

**CITY OF LAKE ELMO
CITY COUNCIL MINUTES
OCTOBER 20, 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 Snyder, City Engineer Griffin, Finance Director Bendel, and City Clerk Johnson.

B. PLEDGE OF ALLIGENCE

C. APPROVAL OF AGENDA

Item 8 was moved from the Consent Agenda to the Regular Agenda. Brief discussion held concerning a resident request to add an item to the Consent Agenda. Councilmember Bloyer asked to add Censure Remarks to the agenda before item G.

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

D. ACCEPT MINUTES

Mayor Pearson, seconded by Councilmember Fliflet, moved TO APPROVE THE SEPTEMBER 15, 2015 AND OCTOBER 6, 2015 MINUTES AS AMENDED. MOTION PASSED 5 – 0.

COUNCIL REPORTS

Mayor Pearson: Attended Volksmarch and thanked staff, Lake Elmo Rotary and Lions Club for their support. Spoke with Ginny Holder, Cable Commission representative, attended the Parks Commission meeting and reported to the Council on action taken at the meeting. Noted that the Public Safety Committee presented information on a single fire station concept at the Council workshop on October 13th and requested staff add that to the November 4th agenda. Attended a forum with the Mayor of Oakdale and other Mayors and a Gateway Corridor meeting. Thanked Community Development Director Kyle Klatt for his dedicated and loyal service to the taxpayers of Lake Elmo.

Councilmember Fliflet: Attended Finance Committee meeting, Library Board Meeting and Council workshop.

Councilmember Smith: Attended the Finance Committee meeting.

Councilmember Bloyer: Thanked citizens for their overwhelming support in response to the Council censure. Commended Kyle Klatt for his professionalism in his service to the City as Community Development Director.

Councilmember Lundgren: Attended the City Council workshop, Fire Relief meeting, spoke with residents still concerned over the cemetery proposal, attended the Finance Committee meeting. Thanked Kyle Klatt for his service to the City.

Councilmember Bloyer read a statement regarding the Council censure and provided background information on what transpired at the meeting that caused the censure. Bloyer advised the City Attorney and City Administrator that he would be contacting the State Auditor regarding the financial matters he questioned at the September 15, 2015 meeting.

Councilmember Fliflet, seconded by Councilmember Smith, moved IF COUNCILMEMBER BLOYER WANTS TO MAKE COMMENTS, HE CAN SUBMIT WRITTEN COMMENTS AHEAD OF TIME TO BE READ. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

PUBLIC COMMENT

Mike Reeves, 11075 14th Street N., expressed concern over negative newspaper articles regarding the City and concern for City staff. Mr. Reeves also recognized Kyle Klatt for his service to the City.

Justin Bloyer, 8881 Jane Road N., asked to speak as a citizen.

Meeting recessed for discussion with the City Attorney. Meeting reconvened and the City Attorney reported that Councilmember Bloyer would prepare a statement for the next Council Meeting to be read after City Attorney review.

Ed Gorman, 11011 Stillwater Blvd., stated concerns over the water and sewer fund projections and large SAC charges that will be assessed against his business property.

Dale Dorschner, 3150 Lake Elmo Ave., asked about the employee complaint process.

FINANCE CONSENT AGENDA

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

CONSENT AGENDA

Councilmember Smith, seconded by Councilmember Lundgren, moved TO APPROVE THE CONSENT AGENDA AS PRESENTED. MOTION PASSED 5 – 0.

ITEM 8: MANNING AVENUE PHASE I MUNICIPAL CONSENT

Frank Ticknor presented the Phase I plan of the Manning Avenue project, noting specific areas included in the plan and improvements that will included in the area around the intersection of Manning Avenue and 10th Street, and Oak Land Jr. High School. Discussion was held concerning the need for curb and gutter in areas of the project.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO DIVIDE THE ISSUE INTO THREE PARTS. MOTION PASSED 5 – 0.

Mayor Pearson, seconded by Councilmember Lundgren, moved TO APPROVE \$12,610 FOR 55% SHARE OF RIGHT OF WAY ACQUISITION IN THE NORTHWEST SECTION. MOTION PASSED 5 – 0.

Councilmember Smith, seconded by Councilmember Lundgren, moved TO APPROVE A 6 INCH CONCRETE WALK AT A COST OF \$4,040 FOR A PEDESTRIAN RAMP AND A 3 INCH BITUMINOUS WALK AT A COST OF \$9,160. MOTION PASSED 4 - 1. (Pearson – Nay)

Discussion was held concerning potential cost sharing with the school district on part of the trail costs. Staff was directed to continue to negotiate with the school district for cost sharing on the trail portion of the project.

Councilmember Bloyer, seconded by Councilmember Smith, moved TO APPROVE RESOLUTION 2015-81 APPROVING COUNTY STATE AID HIGHWAY (MANNING AVENUE) PHASE 1 IMPROVEMENTS WITHIN MUNICIPAL CORPORATE LIMITS. MOTION PASSED 5 – 0.

ITEM 9: LAKE ELMO AIRPORT REALIGNMENT

Interim Administrator Schroeder reported that Councilmember Smith is requesting the City Council consider a resolution concerning the Lake Elmo Airport that is similar to resolutions passed by Baytown and West Lakeland. Councilmember Smith stated that the City considered a similar airport expansion in 2006 and it was determined it was not in the City's best interest at that time.

Discussion held concerning the airport expansion and noise impact to Lake Elmo residents. Councilmember Smith indicated she would continue further discussions with Metropolitan Airport Commission and City staff.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO TABLE THE ITEM UNTIL A FUTURE DATE. MOTION PASSED 5 – 0.

ITEM 10: HAMMES PLAT EXTENSION

Interim Administrator Schroeder reviewed the history of the site and status of the plat recording. Schroeder reported that staff recommended an additional condition be added that requires any special assessments due to be paid prior to recording the plat. Councilmember Fliflet asked about the status of the Developer's Agreement. Staff reported that the Developer's Agreement was approved by resolution of the City Council but was not executed.

Applicant Elenanor Hammes explained the cause of the delays and noted that she is concerned she could lose the property to foreclosure if the project is delayed further.

Discussion held concerning litigation against the property, moratorium in place, and financial implications for the City. Councilmembers Fliflet and Lundgren indicated the Council needs more time to look through additional information requested to assess financial impacts to the City.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO TABLE FOR ADDITIONAL TIME TO GATHER FINANCIAL INFORMATION. MOTION PASSED 3 – 2. (Pearson, Bloyer – Nay)

ITEM 11: PRACTICE FOR ADDING COMMITTEE/COMMISSION MEMBERS

Interim Administrator Schroder reported on research and information received from the League of Minnesota Cities regarding appointment of committee and commission members and asked Council for direction on the City's policy.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved ALL COMMITTEE/COMMISSION MEMBERS SHALL BE APPOINTED BY THE CITY COUNCIL WITHOUT COMMITTEE/COMMISSION REVIEW. MOTION PASSED 5 – 0.

ITEM 12: HUMAN RESOURCES COMMITTEE APPLICATIONS

Interim Administrator Schroeder reported that two applications have been received for the Human Resources Committee and recommended appointment of Teresa Barry given her HR experience. Discussion held concerning appointment process and qualifications of committee members.

Councilmember Fliflet, seconded by Councilmember Smith, moved TO APPOINT TERESA BARRY TO THE HUMAN RESOURCES COMMITTEE. MOTION PASSED 3 – 1 – 1. (Pearson – Nay, Bloyer – Abstain)

Mayor Pearson stated he was unable to speak with Ms. Barry prior to the meeting and appreciates her application but would be more comfortable appointing her after speaking with her.

ITEM 13: PLANNING COMMISSION APPLICATION

Councilmembers discussed interviewing all applicants for commission vacancies, regardless of the applicant's past experience with the City.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO BRING SUSAN DUNN IN FOR AN INTERVIEW WITH THE CITY COUNCIL FOR APPOINTMENT TO THE PLANNING COMMISSION. MOTION PASSED 5 – 0.

ITEM 14: COMMUNITY DEVELOPMENT DIRECTOR POSITION VACANCY

Interim Administrator Schroeder presented information requested by the Council related to the Community Development Director vacancy. Discussion was held concerning the job description of the current Community Development Director and a hiring salary range.

Dale Dorschner, 3150 Lake Elmo Avenue, stated that the City had a very knowledgeable person and needs a Community Development Director with experience in smart growth and fast growth and the political fortitude to withstand the current city atmosphere.

Mayor Pearson moved STAFF ADVERTISE TO FILL THE COMMUNITY DEVELOPMENT DIRECTOR POSITION WITH THE SALARY RANGE SUGGESTED AND WITH THE SKILLS IDENTIFIED. MOTION FAILED FOR LACK OF A SECOND.

Interim Administrator Schroeder stated he would develop a job description and submit it to the City Council for review and comment.

ITEM 15: PROFORMA UPDATE

Interim Administrator Schroeder read the Council packet memo outlining the background development of the proforma projection model and proposal to move from the current spreadsheet to a software package to simplify the process. Councilmember Bloyer stated concerns with mathematical errors in the spreadsheet model.

Councilmember Bloyer moved TO HIRE A THIRD PARTY TO HELP WORK THROUGH THE PROFORMA. MOTION FAILED FOR LACK OF A SECOND.

Councilmember Bloyer presented a spreadsheet for review and questioned information provided in the proforma sewer fund, expressing concern that accurate information be used when setting up new software. Staff indicated they would look into Councilmember Bloyer's questions and provide additional information.

Wally Nelson, 4582 Lilac Avenue, asked the Council to send the proforma to a third party for review and stated the censure of Councilmember Bloyer should be lifted.

Barry Weeks, 3647 Lake Elmo Avenue, asked the council to consider having an auditor look at the proforma and WAC/SAC numbers.

ITEM 16: LAKE ELMO WATER RATE REDUCTION ANALYSIS

Councilmember Fliflet stated that the City's water rates are high and questioned if they could be reduced. Finance Director Bendel stated that the sewer rates could be reviewed as well.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO DIRECT THE FINANCE COMMITTEE TO FURTHER REVIEW AND PROVIDE TO THE CITY COUNCIL THEIR RECOMMENDATION TO THE POSSIBILITY OF REDUCING THE WATER RATES, PROPOSED OPTIONS FOR CHANGE AND THE TIMING OF THE PROPOSED CHANGES. MOTION PASSED 5 – 0.

STAFF REPORTS AND ANNOUNCEMENTS

Interim City Administrator Schroeder: Received lease information for a building department truck, provided an update on the Arts Center, attended Gateway Corridor meeting, held cell tower discussions with two agencies, coordinating with LMC to meet with the Council and staff to form a policy group, attended Washington County transportation meeting, met with the Stillwater City Administrator, worked on landscape plan reviews, reminded residents how to subscribe to the FRESH email newsletter, and reported that Easton Village stormwater pond construction will start soon and may produce a large volume of truck traffic downtown.

City Clerk Johnson: Reminded the public that the next meeting will be held on Wednesday November 4th versus Tuesday, November 3rd, due to the special election being held on the 3rd. The City will operate one consolidated polling place on election day and Washington County is handling absentee voting. Reported on position opening for an Office Administrative Assistant.

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Finance Director Bendel: Stormwater assessments have been filed after approximately half of the property owners on the original list, working on budget updates from meetings held and street assessments.

City Attorney Snyder: Working on issues concerning Easton Village, Wildflower recorded documents, assisting staff with general matters, Verizon application, Ryland and 5th Street landscaping, 39th Street office park and a collection matter for the library. Clarified that the League of Minnesota Cities did not contact the City; the City contacted the League to work to improve City Council communication.

City Engineer Griffin: Working on the 2016 street improvement project for the next City Council meeting and holding neighborhood meetings for each portion on Tuesday, October 27th. Holding an open house at Christ Lutheran Church for the county project on Olson and Ideal Avenue and will soon have a completed sewer line from 39th Street to Reid Park.

Meeting adjourned at 11:01 pm.

LAKE ELMO CITY COUNCIL

ATTEST:

Julie Johnson, City Clerk

Mike Pearson, Mayor