

**CITY OF LAKE ELMO
CITY COUNCIL MINUTES
MARCH 4, 2025**

CALL TO ORDER/PLEDGE OF ALLEGIANCE

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

PRESENT: Mayor Charles Cadenhead and Councilmembers, Nick Dragisich, Matt Hirn, Jeff Holtz and Nick Kragness.

Staff present: Administrator Miller, Administrative Services Director Goers, City Attorney Sonsalla, City Engineer Stanley, Fire Chief Kalis, Assistant Fire Chief Svoboda, Finance Director Hadler, Community Development Director Hadler, Contract Planner Fuerst, Finance Coordinator Kraemer and City Clerk Johnson

APPROVAL OF AGENDA

Councilmember Holtz, seconded by Councilmember Hirn, moved TO APPROVE THE AGENDA AS PRESENTED. Motion passed 5 – 0.

ACCEPT MINUTES

Councilmember Hirn, seconded by Councilmember Holtz, moved TO ACCEPT THE MINUTES OF THE FEBRUARY 18, 2025 SPECIAL AND REGULAR CITY COUNCIL MEETINGS AS PRESENTED. Motion passed 5 – 0.

PUBLIC COMMENTS/INQUIRIES

Wendy Griffin, 2835 Lake Elmo Avenue, thanked Mayor Cadenhead for contacting Washington County to assist with Lake Elmo Lake Association efforts with Lake Elmo water quality issues. Ms. Griffin also requested the City's assistance with a grant application for 3M priority funds.

PRESENTATIONS

None

CONSENT AGENDA

2. Approve Payment of Disbursements and Payroll
3. Approve Liquor License for Oishi Sushi
4. Approve Ballfield Purchase Agreement Amendment – *Resolution 2025-020*
5. Approve Kleis Playground Replacement
6. Approve Highpointe Crossing Preliminary Plat Extension – *Resolution 2025-017*

7. Approve Charitable Gambling Permit for Oakdale Athletic Association – *Resolution 2025-018*

Councilmember Hirn, seconded by Councilmember Holtz, moved TO APPROVE THE CONSENT AGENDA AS PRESENTED. Motion passed 5 - 0.

ITEM 8: Irrigation Alternatives for Oak Land Middle School

Contract Planner Fuerst reviewed the irrigation assessment and options for irrigation at Oak Land Middle School. Discussion held regarding operational cost of irrigating the fields using city water versus well water.

Councilmember Hirn, seconded by Councilmember Holtz, moved TO AMEND THE INFORMATION PROVIDED IN THE STILLWATER AREA PUBLIC SCHOOL DISTRICT'S IRRIGATION ALTERNATIVES REVIEW MEMO DATED FEBRUARY 27, 2025 TO SELECT AN IRRIGATION METHOD OTHER THAN CITY WATER.

City Attorney Sonsalla noted that the city can add a condition to the approval of construction plans that the irrigation can not use city water. Councilmember Holtz withdrew his second. Motion died for lack of a second.

Councilmember Holtz, seconded by Mayor Cadenhead, moved TO ACCEPT THE INFORMATION PROVIDED IN THE STILLWATER AREA PUBLIC SCHOOL DISTRICT'S IRRIGATION ALTERNATIVES REVIEW MEMO DATED FEBRUARY 27, 2025. Motion passed 4 – 1. (Dragisich – nay)

Councilmember Holtz, seconded by Councilmember Hirn, moved TO DIRECT STAFF TO DENY A BUILDING PLAN FROM THE SCHOOL DISTRICT THAT USES CITY WATER FOR IRRIGATION. Motion passed 5 – 0.

ITEM 9: Roers Easement Vacation

Contract Planner Fuerst provided an overview of the request for an easement vacation

Councilmember Holtz, seconded by Councilmember Dragisich, moved TO OPEN THE PUBLIC HEARING. Motion passed 5 – 0. No comments were received.

Councilmember Holtz, seconded by Councilmember Dragisich, moved TO CLOSE THE PUBLIC HEARING. Motion passed 5 – 0.

Councilmember Holtz, seconded by Councilmember Hirn, moved TO ADOPT RESOLUTION 2025-019 APPROVING THE ROERS EASEMENT VACATION. Motion passed 5 – 0.

ITEM 10: Fire Department Annual Report

Fire Chief Kalis and Assistant Fire Chief Svoboda presented the Lake Elmo Fire Department Annual Report, noting an increase in response incidents and providing detailed information on operations. Assistant Chief Svoboda also reviewed fire prevention and code enforcement efforts.

ITEM 11: New Financial Software

Finance Director Hadler provided an update on negotiations with the preferred software vendor to obtain more favorable terms than were initially proposed.

Councilmember Dragisich, seconded by Councilmember Kragness, moved TO APPROVE THE CUSTOMER AGREEMENT TO PURCHASE BS&A SOFTWARE AND THE INTEGRATED PAYMENTS ADDENDUM AND AUTHORIZE FINANCE DIRECTOR TO ENTER INTO THESE RELATED PRODUCT AND SERVICE CONTRACTS FOR PURCHASE OF INTEGRATION AND PROCESS DEVELOPMENT RELATED TO THE SOFTWARE PURCHASE. Motion passed 5 – 0.

ITEM 12: Franchise Fees

Bob Vose, Kennedy and Graven, reviewed the terms of the franchise agreements negotiated with Xcel Energy and CenterPoint Energy. Discussion was held regarding the allocation of the funds received from the franchise fees.

Councilmember Holtz, seconded by Councilmember Hirn, moved TO ADOPT ORDINANCES 2025-03, 2025-04, AND 2025-05 GRANTING NORTHERN STATES POWER AND CENTERPOINT ENERGY PERMISSION TO CONSTRUCT, OPERATE, REPAIR AND MAINTAIN IN THE CITY OF LAKE ELMO, MINNESOTA, ELECTRIC AND/OR GAS DISTRIBUTION SYSTEMS AND TRANSMISSION LINES, INCLUDING NECESSARY POLES, LINES, FIXTURES AND APPURTENANCES, FOR THE FURNISHING OF ELECTRIC AND/OR GAS ENERGY TO THE CITY, ITS INHABITANTS, AND OTHERS, AND TO USE THE PUBLIC GROUNDS AND PUBLIC WAYS OF THE CITY FOR SUCH PURPOSES. Motion passed 5 – 0.

Councilmember Holtz, seconded by Councilmember Dragisich, moved TO ADOPT ORDINANCES 2025-06, 2025-07, AND 2025-08 IMPLEMENTING FRANCHISE FEES ON NORTHERN STATES POWER COMPANY AND CENTERPOINT ENERGY FOR PROVIDING ELECTRIC AND/OR GAS SERVICE WITHIN THE CITY OF LAKE ELMO. Motion passed 5 – 0.

Councilmember Holtz, seconded by Councilmember Hirn, moved TO ADOPT RESOLUTIONS 2025 – 21 THROUGH 2025 - 26 AUTHORIZING PUBLICATION OF FRANCHISE AND FRANCHISE FEE ORDINANCES BY TITLE AND SUMMARY. Motion passed 5 – 0.

Councilmember Holtz, seconded by Councilmember Dragisich, moved TO ADOPT RESOLUTION 2025 - 27 COMMITTING FRANCHISE FEE REVENUE TO A SPECIFIC PURPOSE .

Councilmember Dragisich, seconded by Councilmember Hirn, moved TO AMEND THE PRIMARY MOTION TO CHANGE THE ALLOCATION OF REVENUE TO 50% IN FUND 409 AND 50% IN FUND 405. Motion passed 5 – 0.

Primary motion passed 5 – 0.

COUNCIL REPORTS

Mayor Cadenhead: Reported his presentation and question/answer session regarding east metro water issues at a meeting of the Washington County Republican group.

Councilmember Holtz: Reported on the Lake Elmo Airport Commission meeting he attended with Councilmember Kragness.

STAFF REPORTS AND ANNOUNCEMENTS

Public Works Director Powers: Reported on the Old Village garden project.

Meeting adjourned at 8:57 p.m.

LAKE ELMO CITY COUNCIL

ATTEST:

Charles Cadenhead, Mayor

Julie Johnson, City Clerk