WAYZATA CITY COUNCIL
WORKSHOP MEETING MINUTES
September 5, 2023

4:45 p.m. Update of Klapprich Park Preliminary Design and Next Steps

Mayor Mouton called the meeting to order at 4:45 p.m. Council Members present in-person in the community room at City Hall offices: Iverson, MacDonald, Parkhill, and Plechash. Also present: Deputy City Manager Aurora Yager, Public Works Director/City Engineer Mike Kelly, Community Development Director Emily Goellner, Senior Accountant Kathy Ovshak, Parks Planner Nick Kieser, Wayzata Wine & Spirits Manager Kevin Castellano, Wayzata Bar & Grill Manager Jeff Petrini, WSB Consultant Robert Slipka, and Architect Consultant Tim McIlwain.

Parks Planner Kieser provided background on the Klapprich Park preliminary design that has been created under the review of the Parks and Trails Board which is noted as the park with the highest priority for significant capital investment for improvements. In March 2023, the City finalized an agreement with WSB and Hagen, Christensen & McIlwain Architects to start the preliminary design process of the Klapprich Park improvements. Since March, the Parks and Trails Board has worked with the consultants and stakeholders to create a preferred preliminary design plan that is attached for review. The plans were reviewed by stakeholders at a Community Meeting in July and more comments were provided through stakeholder conversations. Planner Kieser then reviewed the Preliminary Design Plans which include:

- Playground – Replace and relocate the playground to the west side of the Park near the warming house.
- Outdoor Plaza – Create an outdoor plaza outside the warming house and playground that has outdoor seating and shade structures.
- Warming House - Expand the indoor gathering space in the warming house underneath the existing covered patio area to reduce costs.
- Open Lawn - Preserve the open lawn area to allow for variety of sports and activities. A portable backstop could be introduced to allow for baseball/softball as well.
- Parking - Create a parking lot on the west side of the park with approximately 20 stalls.
- Sidewalk Loop/Stairway - Create a sidewalk loop around the amenities of the west side of the Park.
- Picnic Area - Utilize the existing flat areas and retaining walls of the current playground area and place picnic tables in these areas.
- East Side/Minnetonka Ave Sidewalk - Keep the east side of the Park natural and quiet. Add a sidewalk on the west side of Minnetonka Ave N.
- Bell Courts Cabana – Keep the improvements to the Bell Courts cabana simple with making the structure ADA accessible and to improve the gathering space for tennis/pickleball players.
- Underground Cooling Idea – An idea was brought up to install an underground cooling system underneath the sidewalk loop.

The Council discussed the proposed improvements and provided the following comments:

- The Council talked at length the option for an underground cooling system under the sidewalk loop and noted that the cost and impact of the system would not be worth the benefits provided.
- Review the location of the drinking fountain in the Bell Courts cabana. There could be a better location for this amenity.
- Determine if a screened porch is the best option for the cabana or if that area should continue to be open.
- Are there different material options for the sidewalk loop instead of pavement? Compressed gravel could be an option to review.
- Determine if there are any other options to utilize the existing playground pads instead of a picnic area.

- Review the plans with other Boards and Commissions like the Energy and Environment Committee.

Planner Kieser noted that the Parks and Trails Board will start working on the final design plans with additional community engagement. The plan is to bring forward final design plans to the Council this winter for final review.

5:15 p.m. Discussion of 2024 Preliminary Enterprise Budgets and Fee Schedule

Ms. Yager presented the 2024 preliminary enterprise and special revenue fund budgets and corresponding fee schedules.

In addition to the City's main operating budget, the General Fund, the City also prepares budgets for several Enterprise Funds that include utilities (Water, Sewer, Stormwater, and Solid Waste), Liquor (Bar and Grill and Wine and Spirits), Motor Vehicle Licensing, and the Marina. It also has budgets for two Special Revenue Funds that include Cable TV and the Cemetery. A breakdown of each of these budgets by fund along with a summary of changes is included below.

While the General Fund derives its revenue largely from property taxes, enterprise and special revenue funds are supported by user fees. These fees are analyzed on an annual basis to ensure the proper revenues are generated to maintain operating reserves, meet ongoing cash flow needs, and to replace existing infrastructure as it depreciates. The City reviews enterprise and special revenue budgets in the same time frame as the General Fund budget because all these budgets combined are what fund our city services, pay for city staff, and make transfers to capital project funds.

Mr. Castellano presented the Wine & Spirits budget which showed about a 3.4% increase in revenues and 1% growth in gross profit. The direction from the Council was to update the budget to have a goal of increasing revenues by 6%.

Mr. Pietrini presented the Bar & grill budget and discussed the impact of competition with Red Cow and so was projecting about a 2% decrease in revenues. The direction from the Council was to update the budget to have a goal of revenues staying flat with the 2023 budget.

Ms. Yager went through the Marina, Motor Vehicle, Utilities (Water, Sewer, Stormwater, and Solid Waste), Cable, and Cemetery budgets. Marina fees will increase 5% and will have nearly a break-even budget due to a capital project related to dredging planned for next year. Motor Vehicle revenues are projected to increase almost 10% due to filing fee increases approved by the Legislature. Water and Sewer fees are projected to remain flat with Stormwater fees projected to increase 15%, all in accordance with the Utility Rate Study. Solid waste fees will remain flat. The Cable TV fund is projecting about a 5% increase in revenues to get to actual but is operating at a deficit due to franchise fees being flat. Future increases to franchise fees will be explored in 2024. The Cemetery Fund is also operating at a deficit, so a 10% fee increase is recommended to get it back on track.

6:15 p.m. Discussion of 2024 Preliminary General Fund Budget and Property Tax Levy

Ms. Yager reviewed the current status of the preliminary 2024 General Fund budget and property tax levy which is currently set at 11.81% and asked if further cuts were needed before the Council considered setting the preliminary budget and tax levy at the next meeting.

Councilmember MacDonald was supportive of leaving the proposed budget and tax levy as is given the strategic plan direction and support for the projects being funded. The Mayor and Councilmembers Parkhill, Plechash, and Iverson wanted to see the levy increase be reduced. The direction from the Council was to make reductions to the capital transfers out to result in an overall levy of just below 10%.

The workshop meeting was adjourned at 6:40 p.m.

Respectfully submitted,

Kathy A. Leervig

Kathy Leervig, City Clerk