

**CITY OF LAKE ELMO
CITY COUNCIL MINUTES
MAY 19, 2015**

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

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

Staff present: City Administrator Zuleger, City Attorney Snyder, Community Development Director Klatt, City Planner Johnson, City Engineer Griffin, Finance Director Bendel, Public Works Director Bouthilet, and City Clerk Bell.

PLEDGE OF ALLIGENCE

APPROVAL OF AGENDA

Council Member Boyer pulled Item 11 from the Consent Agenda for discussion. *Council Member Fliflet moved TO POSTPONE ITEM 23 TO THE NEXT MEETING TO ALLOW MORE TIME FOR REVIEW. MOTION PASSES 3-2 Councilmember Lundgren seconded the motion. (Pearson/Boyer - Nay)*

Councilmember Boyer moved TO PULL ITEM 24 FROM THE AGENDA. Mayor Pearson seconded the motion. Motion failed 2-3. (Fliflet, Smith, Lundgren – Nay).

MOTION: *Council Member Fliflet moved TO APPROVE THE MAY 19, 2015 CITY COUNCIL AGENDA AS AMENDED. Lundgren seconded the motion. MOTION PASSED 5-0*

ITEM 1: ACCEPT MINUTES

THE APRIL 21, 2015 CITY COUNCIL MINUTES WERE APPROVED CONSENSUS WITH MINOR CORRECTIONS.

COUNCIL REPORTS:

Mayor Pearson: attended a meeting with Washington County and Lake Elmo property owners concerning potential BRT lines and stops; met with a potential commercial user and would like to discuss that topic at a future Council workshop; attend the Parks Commission meeting.

Council Member Boyer: met with a potential business owner in the I-94 corridor; looked into a 100 acre land sale that fell through in the I-94 area; fielded calls concerning the Library Board; met with representatives of Lennar

Council Member Lundgren: met with Mr. Hagstrom to discuss the location of the Farmers Market; thanked Hagstroms and John Schiltz for providing a space for the Farmer's Market; attended Sunfish Nature Days; attended Fire Relief party; thanked the people helping organize and launch the Farmer's Market.

Council Member Fliflet: attended a Finance Committee meeting and a Library Board meeting.

Council Member Smith: has been fielding phone calls and emails from residents.

PRESENTATION

ITEM 2A: FIRE DEPARTMENT POC RECRUITS

Chief Malmquist introduced the three probationary firefighter recruits: Jeremy Penman, Brandan Peltier and Neil Fredrickson.

Mayor Pearson moved TO APPROVE A CONDITIONAL JOB OFFER TO NEW RECRUITS JEREMY PENMAN, BRANDAN PELTIER AND NEIL FREDRICKSON PENDING THE OUTCOME OF THEIR PRE-PLACEMENT PHYSICAL EXAMS AND PSYCHOLOGICAL EXAMS. Councilmember Fliflet seconded the motion. MOTION PASSED 5 – 0.

ITEM 2b: PROMOTION TO LIEUTENANT

Chief Malmquist administered oath to Alex Hilpisch for promotion to lieutenant

ITEM 3: TRUNK HIGHWAY 5 TURN-BACK

Washington County Engineer Wayne Sandberg presented the summary of the proposed turn-back to Washington County. The timing of some of the improvement projects was discussed. Council Members commended the County on its responsiveness.

MOTION: Council Member Fliflet moved **TO ADOPT RESOLUTION 2015-35, PROVIDING MUNICIPAL CONCURRENCE FOR THE JURISDICTIONAL TRANSFER OF TRUNK HIGHWAY 5 FROM MNDOT TO WASHINGTON COUNTY.** Council Member Smith seconded the motion. **MOTION PASSED 5-0.**

ITEM 4: PRESENTATION / APPROVAL OF 2014 FINANCIAL AUDIT / CAFR

Jason Miller of Smith Schaefer presented the Audit Report and summary of City Financials.

MOTION: Council Member Fliflet moved **TO ACCEPT AND APPROVE THE 2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT AND MANAGEMENT LETTERS.** Council Member Lundgren seconded the motion. **MOTION PASSED 5-0.**

PUBLIC COMMENTS/INQUIRIES

None

FINANCE CONSENT AGENDA

1. Approve Payment of Disbursements and Payroll
2. Accept Finance Report dated April 30, 2015
3. Accept Building Report dated April 30, 2015
4. Accept Assessors Report dated April 30, 2015
5. 39th Street N: Street & Sanitary Sewer Improvements – Pay Request No. 4
6. 2015 Seal Coat Project – Accept Bids and Award Contract

MOTION: Council Member Smith moved **TO APPROVE THE FINANCE CONSENT AGENDA AS AMENDED.** Council Member Lundgren seconded the motion. **MOTION PASSED 5-0.**

OTHER CONSENT AGENDA

7. Encroachment Agreement – 5500 Hilltop Avenue North
8. Encroachment Agreement – 9906 Tapestry Road North
9. Encroachment Agreement – 11647 58th Street North
10. Washington County and St. Croix County Fire Mutual Agreement
11. United Land/Bremer Bank Minor Subdivision; **Resolution No. 2015-37**
12. Resolution Approving Master Subscriber Agreement for Minnesota Court Data Services for Governmental Agencies and Request Form for Minnesota Governmental Access (MGA) Login Account; **Resolution No. 2015-38**

MOTION: Council Member Smith moved **TO APPROVE THE OTHER CONSENT AGENDA AS PRESENTED.** Council Member Fliflet seconded the motion. **MOTION PASSED 5-0.**

ITEM 11: COUNCIL COMPENSATION PAYMENT SCHEDULE POLICY (Smith Request)

The timing of the council pay was discussed

MOTION: Council Member Smith moved **TO APPROVE BIENNIAL COMPENSATION PAYMENTS IN THE FIRST PAY PERIOD OF JUNE AND DECEMBER.** Council Member Fliflet seconded the motion. **MOTION PASSED 3-2 (PEARSON/BLOYER - NAY)**

REGULAR AGENDA

ITEM 18: DOWNTOWN STREET, DRAINAGE AND UTILITY IMPROVEMENTS – ACCEPT REPORT, CALL IMPROVEMENT HEARING; RESOLUTION NO. 2015-38

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City Engineer presented the feasibility report outlining the improvement project Phase I. The public hearing will be June 16, 2015. The preliminary assessment process and amounts were explained and discussed. Mr. Griffin gave the staff recommendations.

John Schiltz 3442 Lake Elmo Ave, believes that all of Lake Elmo will benefit if the downtown succeeds. He supports sanitary sewer despite his high personal costs. He also supports underground utilities as there will never be another chance like this. He urged council to make improvements to make Lake Elmo Ave look better.

Smith spoke in support of downtown improvements to beautify the downtown. She believes it will be worth it to the City in growing the tax base. Mr. Griffin noted that the streetscape costs are still out there.

MOTION: Councilmember Smith moved TO ADOPT RESOLUTION 2015-39, RECEIVING THE FEASIBILITY REPORT AND CALLING A PUBLIC HEARING FOR THE OLD VILLAGE PHASE 1 STREET AND UTILITY IMPROVEMENTS. Council Member Fliflet seconded the motion.

Councilmember Lundgren offered a friendly amendment TO INCLUDE \$73,400 FOR STREETSCAPE IMPROVEMENTS. Councilmember Smith seconded the motion. MOTION TO AMEND PASSED 5-0

Mayor Pearson moved TO TABLE VOTE PASSING RESOLUTION 2015-39 TO ALLOW FOR REDRAFTING WITH AN UPDATED PUBLIC HEARING DATE. Councilmember Bloyer seconded the motion. Motion passed 5 – 0.

Recessed 9:13pm reconvene at 9:20pm

Councilmember Smith moved TO AMEND RESOLUTION 2015-39, CHANGING THE HEARING DATE FROM JUNE 16, 2015 TO JUNE 9, 2015. Councilmember Fliflet seconded the motion. MOTION PASSED 4-1. (Pearson – Nay)

Councilmember Fliflet moved TO REMOVE RESOLUTION 2015-39 FROM THE TABLE. Mayor Pearson seconded the motion. MOTION PASSED 5-0.

Councilmember Smith moved TO AMEND THE MOTION TO CHANGE THE JUNE 16 2015 MEETING DATE TO JUNE 9, 2015. Councilmember Lundgren seconded the motion. MOTION PASSED 5-0.

ORIGINAL MOTION PASSED AS AMENDED 5-0.

ITEM 19: INWOOD FINAL PLAT AND FINAL PUD PLANS; RESOLUTION NO. 2015-39; ORDINANCE 08-120

Community Development Director Klatt presented the final plat proposal for the InWood development first phase of 46 single-family homes.

Street names and explanation of street naming process was presented.

Councilmember Fliflet asked about the water tower location shown on the plat differing from the comp plan. Staff opinion is that a comp plan amendment is not necessary for this type of change. City Engineer Griffin explained that elevation and water line size are critical considerations for water tower location.

John Rask explained that the trails are critical for the proposed demographic.

MOTION: Council Member Bloyer moved **TO ADOPT RESOLUTION 2015-40, APPROVING THE FINAL PLAT AND FINAL PUD PLAN FOR INWOOD.**” Council Member Lundgren seconded the motion. **MOTION PASSED 5-0.**

MOTION: Council Member Bloyer moved **TO ADOPT ORDINANCE 08-120, APPROVING THE ZONING MAP AMENDMENT FOR THE INWOOD PLANNED UNIT DEVELOPMENT.** Mayor Pearson seconded the motion. **MOTION PASSED 5-0.**

ITEM 20: INWOOD DEVELOPERS AGREEMENT; RESOLUTION NO. 2015-41

Community Development Director Klatt provided an overview of the Developer’s Agreement for InWood. The anticipated timeframe for the preliminary plat status was discussed. The WAC/SAC funds and the impact were explained and discussed.

MOTION: Mayor Pearson moved **TO ADOPT RESOLUTION NO. 2015-41, APPROVING THE DEVELOPER’S AGREEMENT FOR INWOOD.** Council Member Bloyer seconded the motion. **MOTION PASSED 5-0**

ITEM 21: APPROVE PURCHASE OF SPRAYPATCHER

Public Works Director Bouthilet presented the item and explained its use. The Public Works department has had success using it.

MOTION: Council Member Smith moved **TO APPROVE THE PURCHASE OF THE SP10 LOADING SPRAY PATCHER AT THE COST OF \$45,550 TO BE FUNDED AS PRESENTED; CONTINGENT UPON THE VERIFICATION OF HOURS ON MACHINE AND AN ENGINE OIL SAMPLE ANALYSIS AS RECOMMENDED BY THE MAC.** Council Member Lundgren seconded the motion. **MOTION PASSED 5-0**

ITEM 22: AFFIRM 2014 COUNCIL APPROVAL OF PAY INCREASE FOR CITY ADMINISTRATOR

John Schiltz 3442 Lake Elmo Ave, supports giving Mr. Zuleger a raise for his performance. Thinks the city is lucky to have him.

Mary Schwarz Lake Elmo Ave supports raise for Mr. Zuleger. She also supports rehiring vacant staff positions.

Dale Dorschner Lake Elmo Ave supports raise for Mr. Zuleger. He also supports rehiring vacant staff positions. Questioned the Council’s changing the meeting schedule.

Mike Reeves 11075 14th St. commended previous council for hiring Mr. Zuleger. He highlighted several successes. The compensation should reflect the performance and the performance merits increase. He supports raise for Mr. Zuleger.

Paul Novak asked about retroactivity. Suggested that it be in line with other staff

MOTION: Mayor Pearson moved **TO INCREASE THE CITY ADMINISTRATOR’S SALARY TO \$125,000.** Council Member Bloyer seconded the motion.

Council Member Bloyer offered a friendly amendment **THAT THE INCREASE BE RETROACTIVE TO THE BEGINNING OF THE YEAR.**

Fliflet open to considering raise after a performance review process. The timing and need for a review was discussed.

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

City Attorney Snyder offered a recommendation for a review of the City Administrator's pay increase off-line and bring back a recommendation to the City Council.

Councilmember Fliflet moved TO ENTERTAIN A RAISE AS A PART OF A FORMAL REVIEW PROCESS BY THE CITY COUNCIL WHICH CAN BE DONE AND BE BROUGHT BACK TO A REGULAR SCHEDULED CITY COUNCIL MEETING. Council Member Lundgren seconded the motion. MOTION PASSED 4-1 (Bloyer Nay).

Mr. Zuleger stated he appreciated the support of the community.

Mayor Pearson moved TO ADJOURN THE MEETING. Councilmember Bloyer seconded the motion. MOTION FAILED 2-3. Fliflet, Lundgren, Smith – Nay.

ITEM 24: FUTURE GROWTH STRATEGY / PHASING PLAN POLICY

Council Member Fliflet explained her reasons for requesting discussion on future growth. Community Development Director Klatt explained the key issues of managing growth: strict and thorough review plans as part of following the phasing plan. Klatt clarified that stage one of phasing plan will not have any regulation changes. It would not make sense for city to not develop the remaining parcels in phase one, most of which are commercial lots. The only way to stop it would be with a moratorium.

Options to slow down growth were discussed.

STAFF REPORTS & ANNOUNCEMENTS:

City Administrator Zuleger: No report.

City Clerk Bell: No report.

City Finance Director Bendel: No report.

City Attorney Snyder: No report.

Community Development Director Klatt: A hearing for a wedding venue ordinance for rural properties will be held by the Planning Commission.

City Engineer Griffin: No report.

Mayor Pearson Adjourned the meeting at 11:37pm.

LAKE ELMO CITY COUNCIL

ATTEST:

Mike Pearson, Mayor

Julie Johnson, City Clerk