

**CITY OF LAKE ELMO  
SPECIAL CITY COUNCIL MEETING MINUTES  
MARCH 10, 2015**

*Mayor Pearson called the meeting to order at 7:00 pm.*

**PRESENT:** Mayor Mike Pearson and Council Members Julie Fliflet, Anne Smith, Justin Bloyer, and Jill Lundgren.

Staff present: City Administrator Zuleger, City Clerk Bell, Community Development Director Klatt, City Planner Johnson, Deputy Clerk Gumatz, Fire Chief Malmquist, Assistant Fire Chief Cornell, Building Official Chase, Taxpayer Services and Communications Coordinator MacLeod, and City Attorney Snyder and Finance Director Bendel.

**PLEDGE OF ALLIGENCE**

**CITY ATTORNEY REQUESTED DISCUSSION REGARDING EMPLOYMENT MATTERS**

City Attorney Snyder stated that City Administrator Zuleger has expressed his belief that it may be time to transition the Administrator role to another person. The intention is to balance the City needs with Mr. Zuleger's goals.

City Administrator Zuleger spoke about the goals he was given when he was hired. He noted the accomplishments and the great staff that has been assembled. He thinks he may have met his threshold and it may be time to have a new administrator. He asked council to consider whether now was the appropriate time to separate or not. If Council decides that it is appropriate, Mr. Zuleger offered to provide consultation during the transition.

Mr. Snyder recommended that Council direct staff to coordinate with Mr. Zuleger for providing consultation services as part of a separation agreement. Mr. Snyder recommended Council give consideration to a separation agreement that meets both City needs and Mr. Zuleger's objectives. Mr. Snyder reminded Council that it should not disclose private employment matters.

Council Member Lundgren expressed her desire to honor Mr. Zuleger's request to transition from the administrator position.

***MOTION:*** *Council Member Lundgren moved TO ACCEPT RESIGNATION AND DIRECT CITY ATTORNEY TO WORK ON SEPARATION AGREEMENT. Council Member Fliflet seconded the motion.*

City Attorney Snyder clarified that Mr. Zuleger is not resigning at this time. The language of the motion was discussed.

Council discussed whether it is appropriate to allow public comments. Mr. Snyder noted that this employment matter has legal implication involving personnel data.

***MOTION:*** *Mayor Pearson moved TO TABLE UNTIL AFTER RECEIVING PUBLIC COMMENTS. Council Member Bloyer seconded the motion.*

It was pointed out that past council meetings included listening to the public. Council Member Fliflet said that this item was different. Ms. Fliflet stated that it is inappropriate to have public input on discussing transitioning to a different city administrator. The council cannot control the content of the comments and cannot ensure the comments will be positive. Ms. Fliflet said she will not support it.

Council Member Bloyer asked if there was any way City Administrator Zuleger would consider staying with Lake Elmo. Council Member Lundgren asked if Mr. Zuleger wanted public comment. Mr. Zuleger noted he is honored by the many people who have shown up, but he cannot answer the question.

***MOTION TO TABLE UNTIL RECEIVING PUBLIC COMMENT PASSED 3-2 (Fliflet and Smith – Nay).***

City Attorney Snyder asked public to respect Council's erring on side of protecting personnel data privacy.

**Paul Novak**, 3409 Lake Elmo Ave, Noted that Mr. Zuleger asked council to consider the timing of transition. If council found it that his services are needed, asked if he would consider staying. Mr. Zuleger responded that he would need time to consider it. Mr. Novak stated he feels offended by the difficulty that council had on whether to decide to receive public input. He said Council has to listen to constituents and needs public input. He asked Council to always accept public input.

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**Todd Gilbert**, 8665 Hudson Blvd, owner of Valley Cartage. Moved his company from Hudson and that would not have happened without leadership of Mr. Zuleger. He doesn't know if Council understands what the Council has in Mr. Zuleger. He gets things done and makes things happen. Asked council to find a way to create an environment where Mr. Zuleger would stay.

**Scott Schoonmaker**, 1149 Hudson Blvd, asked Council to make it very clear why Mr. Zuleger would come to this point after three very successful years. It does not make sense.

**Pat Dean**, 8028 Hill Trail, worked with Mr. Zuleger on lake issues. Mr. Zuleger is very professional despite not always agree on everything. He supports Mr. Zuleger as City Administrator.

**John Thompson**, 2119 Lake Elmo Ave, explained how good administrators are difficult to find. He attends many cities' council meetings and usually City Administrators have personal agendas. Mr. Zuleger doesn't. He said losing a City Administrator as successful as Mr. Zuleger is a big mistake.

**Dale Dorschner**, 3150 Lake Elmo Ave, spoke as a commissioner, resident, and public employee. He cannot believe the city is even talking about this. He cannot believe we are here. He said he spoke with staff and they support their boss. He asked council to reconsider decision.

**John Schiltz**, 3442 Lake Elmo Ave, owner of Lake Elmo Inn, agrees with other positive comments regarding Administrator. He asked why such an important vote doesn't require a supermajority. He asked what happened in two months that changed from his last favorable review. He said it is not a good time to change the City Administrator. It is one of the most pivotal times in Lake Elmo to get the important things done.

Mr. Zuleger said tonight is not the best time to hash out the frustrations.

**Kelly Brookman**, 3385 Lake Elmo Ave, first mayor of consolidated Lake Elmo. Believes Mr. Zuleger is the best City Administrator city has ever had. He said the Council should be discussing how to keep Mr. Zuleger.

**John Zignego** He has been waiting for action on sewer, curb and gutter, and sidewalks. It is finally happening. He spoke in support of Mr. Zuleger as Administrator.

**Bryan Billingsley**, 2700 Lisbon Ave, from Heritage Farms. Mr. Zuleger was first City Administrator to contact any of the HOAs. That was the most favorable interaction with City ever. The City needs to keep him.

**Dean Dodson**, 2915 Jonquil Trail, citizen and chair of Planning Comm. Apologized that the council has created a hostile environment. Mr. Zuleger noted he has not said that. He asked council to improve working environment.

**Stuart Helgason**, 11150 12<sup>th</sup> St N, Mr. Zuleger has shown excellent leadership and great communication skills. He is the best City Administrator he has had contact with.

**Ed Nielson**, 9498 Stillwater Blvd, spoke about how Mr. Zuleger did not take a position when there was an issue in his neighborhood, but stayed objective. He said the Council should not fire him.

**Larry Weiss**, 9302 Stillwater Blvd, reiterated Mr. Zuleger is the best City Administrator the City has ever had. Mr. Zuleger gets right to the point and tells you what is. He asked the Council to listen to the people.

**Judy Gibson**, 10684 10th Street Ct, also on Library board. Mr. Zuleger has been very helpful with all the library issues. He has helped in several technical and organizational areas and she greatly appreciated his help. She spoke about how changing administrators at such a close time for library and county relations to be repaired would be a setback.

**Tammy Malmquist**, 8549 Ironwood Trail, stated that the Council reports to the people. She asked there never be another time discussing whether to listen to the public. She is concerned about the number of administrators the City has had. Mr. Zuleger was supposed to be "the guy." She is adamantly opposed to Mr. Zuleger leaving.

**Shane Weiss**, 8483 27<sup>th</sup> Street, Chair of Parks Commission. Spoke about how Mr. Zuleger is a parks guy – he brings a lot of enthusiasm. Mr. Weis does not see the Parks Commission getting everything done on their agenda without Mr. Zuleger's help.

**Terry Emerson**, 2204 Legion Lane Circle, noted that Mr. Zuleger's previous city, Weston, wondered what they would do without him when he left. Mr. Zuleger was selected as best applicant of 30 applicants. He

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suggested that the Council ask the outside groups, the Met Council, County, etc. what the city should do with Mr. Zuleger. The City won't find another person who could do the job he's been doing. City should give him a raise.

**Wally Nelson**, 4582 Lilac Lane, spoke about how he has had a great relationship with Mr. Zuleger. He is very professional. He has formed a professional staff. He has no idea why the Council is considering this issue. He said Mr. Zuleger has done many little things that are positive that the public doesn't even know about.

**Mike Reeves**, 11075 14<sup>th</sup> Street, believes Mr. Zuleger has been exceptional and has brought stability to position. He noted the City's financial position and accomplishments inside and outside city hall. He said Mr. Zuleger is a dedicated public servant. He said positive results come from positive leadership.

**Nick Witter**, 653 Cimarron, said Mr. Zuleger's priority has been serving the city and the people of the City. He always has what is best for the City in his mind. It would be a travesty to let him go. City should be asking how to reward him or keep him.

**Rita Conlin**, 8560 Ironwood Trail, spent two terms as council member and planning commissioner. She related her change of vote when the people were opposed to the water tower location in Sunfish Lake Park. She urged council members to be open to changing their minds.

**Ed Gorman**, 11011 Stillwater Blvd, owner of Gorman's Family Restaurant. Said Mr. Zuleger gets things done. He spoke about the stormwater issue Mr. Zuleger helped him resolve. Mr. Zuleger does the right thing, and has many beneficial relationships. The list of accomplishments is astonishing.

**Milt Klohn**, 8716 Ironwood Trail, has lived in city for 56 years. Mr. Zuleger is the finest City Administrator the City has ever had. Said the City still has obligations under Met Council. Mr. Zuleger would be best person to lead the City through this. He asked Council to create a work environment where this does not happen again.

Council Member Bloyer read **Jill Mitchell's** (2811 Irish Ave) letter in support of Mr. Zuleger.

Council Member Bloyer read **Sharon Bernardy's** (8352 27<sup>th</sup> Street) letter in support of Mr. Zuleger.

Council Member Bloyer read **Teresa Silvernale's** (11751 58th Street) letter in support of Mr. Zuleger.

Council Member Bloyer read Library Board Member **Paul Ryberg's** (11326 30th Street) letter in support of Mr. Zuleger.

Mayor Pearson read **Pat Weyandt's** (8772 Ironwood Trail) letter in support of Mr. Zuleger.

Mayor Pearson read Finance Committee Member **Terry Forrest's** letter in support of Mr. Zuleger.

Mayor Pearson read **Washington County Commissioner Gary Kriesel's** letter in support of Mr. Zuleger.

Mayor Pearson read **Family Means'** letter in support of Mr. Zuleger.

Mayor Pearson read Park Commissioner **David Steele's** (9576 55<sup>th</sup> Street) letter in support of Mr. Zuleger.

Mayor Pearson read **Washington County Sheriff Bill Hutton's** letter in support of Mr. Zuleger.

Mayor Pearson read staff member's letter in support of Mr. Zuleger.

Mayor Pearson read staff letter in support of Mr. Zuleger.

City Attorney Snyder reiterated that council members must refrain from discussing employee evaluations in public. He again asked Council to consider a separation agreement that balances City needs, including Mr. Zuleger providing consulting services, and Mr. Zuleger's objectives.

Council Member Bloyer noted that some speakers, with whom he has not always agreed, agree that Mr. Zuleger is needed.

**MOTION:** *Council Member Bloyer moved TO EXTEND A CONTRACT FOR 18 MONTHS, NEGOTIATED WITH COUNSEL, WHERE THE ADMINISTRATOR ONLY BE REMOVED FOR JUST CAUSE.* He wants the term to be long enough for new council members to become familiar with Mr. Zuleger. *Mayor Pearson seconded the motion.*

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Mayor Pearson noted that not all employees are always positive of their bosses. With all the current issues the City is facing, consistency is important, and changing right now does not make sense. Council Member Bloyer asked what the city will do tomorrow. He is concerned that the City will lose the talented staff. This will cause problems for the City.

Council Member Lundgren noted that the City Attorney requested the meeting and Mr. Zuleger requested that the position be transitioned. She wants to respect Mr. Zuleger wishes. Council Member Fliflet believes it is important for people to be happy in their job. She does not see that right now and thinks it would be best for City to allow transition.

Mayor Pearson wants to commit to creating a good environment for staff.

Ms. Fliflet noted that there limitations on what can be said and that these issues are difficult to discuss. Mr. Bloyer stated the reason the Council is here tonight is because the Council was given an ultimatum of providing a severance or a harassment free workplace. He said the Council is choosing to offer the severance.

Mayor Pearson asked if there is a conflict of interest because one of the council members pursued the administrator job. Mr. Snyder said that is up to council members to individually decide.

Mr. Zuleger stated that he believes that his season in Lake Elmo may be over. There have been many accomplishments by the staff, but it may be time to move on. He said he appreciates the outpouring of public support.

***ROLL CALL VOTES ON MOTION TO EXTEND 18 MONTH CONTRACT SUBJECT TO REMOVAL ONLY FOR JUST CAUSE:***

Fliflet – NO; Smith – NO; Pearson – YES; Bloyer – YES; Lundgren - NO

***MOTION FAILED 2-3 (Fliflet, Smith, and Lundgren – Nay)***

***MOTION:*** Council Member Lundgren moved ***TO ACCEPT MR. ZULEGER’S REQUEST TO TRANSITION OUT OF THIS POSITION AND TO ANOTHER, AND TO RETAIN HIS EXPERTISE, KNOWLEDGE, AND TECHNICAL SKILLS FOR CONSULTATION TO CITY, AND DIRECT MR. SNYDER TO WORK ON SEPARATION AGREEMENT.*** Council Member Fliflet seconded the motion.

The timing of the action on the separation agreement was discussed. It was noted that the terms of the agreement will be public. City Attorney Snyder said the agreement would be brought back to Council at another meeting.

***ROLL CALL VOTES ON MOTION:***

Lundgren – YES; Bloyer – NO; Pearson – NO; Smith – YES; Fliflet - YES

***MOTION PASSED 3-2 (Pearson and Bloyer – Nay)***

Council Member Bloyer asked what would happen next. The Council discussed what happens next and when things will happen. Council Member Fliflet said there is a 30 day notice and Mr. Zuleger is being retained as a consultant, so there is no urgency. Mr. Snyder stated that Mr. Zuleger is still engaged and is the administrator until he decides he is not. Council Member Lundgren said she does not believe Mr. Zuleger would be unprofessional in his departure. Council Member Smith noted that there are two executive search firms available to aide in the search, Brimeyer and Springsted.

***MOTION:*** Council Member Fliflet moved ***TO ADJOURN.*** Council Member Lundgren seconded the motion.  
***MOTION PASSED 5-0***

***Mayor Pearson Adjourned the meeting at 9:15 pm.***

**LAKE ELMO CITY COUNCIL**

ATTEST:

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Mike Pearson, Mayor

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Adam R. Bell, City Clerk