for current budget; the council agrees to start with smaller-scale measures first:
  - Install catch basin(s) (~\$21K) plus some check dams to slow water flow.
  - This phased approach allows addressing part of the problem now and reassessing later.
- Runoff contribution:
  - The road runoff contributes significantly to the drainage and erosion issue, but it's not 100% from the city roads—overland flow from other areas also plays a role.
- Alternative solution of installing underground pipe:
  - Putting a pipe underground to carry water directly to the lake would solve erosion but is a tough sell to watershed authorities due to:
    - Increased runoff rate directly to receiving water body.
    - Watershed districts prefer natural-looking solutions with slower runoff.
  - Pipes tend to “push the problem downstream” instead of resolving it fully.
- Watershed district regulations:
  - No increase in runoff rate is allowed, which complicates pipe solutions.
  - Wetlands downstream can act as natural filters, so where water discharges matters.
- Next steps:
  - Staff will consult with water resources engineers for creative options.
  - Council agrees to prioritize:
    1. Bayside project – Fall 2025
    2. Minneapolis Avenue drainage – Fall 2025

3. Then D'Chene phased approach (catch basin + check dams)
  - o The plan is to bring the D'Chene project back for further council review after more information on costs for check dams is available.

### **3) ADJOURNMENT**

Motion by Govern, seconded by Lacy to adjourn the meeting at 6:00 p.m.

Motion Passed 4-0. Absent: Cathleen Reffkin