

**CITY OF LAKE ELMO
CITY COUNCIL MINUTES
SEPTEMBER 15, 2015**

A. CALL TO ORDER

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: Interim Administrator Schroeder, City Attorney Brekken, City Engineer Griffin, Finance Director Bendel, Community Development Director Klatt, Library Director Deprey, Fire Chief Malmquist, Planner Gozola and City Clerk Johnson.

B. PLEDGE OF ALLIGENCE

C. APPROVAL OF AGENDA

Councilmember Fliflet moved Item 14 to the Regular Agenda and tabled item 27. Mayor Pearson moved item 13 to the Regular Agenda. Councilmember Bloyer moved item 28 up to before item 23. Mayor Pearson moved item 15 to the Regular Agenda.

Councilmember Fliflet, seconded by Mayor Pearson, moved TO APPROVE THE AGENDA AS AMENDED. MOTION PASSED 5 – 0.

D. ACCEPT MINUTES

Minutes of the September 1, 2015 Regular Meeting were accepted as amended.

E. COUNCIL REPORTS

Mayor Pearson: Announced Christ Lutheran Church Rally Day on September 20th, 9:00 a.m. would appreciate local support due to construction.

Councilmember Fliflet: Attended Finance Committee meeting, Library Board meeting, Farmers Market and announced strong interest from residents in serving on an Environmental Committee. Thanked staff for all their assistance.

Councilmember Smith: Spoke with a resident on property site issues, met with Lennar representatives at the Savona development.

Councilmember Bloyer: Spoke with residents regarding 30th Street, the dog park proposal, downtown project and cemetery proposal. Reported on additional cost incurred by the City on legal publications. Noted a resignation from the Finance Committee and stated he does not feel he is an asset to the Finance Committee and submitted his resignation as a committee member.

Councilmember Lundgren: Noted that September 26th is the last Farmers Market for 2015.

F. PUBLIC COMMENTS/INQUIRIES

None

G. PRESENTATIONS

Susan Schmidt, Trust for Public Land, reported that conserving Tartan Park as a public park does not have strong support at this time and the Trust for Public Land will not be pursuing this project any further at this time.

H. FINANCE CONSENT AGENDA

2. Approve Payment of Disbursements
3. Accept Assessor Report
4. Approve Financial Report Dated August 31, 2015
5. Approve Purchase of Replacement Skid Unit for Fire Department Brush Truck
6. Approve Eagle Point Blvd. Street Improvements – Pay Request No. 1
7. Approve Production Well No. 4 – Pay Request No. 10 (FINAL)
8. Approve Production Well No. 4 – Compensating Change Order No. 2

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO APPROVE THE FINANCE CONSENT AGENDA AS PRESENTED. MOTION PASSED 5-0.

I. OTHER CONSENT AGENDA

9. Accept Building Report
10. Approve Election Judge Appointments for November 4, 2015 Special Election –
Resolution 2015-74
11. Phase 2 Downtown Street, Drainage and Utility Improvements: Request County to Proceed with 30th Street Right-of-Way Acquisition
12. Approve Lake Elmo Jaycees Temporary Liquor License for 2015 Volksmarch October 10, 2015
16. Approve Fire Station Parking Lot Paving
17. Approve Sanctuary Park Trail Paving

Councilmember Smith, seconded by Mayor Pearson, moved TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION PASSED 5-0.

J. REGULAR AGENDA

ITEM 13: ADOPT TARTAN PARK RESOLUTION – Resolution 2015-75

Interim Administration Schroeder reviewed proposed Resolution 2015-75 summarizing the City's position on the future disposition of Tartan Park.

Councilmember Fliflet, seconded by Councilmember Smith, moved TO ADOPT RESOLUTION 2015-75 RELATING TO TARTAN PARK. MOTION PASSED 4 – 1. (Bloyer – Nay)

ITEM 14: STATUS OF ARTS CENTER

Interim Administrator Schroeder reviewed his memo to the Council reporting on the present use and condition of the Arts Center, noting that the property is in disrepair and may not meet standards for a public facility. Schroeder reviewed photos of the property and current utility and insurance cost information.

Mike Kramer, 142500 45th Street, Stillwater, offered a history of the Arts Center as a member of the New Century Artists painting group that has been meeting every Monday night since 2008 at the Arts Center. Noted that the building was a true arts center and utilized more heavily for that purpose prior to the Library moving in. The group has provided over 50 paintings currently hanging at the Lake Elmo Library.

Susan Kane, 4372 Little Bluestem, Lake Elmo, spoke on behalf of the Valley Friendship Club that has been meeting at the Arts Center and storing supplies there since 2010. The group provides activities for kids and young adults with disabilities.

Councilmembers discussed the condition of the property with no support for demolish the building at the present time. Consensus was to obtain costs for repairing the building and assessing the current uses. Interim Administrator Schroeder noted that if the building is retained for public use it should be updated to ensure safety.

Bill Walker, 3603 Laverne Avenue N., stated he lives across from the Arts Center and expressed concern over the exterior condition of the house and property. He encouraged the Council to tour the property and consider demolishing it.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO NOT DEMOLISH THE ARTS CENTER AND TO ALLOW ART GROUPS TO CONTINUE TO USE THE BUILDING AS THEY HAVE BEEN. MOTION PASSED 3 – 2. (Pearson, Bloyer – nay)

Mayor Pearson stated that the City has a liability with public use of the building, a neighbor objection and the City is setting a bad example by allowing the property to fall into disrepair. Pearson suggested that the building should be winterized and investigated. Councilmember Bloyer stated that the City has an obligation to make sure the building is safe before people use it any longer.

Finance Director Bendel noted that the Arts Center is currently insured as a vacant building and coverage will need to be added if it will continue to host the public.

Councilmember Bloyer, seconded by Councilmember Fliflet, moved TO INSTRUCT THE FINANCE DIRECTOR TO IMMEDIATELY PLACE INSURANCE COVERAGE ON THE BUILDING AND INSTRUCT THE BUILDING INSPECTOR TO INSPECT THE BUILDING. MOTION PASSED 5 – 0.

ITEM 15. DOWNTOWN PHASE 1 AND PHASE 2 STREETScape AND LANDSCAPE PLANS – APPROVE ALLEY CONCEPT PLAN CHANGES

City Engineer Griffin reviewed the features of the proposed plan changes and noted that curbs will be installed on Laverne Avenue in the next week so decisions need to be made on where curb cuts will go. Library Director Deprey thanked the engineering department for their work on the alley design. Deprey reported that the Library Board heard concerns from residents and neighboring businesses at a board meeting and felt this was the best compromise after weighing all the input.

Councilmember Bloyer, seconded by Councilmember Smith, moved TO APPROVE THE REVISED ALLEY PLAN FOR THE PHASE 1 DOWNTOWN STREET, DRAINAGE AND UTILITY IMPROVEMENTS. MOTION PASSED 5 – 0.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO ASK THE LIBRARY BOARD TO COVER ADDITIONAL COST OF THE REVISED ALLEY PLAN FROM LIBRARY FUNDS. MOTION FAILED 1 – 4. (Bloyer, Fliflet, Lundgren, Smith – Nay)

ITEM 18: GATEWAY CORRIDOR MARKET AND FISCAL IMPACT STUDY

Interim Administrator Schroeder introduced the East Metro Strong and Bus Rapid Transit concept. Community Development Director Klatt noted that the Planning Commission also received information from East Metro Strong at the last meeting. Will Schroeder, Executive Director of East Metro Strong, explained that the market study would not bind the City to anything and explained how the information may be useful to the City.

Councilmember Fliflet, seconded by Mayor Pearson, moved to remove the motion from the table TO CONTRIBUTE \$20,000 TO THE LAKE ELMO MARKET AND FISCAL IMPACT STUDY. MOTION PASSED 3 – 2. (Bloyer, Smith – Nay)

ITEM 19. MANNING AVENUE REDESIGN/REALIGNMENT

Interim Administrator Schroeder reviewed a map of the area, noting staff recommendation to approve Concept C. Frank Ticknor, Washington County Public Works, discussed the phases and timeline for the project.

Councilmember Bloyer, seconded by Mayor Pearson, moved TO ACCEPT THE STAFF AND PLANNING COMMISSION RECOMMENDATION TO APPROVE CONCEPT C. MOTION FAILED 2 – 3. (Fliflet, Lundgren, Smith – Nay)

Discussion held concerning stoplight locations, traffic patterns and safety issues.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO ACCEPT CONCEPT C2, TO NOT BUILD THE ROAD FROM OLD HIGHWAY 5 TO CSAH 14 AT THIS TIME, AND TO EXPLORE OPTIONS ON TEMPORARY EMERGENCY VEHICLE ACCESS BETWEEN THE CUL DE SAC AND CSAH 14. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

ITEM 20: PEBBLE PARK PICNIC SHELTER

Public Works Superintendent Bouthilet presented itemization of costs for add on features of the Pebble Park picnic shelter recommended by the Parks Commission.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO APPROVE THE PEBBLE PARK PICNIC SHELTER WITHOUT THE LOGO AND ORNAMENTATION ON THE GABLE END. Mayor Pearson, seconded by Councilmember Lundgren, moved TO AMEND THE MOTION TO ALLOW THE LASER CUT CITY LOGO TO REMAIN. AMENDMENT PASSED 5 – 0. PRIMARY MOTION PASSED 4 – 1. (Bloyer – Nay)

ITEM 21: DOWNTOWN PHASE 1 AND PHASE 2 STREETScape AND LANDSCAPE PLANS – APPROVE SCOPE OF IMPROVEMENTS

Frank Ticknor, Washington County Public Works, provided a review of the process of the project and asked for the Council's guidance on burying the overhead utilities. Discussion was held concerning the cost of burying the utilities and potential funding sources.

Barry Weeks, 3647 Lake Elmo Avenue, stated concern that the cost of burying the overhead utilities could increase and stated that this money could be spent on a lot of other things.

Dick Wier, 3645 Laverne Avenue, stated that there will be power lines everywhere else so there is not value in burying lines on one street and also expressed concern over hidden costs.

Stuart Johnson, 3603 Lake Elmo Avenue, expressed concern about the cost of the project and feels the costs will increase.

Wally Nelson, 4582 Lilac, stated a franchise fee is a tax and asked why the city would pay for the cost for upgrades inside buildings when that was not done for sewer hookups.

Mayor Pearson, seconded by Councilmember Lundgren, moved TO NOT BURY THE UTILITIES OWNED BY XCEL ENERGY AND COMCAST ALONG LAKE ELMO AVENUE FROM THE RAILROAD TO OLD HIGHWAY 5. MOTION PASSED 5 – 0.

Discussion held concerning the lighting portion of the project.

David Faint, 3617 Laverne Avenue, stated there are too many lights in the proposed plan.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO APPROVE THE EVANS STYLE LIGHT FOR THE DOWNTOWN PROJECT AND FOLLOW THE REVISED LAYOUT PROVIDED BY WASHINGTON COUNTY. After discussion and receiving further information from SEH, MOTION FAILED 0 – 5.

Councilmember Fliflet, seconded by Mayor Pearson, moved TO MIX THE EVANS LIGHT WITH ACORN LIGHTS WITH CAPS IN THE DOWNTOWN AND DIRECT THE LIGHTING DESIGNER TO REVISIT THE PLAN WITH DIRECTION THAT THE CITY COUNCIL WANTS AS FEW LIGHTS AS POSSIBLE AND WORK WITH STAFF TO FIND FIXTURES THAT COMPLY WITH CITY CODE AS CLOSELY AS POSSIBLE. MOTION PASSED 3 – 2. (Bloyer, Smith – Nay)

Discussion held concerning the landscaping portion of the project. Revised plans were presented based on past input from the City Council. Cost and need for irrigation was discussed with alternatives offered such as asking for businesses and other to adopt planting areas for purposes of providing maintenance.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO APPROVE THE PRIOR WORKSHOP PLAN AS IT RELATES TO THE PLANTING BEDS. MOTION PASSED 3 – 2. (Fliflet, Lundgren – Nay)

Councilmember Bloyer, seconded by Mayor Pearson, moved TO APPROVE THE LANDSCAPE ARCHITECT PLAN FOR TREES IN THE DOWNTOWN PROJECT. MOTION PASSED 4 – 1. (Fliflet – Nay)

ITEM 22: INTERNAL FINANCIAL CONTROLS

Councilmember Fliflet introduced the request for Council support of the City's internal control policy passed earlier this year, noting concurrence from the City's auditor and bond counsel.

Councilmember Bloyer expressed concern over transparency and stated that past City Council members have had access to full working documents. Mayor Pearson stated that the City should have written policies concerning this subject.

Dale Doerschner, 3150 Lake Elmo Avenue, stated he has been hearing the Council ask for proformas that haven't been provided, and expressed concern over the Finance Committee agendas.

Stuart Johnson, 3603 Lake Elmo Avenue, stated that models are essential and it seems unusual to not provide working documents to the Council.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO SUPPORT THE STAFF AND UPHOLD THE CITY'S INTERNAL CONTROL POLICY SURROUNDING THE RELEASE OF PROPRIETARY FINANCIAL INFORMATION. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

Councilmember Bloyer moved TO MOVE AGENDA ITEM 28 TO BEFORE ITEM 23. MOTION DIED FOR LACK OF A SECOND.

Councilmember Fliflet, seconded by Councilmember Smith, moved TO CONSIDER THE SAVONA AGENDA ITEMS NEXT. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

ITEM 24: SAVONA 3RD ADDITION FINAL PLAT – RESOLUTION 2015-70

Community Development Director Klatt reviewed prior City Council action on the plat and clarified areas of past concern.

Councilmember Bloyer, seconded by Mayor Pearson, moved TO ADOPT RESOLUTION 2015-70 APPROVING THE FINAL PLAT FOR SAVONA 3RD ADDITION WITH CONDITIONS 11 AND 12 STRICKEN. Councilmember Smith moved TO LEAVE CONDITON 12 IN THE APPROVAL AND DIRECT THE LANDSCAPE ARCHITECT TO LOOK AT THE PLANS. AMENDMENT DIED FOR LACK OF SECOND. PRIMARY MOTION FAILED 2 – 3. (Fliflet, Lundgren, Smith – Nay)

Councilmember Smith stated that she met with representatives at the Savona development and thanked them for their attempts to make the exterior of the townhomes look better. Discussion held regarding multifamily classification and design standards. Councilmember Fliflet suggested rewording the City's code to better define multifamily and single family. Challenges related to landscaping around the stormwater pond retaining wall were discussed. Councilmember Fliflet stated the City should review the park to be installed by the developer. Councilmember Bloyer stated that he would not support that condition, as the park is on private property.

Councilmember Smith, seconded by Councilmember Lundgren, moved TO ADOPT RESOLUTION 2015-70, STRIKING CONDITION 11. MOTION FAILED 2 – 3. (Pearson, Bloyer, Fliflet – Nay)

Councilmember Fliflet, seconded by Councilmember Smith, moved TO ADOPT RESOLUTION 2015-70 APPROVING THE FINAL PLAT FOR SAVONA AS PRESENTED AND RECOMMENDED BY STAFF. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

ITEM 25 – SAVONA 3RD ADDITION DEVELOPMENT AGREEMENT – RESOLUTION 2015-71

Councilmember Smith, seconded by Councilmember Lundgren, moved TO ADOPT RESOLUTION 2015-71 APPROVING THE DEVELOPMENT AGREEMENT FOR SAVONA 3RD ADDITION. MOTION PASSED 5 – 0.

ITEM 23: APPROVE 2016 PRELIMINARY GENERAL FUND AND LIBRARY FUND ANNUAL BUDGET AND TAX LEVY – RESOLUTION 2015-76

Finance Director Bendel reviewed the timeline for the 2016 budget process, noting that the preliminary budget and levy up for approval can be reduced, but not increased once approved. Budget assumptions, key considerations, staffing costs, library levy and CIP were presented. Bendel noted that the levy as presented, if not reduced later, would impact the average homeowner by \$60 per year in additional property taxes.

Councilmember Lundgren, seconded by Councilmember Fliflet, moved TO APPROVE RESOLUTION 2015-76 ADOPTING THE PRELIMINARY 2016 GENERAL FUND AND LIBRARY FUND ANNUAL BUDGETS AND LEVIES. MOTION PASSED 4 -1. (Bloyer – Nay)

ITEM 28: LAKE ELMO MUNICIPAL WATER AND SEWER ENTERPRISE FUNDS STATUS (WACs AND SACs)

Finance Director Bendel provided a brief explanation on the proforma for water and sewer funds. Detailed discussion was held on the proforma, water rates and fund balances. Councilmember Bloyer expressed concern that the numbers don't add up.

Councilmember Bloyer, seconded by Mayor Pearson, moved TO SEND THE PROFORMA OUT TO A THIRD PARTY VENDOR TO CHECK THE ASSUMPTIONS FOR ACCURACY. MOTION FAILED 2 – 3. (Fliflet, Lundgren, Smith – Nay)

ITEM 26: PLAT APPROVAL PROCESS/CONDITIONS OF APPROVAL

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO POSTPONE ITEM 26 TO THE NEXT MEETING DUE TO THE LATENESS OF THE HOUR. MOTION PASSED 5 – 0.

STAFF REPORTS AND ANNOUNCEMENTS

Interim City Administrator Schroeder: Attended Washington County water meeting and Planning Commission, Manning Ave. redesign, Parks Commission. Interviews for the City Planner position will be held in the coming days. Congratulated the city on receiving the Pollinator Friendly award, has been working on the Tartan Park transition.

City Clerk Johnson: No report.

Finance Director Bendel: No report.

City Attorney Snyder: No update due to the hour but will have input for items on the next agenda.

Community Development Director Klatt: Reported on the September 14, 2015 Planning Commission meeting.

City Engineer Griffin: Noted dates and times for upcoming neighborhood meetings concerning CSAH 13/Inwood project.

Meeting adjourned at 12:50 am.

LAKE ELMO CITY COUNCIL

ATTEST:

Mike Pearson, Mayor

Julie Johnson, City Clerk



MAYOR & COUNCIL COMMUNICATION

DATE: October 6, 2015
CONSENT
ITEM #2
MOTION

AGENDA ITEM: Approve Disbursements in the amount of \$332,052.87

SUBMITTED BY: Patty Baker, Accountant

THROUGH: Cathy Bendel, Finance Director

REVIEWED BY: Cathy Bendel, Finance Director

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item City Administrator
- Report/Presentation.....City Administrator
- Questions from Council to Staff Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion Mayor Facilitates

POLICY RECOMMENDER: Finance

FISCAL IMPACT: \$332,052.87

SUMMARY AND ACTION REQUESTED: As part of its Consent Agenda, the City Council is asked to approve disbursements in the amount of \$332,052.87. No specific motion is needed as this is recommended to be part of the *Consent Agenda*.

LEGISLATIVE HISTORY: NA

BACKGROUND INFORMATION/STAFF REPORT: The City of Lake Elmo has the fiduciary responsibility to conduct normal business operations. Below is a summary of current claims to be disbursed and paid in accordance with State law and City policies and procedures.

Claim #	Amount	Description
ACH	\$ 10,815.12	Payroll Taxes to IRS & MN Dept of Revenue 10/1/15
ACH	\$ 5,323.78	Payroll Retirement to PERA 10/1/15
DD6662-DD6681	\$ 27,388.71	Payroll Dated (Direct Deposits) 10/1/15
43374-43385	\$ 22,196.17	Accounts Payable 9/30/15
43386-43439	\$ 266,269.09	Accounts Payable 10/6/15
2746	\$ 60.00	Library Card Reimbursement 10/6/15
TOTAL	\$ 332,052.87	

RECOMMENDATION: Based on the aforementioned, the staff recommends the City Council approve as part of the Consent Agenda the aforementioned disbursements in the amount of \$332,052.87.

ATTACHMENTS:

1. Accounts Payable – check registers