

**CITY OF LAKE ELMO
CITY COUNCIL MINUTES
NOVEMBER 4, 2015**

A. CALL TO ORDER

Mayor Pearson called the meeting to order at 6:30 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, City Planner Wensman, and City Clerk Johnson.

B. PLANNING COMMISSION INTERVIEW

Susan Dunn was interviewed for a vacancy on the Planning Commission.

Councilmember Bloyer, seconded by Councilmember Fliflet, moved TO APPOINT MAYOR DUNN TO THE PLANNING COMMISSION. MOTION PASSED 5 – 0.

C. PLEDGE OF ALLIGENCE

D. APPROVAL OF AGENDA

Items 4, 7, 9 and 11 were removed from the Consent Agenda and Item 12 was moved to the beginning of the Regular Agenda.

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

E. ACCEPT MINUTES

Minutes of the October 20, 2015 Regular Meeting were accepted as presented.

COUNCIL REPORTS

Mayor Pearson: Thanked Washington County for hosting neighborhood meetings on the Olson Lake Road project, met with owner on 33rd Street regarding right of way concerns, met with Fields of St. Croix residents, announced the upcoming Meeting with the Mayor, noted that the ISD 622 election went well, and welcomed Stephen Wensman to the City staff.

Councilmember Smith: Met with Ellie Hammes, met with Fields II residents regarding realignment of County Rd. 5, met with Focus Engineering and took calls from developers.

Councilmember Fliflet: Met with residents regarding various issues, noted Kyle Klatt's last day with the City and thanked him for his service, welcomed the new City Planner and thanked Ben Gozola for his high quality work during the transition period.

Councilmember Bloyer: Received a lot of emails from Fields II residents, met with League of Minnesota Cities with Councilmember Fliflet.

Councilmember Lundgren: Met with Fields II residents, thanked staff for meeting with Councilmembers prior to the Council meeting to answer questions and welcomed City Planner Wensman.

PUBLIC COMMENTS/INQUIRIES

Mike Reeves, 11075 14th Street North, commented on City Council effectiveness and interaction with each other, and censure of Councilmember Bloyer.

Christine Nelson commented on her application to serve on the HR Committee and comments made concerning her experience.

PRESENTATIONS

None

FINANCE CONSENT AGENDA

- 2. Approve Payment of Disbursements**
- 3. Approve 404 Lake Elmo Avenue Assessment Agreement**
- 5. Wildflower at Lake Elmo – Approve Release of Grading Security per the Site Grading Agreement**
- 6. Eagle Point Boulevard Street Improvements – Change Order No. 2**

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

OTHER CONSENT AGENDA

- 8. Receive Building Department Report**
- 10. Motion to Request Being Added to the County CIP for 2017**

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

ITEM 12: 2016 STREET IMPROVEMENTS – IMPROVEMENT HEARING, ORDER PREPARATION OF PLANS AND SPECIFICAITONS AND PUBLIC HEARING

City Engineer Griffin provided an introduction of the history of the project and planning. City Engineer Stempski reviewed the project schedule for each of the three portions of the project, providing details on the improvements proposed for each area. Stempski also reviewed the assessable properties and the costs for each neighborhood with the City share and per unit assessment rate for the proposed street project and optional water project.

Councilmember Smith, seconded by Councilmember Bloyer, moved TO OPEN THE PUBLIC HEARING AT 8:00 P.M. MOTION PASSED 5 – 0.

Curt Monteith, 331 Julep, requested clarification on the project area and suggested squaring off the parking area at the park.

Wayne Hector, 5110 Kirkwood, provided a written statement in favor of the project.

David Loos, 3567 Kelvin, spoke in favor of the water main improvement due to pollution from the landfill and plume, adding he is not in favor of the road project unless the water portion is included.

Dick Hedquist, 3440 Kelvin, questioned the expense for the water connection and additional cost for looping.

Bill Rogers, 3490 Kelvin, spoke against the water project and stated the road project should be paid from tax dollars due to City neglect in maintaining the road.

Joe Chaves, 3505 Kelvin, stated that street maintenance has been lacking.

Allen Kristenson, 5230 Kirkwood, spoke in favor of the project.

Councilmember Bloyer, seconded by Councilmember Smith, moved TO CLOSE THE PUBLIC HEARING AT 8:22 P.M. MOTION PASSED 5 – 0.

Discussion was held concerning the water utility portion of the project and funding options. City Engineer Griffin reviewed the 2030 Comprehensive Water System Plan as it relates to the Kelvin project.

Councilmember Bloyer, seconded by Councilmember Smith, moved TO AMEND RESOLUTION 2015-82 TO INCLUDE STONGATE AND KIRKWOOD AREAS AND REMOVE THE KELVIN AVENUE AREA FROM THE PROJECT. MOTION PASSED 5 – 0.

Discussion held concerning the Kelvin Avenue area of the project. Citizen input was considered and allowing payment on the water connection as was done with the Keats Avenue project was discussed. Councilmember Fliflet stated that the road is not well traveled and the project could be postponed.

Councilmember Lundgren, seconded by Councilmember Smith, moved TO ADOPT 2015-82 ORDERING THE 2016 STREET, DRAINAGE AND UTILITY IMPROVEMENTS AND THE PREPARATION OF PLANS AND SPECIFICATIONS AS AMENDED, WITH REMOVAL OF THE 6” WATER MAIN LATERAL TO THE EAST, AND TO AMEND THE WATER LATERAL ASSESSMENT TO \$2,900 WITH AN ADDITIONAL \$2,900 DEFERRED TO THE TIME OF CONNECTION. MOTION PASSED 3 – 2. (Bloyer, Fliflet – Nay)

Councilmember Bloyer stated he was opposed to the motion due to the \$12,000 assessment on the north portion of the project.

City Engineer Griffin reviewed the bids received for engineering design and support services.

Mayor Pearson, seconded by Councilmember Lundgren, moved TO APPROVE A PROFESSIONAL ENGINEERING DESIGN AND CONSTRUCTION SUPPORT SERVICES CONTRACT WITH SEH AS RECOMMENDED BY THE CITY ENGINEER. MOTION PASSED 5 – 0.

ITEM 4: APPROVAL FOR GASB 67 & 68 VALUATION ACTUARIAL SERVICES CONTRACT

Councilmember Fliflet reported that it is a new requirement to approve actuarial review on an annual basis.

Councilmember Fliflet, seconded by Councilmember Smith, moved TO APPROVE THE CONTRACT FOR ACTUARIAL SERVICES AND ACCEPT AS AN ANNUAL POLICY NOT REQUIRING CITY COUNCIL APPROVAL EACH YEAR. MOTION PASSED 5 – 0.

ITEM 7: RETAINING WALL FOR LIONS PARK

Interim Administrator Schroeder explained the need for a retaining wall in Lions Park needed to support the trail as a result of a change in grade with the downtown project.

Councilmember Fliflet, seconded by Councilmember Lundgren, moved TO APPROVE THE RETAINING WALL CHANGE ORDER FOR LIONS PARK. MOTION PASSED 5 – 0.

ITEM 9: APPROVE MASSAGE LICENSE RENEWALS

Mayor Pearson, seconded by Councilmember Fliflet, moved TO APPROVE THE LICENSE RENEWAL FOR RENEW AND RECOVER MASSAGE. MOTION PASSED 5 – 0.

Mayor Pearson, seconded by Councilmember Lundgren, moved TO TABLE THE LICENSE RENEWAL FOR NIRVANA MASSAGE & SPA. MOTION PASSED 5 – 0.

Councilmember Lundgren, seconded by Councilmember Smith, moved TO APPROVE THE LICENSE RENEWALS FOR BODY & SOUL AND JENNIFER MERTES. MOTION PASSED 5 – 0.

ITEM 11: REASSIGNMENT OF INWOOD DEVELOPMENT CONTRACTS

Interim Administrator Schroeder reported that M/I Homes is acquiring the assets of Hans Hagen Homes. Schroeder explained that Hans Hagen Homes will continue to construct the homes and there will be no design changes.

Councilmember Smith, seconded by Councilmember Lundgren, moved TO REASSIGN DEVELOPMENT CONTRACTS FROM HANS HAGEN HOMES TO M/I HOMES, LLC. MOTION PASSED 5 – 0.

ITEM 13: HAMMES PLAT EXTENSION

Interim Administrator Schroeder reviewed the request for an extension of the plat approved in 2014. Councilmember Fliflet requested clarification on how the moratorium affects this request. City Attorney Snyder stated that the moratorium does not apply to previously approved plats. Discussion held concerning outstanding special assessments and property taxes.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO EXTEND THE PRELIMINARY AND FINAL PLAT APPROVAL AND DEVELOPMENT CONTRACT FOR TWO YEARS THROUGH OCTOBER 7, 2016 WITH THE CONDITION THAT ALL SPECIAL ASSESSMENTS BE PAID AT PLAT, AND THAT THE DEVELOPER'S AGREEMENT BE EXECUTED BY A DEVELOPER AS A CONDITION OF RECORDING THE PLAT. MOTION PASSED 3 – 2. (Fliflet, Lundgren – Nay)

Mayor Pearson, seconded by Councilmember Smith, moved THAT ASSESSMENT ARREARAGES AND BALANCE BE PAID WHEN OTHERWISE DUE UNDER THE CONTRACT. MOTION PASSED 3 – 0 – 2. (Fliflet, Lundgren – abstain)

ITEM 14: RFP REQUEST FROM PARKS COMMISSION FOR BALLPARK REDESIGN

Parks Commission Chair Weis explained the scope of the RFP request and presented photos of ball parks in other Minnesota cities. Weis explained that the Parks Commission has placed Lions Park on the Parks Commission CIP and has incurred significant cost for repairs, prompting the need for further planning.

Curt Monteith, 331 Julep, asked for denial of the request and stated that future parks should include long space, not just tot lots.

Barry Weeks, 3647 Lake Elmo Avenue, stated that the ball field is a tradition in the area and is heavily used.

Pam Hartley, 10010 Tapestry, spoke as a Parks Commissioner, stating that the Commission was unanimous in its decision to move forward toward making Lions Park a focal point and asset for the community.

Nadine Obermueller stated she loves Lions Park and baseball is great for the town but the park needs freshening up.

Jerry Kromschroeder, 3517 Lake Elmo Avenue, stated that Lions Park is an icon and anything that can be done to improve it would be a good thing.

Parks Chair Weis discussed a potential timeline for receiving plans and initiating a project.

Councilmember Fliflet, seconded by Councilmember Bloyer, moved TO ISSUE AN RFP FOR ARCHITECTURAL WORK TO REDESIGN THE BALLFIELDS IN THE HISTORIC DOWNTOWN. MOTION PASSED 5 – 0.

ITEM 15: BUILDING DEPARTMENT TRUCK

Interim Administrator Schroeder reviewed bids received for two vehicle options under leasing and purchasing plans. Councilmember Lundgren stated that a leased vehicle would be cheaper for the City in the long run. Councilmember Fliflet stated she is in favor of leasing and allowing staff to turn in leased vehicles for new leased vehicles without City Council approval.

Mayor Pearson, seconded by Councilmember Bloyer, moved TO PURCHASE A 2016 JEEP COMPASS WITH A LOAN FROM LAKE ELMO BANK AT 1.99%. MOTION PASSED 3 – 2. (Fliflet, Lundgren – Nay)

ITEM 16: OP ORDINANCE DEVELOPMENT DISCUSSION

Interim Administrator Schroeder reviewed the general requirements regarding density in the OP zoning district and questions concerning potential revisions. Councilmembers noted restrictions in the current code and potential for improving it.

Councilmember Fliflet, seconded by Councilmember Smith, moved FOR THE PLANNING COMMISSION TO DIRECT THE OP ORDINANCE BACK TO THE PLANNING COMMISSION FOR CONSIDERATION BASED ON THE AREAS IDENTIFIED IN

ORDINANCE THAT WERE DISCUSSED BY THE CITY COUNCIL. MOTION PASSED 3 – 1 – 1. (Bloyer – Nay, Pearson – Abstain)

ITEM 17: PARLIAMENTARIAN DISCUSSION

Councilmember Fliflet stated that she would like the Council to hire a parliamentarian to run the City Council meetings while the Council continues to work toward better relations.

Discussion held concerning the current Council meeting procedures and decorum.

Councilmember Fliflet, seconded by Councilmember Smith, moved TO DIRECT THE ADMINISTRATOR TO HIRE A PARLIAMENTARIAN OF HIS CHOICE FOR THE NEXT COUNCIL MEETING. MOTION PASSED 3 – 1 – 1. (Bloyer – Nay, Pearson – Abstain)

Dale Doerschner – 3150 Lake Elmo Avenue – questioned the cost and effectiveness of hiring a parliamentarian.

ITEM 18: RFP PROCESS FOR ENGINEERING AND LEGAL CONTRACTS

Councilmember Fliflet asked staff to look into the current contracts with City consultants to determine if the City needs to start an RFP process as part of year end planning.

ITEM 19: INTERIM CITY ADMINISTRATOR CONTRACT

City Attorney Snyder stated that he prepared a letter to the Council and provided a copy of the Interim Administrator's contract for Council review. Councilmember Bloyer suggested the City Attorney negotiate with the Interim Administrator for an extension to allow the City time to stabilize. Councilmember Fliflet stated the City needs to finish the process and conduct a search for a permanent Administrator but noted she is against using a search firm. Councilmember Smith stated she is in favor of using a search firm and offered to gather additional information for the next meeting.

ITEM 20: PROFORMA UPDATE

Interim Administrator Schroeder reported on follow up he conducted on questions from the previous Council meeting. Schroeder explained that the document is a very complex, interlinked spreadsheet with issues in calculations that occur after the year 2021. Schroeder reiterated his recommendation from the previous meeting for the City to purchase software from an outside vendor and hire a contractor to input the information to replace use of the spreadsheet.

Wally Nelson, 4582 Lilac Lane, thanked staff for admitting errors in the spreadsheet and offered assistance to the Finance Director and Finance Committee Chair.

STAFF REPORTS AND ANNOUNCEMENTS

Interim City Administrator Schroeder: Attended a library meeting, Washington County municipal water meeting, League of Minnesota Cities Meeting, met with developers, attended an in-service regarding livable communities.

City Clerk Johnson: Reported that the ISD 622 special election went very smoothly with a 25% voter turnout, and thanked City staff and election judges for their help. Attended an HR training last week, preparing for HR Committee meeting Monday, November 9th, posted Community Development Director position opening, interviewing candidates for the Office Administrative Assistant position later in the week, working on license renewals and assisting residents with special assessment questions. Noted City Hall will be closed on Wednesday, November 11th in observance of Veteran's Day.

Meeting adjourned at 12:26 a.m.

LAKE ELMO CITY COUNCIL

ATTEST:

Julie Johnson, City Clerk

Mike Pearson, Mayor