

MINUTES

1. CONVENE CITY COUNCIL REGULAR MEETING

Mayor Labadie called the meeting to order at 7:07 P.M.

A. Pledge of Allegiance

B. Roll Call

Present. Mayor Labadie; Councilmembers Maddy, Sanschagrín, Gorham (via electronic means), and DiGruttolo (via electronic means); City Attorney Asani; City Administrator Nevinski; City Clerk/HR Director Thone; Director of Public Works Morreim; Park and Recreation Manager Czech; Finance Director Schmuck; SLMPD Chief Ballsrud; EFD Fire Chief Mackey; and Assistant Fire Chief Basinger

Absent: None

C. Review Agenda

Maddy moved, Sanschagrín seconded, approving the agenda, as presented.

Upon a roll call vote, the motion passed.

2. CONSENT AGENDA

Mayor Labadie reviewed the items on the Consent Agenda.

Sanschagrín moved, Maddy seconded, Approving the Motions Contained on the Consent Agenda and Adopting the Resolutions Therein.

A. City Council Work Session Minutes of August 11, 2025

B. City Council Regular Meeting Minutes of August 11, 2025

C. City Council Closed Session Meeting Minutes of August 11, 2025

D. Approval of the Verified Claims List

E. Annual Review of Minnesota General Records Retention Schedule, Adopting Resolution 25-071, "A Resolution Approving the Annual Review of the Minnesota General Records Retention Schedule and the Records Retention Policy for the City of Shorewood"

F. Tonka United Fall Kickoff Food Truck, Adopting Resolution 25-072, "A Resolution Approving a Food Truck for the Tonka United Kick-Off Event."

- G. **2025 Crack Seal Quote, City Project 25-02, Adopting Resolution 25-073, A Resolution Approving 2025 Crack Seal Quotes, City Project 25-02.”**
- H. **2025 Pavement Seal Quote, City Project 25-02, Adopting Resolution 25-074, “A Resolution Approving 2025 Pavement Sealing Quotes, City Project 25-02.”**
- I. **New Retail Liquor License, Adopting Resolution 25-075, “A Resolution Approving New Retail Liquor License.”**
- J. **MnDNR Conservation Partners Legacy (CPL) Grant Application, Adopting Resolution 25-076, “A Resolution Authorizing the Submission of an Application for a Minnesota DNR Conservation Partners Grant.”**
- K. **Agenda Meeting Management Software Board Portal Devices**
- L. **Summary of Conclusions of City Administrator Annual Review**

Upon a roll call vote, the motion passed.

3. MATTERS FROM THE FLOOR

Dale Newberg, 26960 Beverly Drive, stated that they have lived in the City for thirty-five years and noted that the statement he would read had already been emailed to the Council earlier today. He read aloud a statement that outlined his concerns and objections to the City’s proposed water availability fees and their inclusion in the City budget.

Barry Brown, 6050 Burlwood Court, explained that he wanted to add to the discussion that took place during the Work Session discussion related to adding staff engineering positions. He noted that he had pulled monthly financial data for the last four years and found that the City had been billed by Bolton and Menk one point four million dollars, which was about an average of three hundred eighty two thousand dollars per year for miscellaneous engineering services. He explained that he had a conversation with City Engineer Budde on September 4, 2024, regarding seven specific miscellaneous categories to try and determine the level of engineering effort required. He shared examples of the information he received from City Engineer Budde and the financial implications for those engineering efforts. He stated that he believed that most could be accomplished by a qualified staff engineer and help from the City’s Administrative Assistant. He stated that by the City hiring its own engineering, it could save taxpayers about two hundred thirty thousand dollars per year. He urged the Council to thoroughly explore this avenue and also continue to use the highly skilled Bolton and Menk staff for the City’s most complicated projects.

4. REPORTS AND PRESENTATIONS

5. PARKS

6. PLANNING

7. ENGINEERING/PUBLIC WORKS

8. GENERAL/NEW BUSINESS

A. SLMPD 2026 Budget

SLMPD Chief Ballsrud gave an overview of the proposed 2026 budget for the SLMPD and explained that the overall proposal was for an eight-point-three percent increase. He highlighted details of special projects planned for the year related to Flock cameras, condition assessment of the Public Safety building, the need for replacement of the building's uninterruptible power supply, and installation of Knox box keys.

Councilmember Sanschagrín asked about the Flock cameras and examples of crimes they have assisted with. Chief Ballsrud explained that he would not share many details because the case was still in progress, but it was part of a suspicious death investigation.

Councilmember Sanschagrín asked if Chief Ballsrud was concerned about budget areas where there may be a higher risk, in terms of costs. Chief Ballsrud stated that the proposed 2026 budget was very minimal and had included fifty thousand dollars to get their reserves up, with the goal of getting them financially stable. He stated that ideally, they would be purchasing vehicles and not financing them, but it will take them a while to get out of the current leasing program, and explained the plan moving forward.

Mayor Labadie stated that one of the questions raised by the Board was whether it would be possible to decrease the number of vehicles within the fleet, and asked Chief Ballsrud to share with the Council regarding the officer involved shooting and how that vehicle was off the road. Chief Ballsrud stated that the vehicles they have were essentially in constant use. He noted that there was an officer-involved shooting in 2024, and the BCA held the vehicle for evidence. He noted that it was another eleven months before they got the vehicle out of the BCA, but then it spent a few more months in the body shop for necessary repairs. He stated that they barely got by with the number of vehicles they still had.

Councilmember Sanschagrín asked Chief Ballsrud to highlight changes in the proposed budget since the last time the Council had seen it. Chief Ballsrud noted that this was the same that the Coordinating Committee had unanimously approved and had been approved by the other three member cities.

Sanschagrín moved, Maddy seconded, to Adopt Resolution 25-077, "A Resolution Approving the 2025 Annual Operating Budget of the South Lake Minnetonka Police Department."

Upon a roll call vote, the motion passed.

B. Excelsior Fire District 2026 Budget

City Administrator Nevinski stated that the Excelsior Fire District budget was still making the rounds among the member cities. He noted that, so far, Deephaven had approved it, Excelsior had approved the facilities budget and was planning to reconsider the proposed operating budget on September 2, 2025. He noted that Tonka Bay would consider this budget at their meeting on August 26, 2025, and Greenwood would be considering it on September 3, 2025. He stated that

CITY OF SHOREWOOD REGULAR COUNCIL MEETING MINUTES

AUGUST 25, 2025

Page 4 of 7

they were asking for two separate motions on the operating budget and the facilities budget. He clarified that the vote required was a majority vote for both portions of the budgets.

Excelsior Fire District Chief Mackey reviewed the presentation surrounding the proposed Excelsior Fire District budget, objectives, and goals for the organization. He acknowledged that the proposed operating budget was high and explained that a large portion of it was due to the SCBA purchase. He explained that the Fire Board and staff had spent a lot of time looking for ways to reduce the budget without jeopardizing their level of service to the community.

Councilmember DiGruttolo asked about the issue that Excelsior had with the approval of the proposed budgets. Fire Chief Mackey explained that the Excelsior mayor is married to the EFD's Fire Marshall, and one of their councilmembers is a firefighter. He stated that another councilmember, who was the Fire Board representative, had resigned, so they only had two people available to vote because the mayor and the firefighter had recused themselves from the vote. He noted that they had approved the facilities budget, so they can go ahead and order the SCBAs before the pricing increases. Mayor Labadie stated that she had watched the Excelsior City Council meeting, and the two councilmembers who chose not to vote on this matter had been advised by their attorney that they could vote. Councilmember DiGruttolo asked if it was a procedural issue and not an issue with the budget itself. Mayor Labadie stated that one Excelsior councilmember had asked a lot of questions about the organizational proposal for four battalion chiefs, so she did not believe it was only a procedural issue.

Councilmember Gorham asked about the approach in hiring more senior employees and if that was related to the duty crew model and the hope for less turnover, or if it was related to things that have been seen with a less experienced crew. Chief Mackey stated that it was primarily related to safety and the need to have a more experienced crew going out on calls. He stated that within the department right now, there are fewer people qualified to be a Duty Officer and more people qualified to be firefighters.

Councilmember Sanschagrín asked about the current response times. Chief Mackey stated that they were averaging an in-service time of about two minutes and on-scene in under five minutes. He noted that the number of firefighters per call was running around seven to ten.

Councilmember Sanschagrín asked if Chief Mackey was considering liquidating any assets besides Rescue #11. Chief Mackey explained that they had looked at some of the older utility vehicles, which were paid off, and noted that they are not worth a lot, but they plan to liquidate them and not replace them. He stated that they were not considering any other big equipment because that was tied to their ISO.

Councilmember Sanschagrín stated that the budget information he looked at added up to a little over three million, but he thought he had seen a dollar amount of two point seven million. Chief Mackey clarified that the proposed budget was two million seven hundred twenty-five thousand nine hundred and forty-eight dollars. He stated that the version of the budget that was approved and recommended by the Fire Board was version seven point two.

Assistant Fire Chief Basinger explained that the State Fire Aid funds were recognized as revenue.

The Council discussed the reason for the separation of the facilities and operational budgets, as two separate votes were due to the JPA and the different votes required by the member cities. Mayor Labadie stated that at the last Fire Board meeting, they had briefly discussed version three of the budget and noted that the details were not really discussed by the Board, but had been

CITY OF SHOREWOOD REGULAR COUNCIL MEETING MINUTES

AUGUST 25, 2025

Page 5 of 7

heavily discussed during the Excelsior City Council meeting. Chief Mackey stated that version three had the battalion chief starting in the third quarter of 2026, and he would have been the only one getting a three percent salary increase, with the rest of the department receiving a five percent increase.

Councilmember Maddy explained that the hiring of the battalion chief in the fourth quarter of 2025 was a decision made last year and had already been approved by the member cities. He stated that, as a proposed concession, they had considered pushing back the hire, but the Board had substantial support for having the third battalion chief on staff, as planned. He stated that the difference in salary increases was meant as more of a gesture and explained that the Board voted three to one in favor of version seven point two of the budget.

Mayor Labadie noted that one thing brought up during the Excelsior City Council meeting that put this into perspective was that it was fiscally responsible for the cities to spend money on public safety. She stated that there was a comment made during the meeting that the proposed pay rate for firefighters was the same as a babysitter would be paid, so the proposed increase was not unreasonable. Councilmember DiGruttolo stated that if they were paying their administrative person thirty-four dollars per hour, they should not be complaining about a small increase that pays the firefighters twenty-two or twenty-five dollars per hour. Mayor Labadie stated that she did not support slashing the salaries of the firefighters, but noted that she was worried about the implementation of the battalion chiefs and how the member cities can continue to afford the increase this brings.

Sanschagrín moved, Maddy seconded, to Adopt Resolution 25-078, “A Resolution Approving the 2026 Annual Operating Budget of the Excelsior Fire District.”

Upon a roll call vote, the motion passed.

Maddy moved, Sanschagrín seconded, to Adopt Resolution 25-079, “A Resolution Approving the 2026 Annual Facilities Budget of the Excelsior Fire District.”

Upon a roll call vote, the motion passed.

C. Out of State Travel Request – Minnesota Transportation Alliance

City Administrator Nevinski outlined the request for Mayor Labadie to travel to Washington, D.C., for the Minnesota Transportation Alliance’s fly-in visit, the rationale behind her attendance, and reviewed the City’s policy for out-of-state travel. He noted that the Minnesota Transportation Alliance had offered a scholarship of eighteen hundred dollars for the City to be able to attend, but noted that there are City funds available if the scholarship does not cover the entire cost.

Councilmember DiGruttolo asked if Mayor Labadie would be lobbying while she was in Washington, D.C. Mayor Labadie stated that the first evening involved a seminar and speakers, and the second day, there were appointments scheduled on the hill to have conversations related to the Highway 7 project. She noted that the meetings with the legislators would be done in a group setting with a coalition from the Highway 5/212 project, in conjunction with those representing the Highway 7 project.

Councilmember Gorham asked what they would be lobbying for and asked about the history of getting Federal funds for this type of project. He stated that he was not opposed to this, but

CITY OF SHOREWOOD REGULAR COUNCIL MEETING MINUTES

AUGUST 25, 2025

Page 6 of 7

believed it may be a little too early because they do not know project details, including the cost. Mayor Labadie stated that there have been other coalitions from Minnesota who had received Federal funding for projects. She noted that a benefit of her attending this year was that it was being paid for via the scholarship, and she would be there with a neighboring mayor who had experience with this event in the past. She explained that this mayor was planning to retire and not run for re-election, and she believed that being able to piggyback on his experience and knowledge would be of benefit to Shorewood.

Councilmember DiGruttolo explained that she was disinclined to approve this because they did not have a final cost tonight. She stated that if attendance at this conference was important, the City should have budgeted for this expense last year. She expressed concern that it would set a precedent, and the City did not have a policy for this kind of activity, for example, should they go to all of these kinds of conferences, and why they were being asked to consider this specific one. She stated that she did not yet see what the return on investment would be because they would be meeting with people who already live in Minnesota. She expressed concern about the possibility that the final cost would be higher than the scholarship amount and suggested that they plan and budget for it next year, if it was deemed important.

Councilmember Sanschagrín stated that earlier tonight, there were comments made about the need for the City to think through and tighten the budget by reducing costs, and he shared those thoughts with Councilmember DiGruttolo. Councilmember Gorham noted that receipt of the scholarship made him more agreeable to the trip. He reiterated his thoughts on this being too early in the overall process, that they do not have their sights set on a specific Federal program, and it appeared that some of the Federal funding had dried up for Minnesota highways. He explained that he would like to know what would happen if they over the scholarship amount. City Administrator Nevinski explained that if the expenditure were more than the scholarship amount, the City would use some of the Council training budget funds and noted that he believed it would likely just be a few hundred dollars if the total cost was not entirely covered by the scholarship. He explained that the variable will be the cost of airfare. Councilmember Gorham explained that he was inclined to wait on this until they had more information about the design and the budget, nor would anyone commit to any funding at this point.

Mayor Labadie stated that she had been lobbying for improvements to Highway 7 for over a decade and believed something needed to be done before there was another death at one of the intersections. She stated that the City had been given a gift to attend a Federal meeting and explained that she would not promise that anything would come out of her attendance. She asked if the Council would be willing to accept the scholarship if any expenses above and beyond the gift would be paid out of her personal funds, so there would be no expense to the taxpayers.

Councilmember Gorham asked if he could arrange a meeting with MnDOT's budget team so they know what type of Federal programs they should think about. Mayor Labadie stated that she believed that type of information would be welcome and would be helpful to have before she goes to the conference in preparation for the meetings with the Federal officials.

Maddy moved, Gorham seconded, to Approve Mayor Labadie's attendance at the Minnesota Transportation Alliance's 2025 D.C. Fly-In event, with a cost up to \$1,800, and any expenses beyond that dollar amount would be the responsibility of Mayor Labadie.

Upon a roll call vote, the motion passed.

9. STAFF AND COUNCIL REPORTS AND DISCUSSION

A. Staff

Park and Recreation Director Czech stated that the Parks Master plan survey was still live until the end of the month and encouraged people to give their feedback to the City. He stated that the Movie in the Park event was held last week at Freeman Park, where they had been able to get some good feedback from residents on the Parks and Master plan survey. He noted that they would also have some engagement at the upcoming Oktoberfest event. He stated that they had an RFP out for the SCEC task force and facilities study. He noted that the City had received two proposals and he and City Administrator Nevinski were looking through them for possible next steps.

Public Works Director Morreim stated that Public Works staff were doing their normal summer routines, including mowing, tree removal, and right-of-way trimming. He stated that the mill and overlay project was generally complete, but there were still some punch list and clean-up items that needed to be addressed.

Finance Director Schmuck stated that the City had received four responses to the RFP for auditing services that were being analyzed.

B. Mayor and City Council

Councilmember Sanschagrín gave a brief overview of discussion items from the recent LMCC meeting.

Councilmember Gorham expressed his appreciation for having the flexibility for him to be able to attend the meeting online.

Mayor Labadie expressed her appreciation to the Minnesota Transportation Alliance for providing a scholarship to the City and the Council for accepting it.

10. ADJOURN

Maddy moved, Sanschagrín seconded, Adjourning the City Council Regular Meeting of August 25, 2025, at 9:08 P.M.

Upon a roll call vote, the motion passed.

ATTEST:



Sandie Thone, City Clerk


Jennifer Labadie, Mayor