

LAUDERDALE CITY COUNCIL MEETING AGENDA
7:30 P.M. TUESDAY, APRIL 28, 2015
LAUDERDALE CITY HALL, 1891 WALNUT STREET

The City Council is meeting as a legislative body to conduct the business of the City according to Robert's Rules of Order and the Standing Rules of Order and Business of the City Council. Unless so ordered by the Mayor, citizen participation is limited to the times indicated and always within the prescribed rules of conduct for public input at meetings.

1. **CALL THE MEETING TO ORDER**
2. **ROLL CALL**
3. **APPROVALS**
 - a. Agenda
 - b. Minutes of the April 14, 2015 City Council Meetings
 - c. Claims Totaling \$20,700.52
4. **CONSENT**
5. **SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS**
6. **INFORMATIONAL PRESENTATIONS / REPORTS**
 - a. Update on CenturyLink Request for Franchise
7. **PUBLIC HEARINGS**

FILE

Public hearings are conducted so that the public affected by a proposal may have input into the decision. During hearings all affected residents will be given an opportunity to speak pursuant to the Robert's Rules of Order and the standing rules of order and business of the City Council.

8. **DISCUSSION / ACTION ITEMS**
 - a. Appointment of Deputy City Clerk
9. **ITEMS REMOVED FROM THE CONSENT AGENDA**
10. **ADDITIONAL ITEMS**
11. **SET AGENDA FOR NEXT MEETING**
 - a. March Financial Report
 - b. Appointment of Public Works Maintenance Staff
12. **WORK SESSION**
 - a. Opportunity for the Public to Address the City Council

Any member of the public may speak at this time on any item not on the agenda. In consideration for the public attending the meeting, this portion of the meeting will be limited to fifteen (15) minutes. Individuals are requested to limit their comments to four (4) minutes or less. If the majority of the Council determines that additional time on a specific issue is

warranted, then discussion on that issue shall be continued at the end of the agenda. Before addressing the City Council, members of the public are asked to step up to the microphone, give their name, address, and state the subject to be discussed. All remarks shall be addressed to the Council as a whole and not to any member thereof. No person other than members of the Council and the person having the floor shall be permitted to enter any discussion without permission of the presiding officer.

Your participation, as prescribed by the Robert's Rules of Order and the standing rules of order and business of the City Council, is welcomed and your cooperation is greatly appreciated.

b. Community Development Update

13. CLOSED SESSION

a. Acquisition of 1821 Eustis Street

14. ADJOURNMENT

LAUDERDALE CITY COUNCIL
MEETING MINUTES
Lauderdale City Hall
1891 Walnut Street
Lauderdale, MN 55113

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April 14, 2015

Mayor Dains called the City Council meeting to order at 7:30 p.m.

Councilors present: Mary Gaasch, Roxanne Grove, Lara Mac Lean, and Mayor Jeff Dains.
Councilors Absent: Denise Hawkinson.

Staff present: Heather Butkowski, City Administrator and Jim Bownik, Assistant City Administrator.

Mayor Dains asked for changes to the meeting agenda. Mayor Dains added a report by police staff on the recent burglary of homes. Councilor Mac Lean moved to approve the agenda as amended. Councilor Gaasch seconded the motion and it passed unanimously.

Councilor Gaasch moved to approve the March 24, 2015, City Council meeting minutes. Councilor Grove seconded the motion and it passed unanimously.

Councilor Grove moved approval of the claims totaling \$110,562.67. Councilor Mac Lean seconded the motion and it passed unanimously.

Legislative Update, State Senator Marty and Representative Hausman

Marty and Hausman updated the Council on events at the Capitol that will have an effect on Lauderdale residents and all Minnesotans.

Police Update: Sargent Mangseth

Mangseth relayed the events of the night three homes in Lauderdale were broken into. The suspect was apprehended by Officer Dan Johnson as he left one of the homes. The Council thanked the officers for their diligence in this matter and putting the suspect in prison.

Chicken Permit Request, 2337 Summer Street

Mark Salovich recently applied for a permit to have 22 hen chickens and sought permission from the Council to keep his three roosters until the end of their natural life even though they are not allowed by ordinance. Salovich addressed the Council on the matter and the Council discussed the particulars of his request with him.

Councilor Gaasch moved approve Mark Salovich's request for a permit to have 22 hen chickens on the condition that the roosters are removed by June 1, 2015. Councilor Mac Lean seconded the motion and it passed unanimously.

The agenda for the next meeting may include the March financial report and appointment of a new deputy city clerk.

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Lauderdale City Hall
1891 Walnut Street
Lauderdale, MN 55113

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April 14, 2015

Work Session:

Mayor Dains explained that the Council was moving into the Work Session. Work Sessions are a continuation of the meeting but not aired on community television. Mayor Dains asked if anyone wished to address the Council. No one came forward.

Housing Condition and Acquisition Discussion

Butkowski provided the Council with information on homes within the City that are less than 700 square feet in size. Some are in better shape than others, many are rented. If the Council wants to pursue acquiring properties for razing and replacing with homes that achieve the Council's goal of a more diverse housing stock, she identified about ten that would be worth working on first either because of their condition or knowledge of the likelihood that the owner may be at a point to sell. The Council discussed the matter and directed staff to follow up with those highlighted on the list as time permits.

Community Development Update

Butkowski told the Council the conduit debt project in Richfield that the City expressed interest in participating in will be handled by another city. She also told the Council that the City received 33 deputy clerk applications and ten for the public works position.

There being no further business on the council agenda, Councilor Gaasch moved to adjourn the meeting. Councilor Grove seconded the motion and it carried. The meeting adjourned at 9:30 p.m.

Respectfully submitted,

Heather Butkowski
City Administrator

CITY OF LAUDERDALE

CLAIMS FOR APPROVAL

April 28, 2015 City Council Meeting

Payroll

4/24/15 Payroll: Direct Deposit # 502003-502011	\$8,332.48
4/24/15 Payroll: Payroll Liabilities, e-payments 988E-991E	\$7,286.57

Vendor Claims

4/28/15 Claims: Check #'s 22759-22767	\$5,081.47
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SUBTOTAL \$20,700.52

Total Claims for Approval

\$20,700.52

CITY OF LAUDERDALE

04/23/15 4:19 PM

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***Check Detail Register©**

APRIL 2015

Check Amt Invoice Comment

10100 NORTH STAR CHECKING

Paid Chk# 000988E 4/23/2015 NORTH STAR BANK, CHECKING STMT

G 101-21703 FICA WITHHOLDING.	\$2,051.66	4/24/15 Payroll
G 101-21701 FEDERAL TAXES	\$1,133.41	4/24/15 Payroll
otal NORTH STAR BANK, CHECKING STMT	\$3,185.07	

Paid Chk# 000989E 4/23/2015 ICMA RETIREMENT TRUST - 457

G 101-21705 ICMA RETIREMENT	\$1,720.18	4/24/15 Payroll
Total ICMA RETIREMENT TRUST - 457	\$1,720.18	

Paid Chk# 000990E 4/23/2015 PERA

G 101-21704 PERA	\$1,277.23	4/24/15 Payroll
Total PERA	\$1,277.23	

Paid Chk# 000991E 4/23/2015 MN DEPARTMENT OF REVENUE

G 101-21702 STATE WITHHOLDING	\$1,104.09	4/24/15 Payroll
Total MN DEPARTMENT OF REVENUE	\$1,104.09	

10100 NORTH STAR CHECKING \$7,286.57

Fund Summary

10100 NORTH STAR CHECKING

101 GENERAL	\$7,286.57
	<u>\$7,286.57</u>

CITY OF LAUDERDALE

04/24/15 9:23 AM

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***Check Detail Register©**

APRIL 2015

			Check Amt	Invoice	Comment
10100 NORTH STAR CHECKING					
Paid Chk#	022759	4/28/2015		AFSCME	
G 101-21709	UNION DUES		\$41.28		4/15 union dues
			Total AFSCME		\$41.28
Paid Chk#	022760	4/28/2015		EHLERS	
E 101-48100-306	CONSULTING FEES		\$315.00		3/15 consulting services
			Total EHLERS		\$315.00
Paid Chk#	022761	4/28/2015		INTEGRA	
E 101-41200-391	TELEPHONE/PAGERS		\$50.81		4/15 fax line
			Total INTEGRA		\$50.81
Paid Chk#	022762	4/28/2015		KENNEDY & GRAVEN	
E 101-41500-305	LEGAL FEES - CIVIL		\$1,052.15		3/15 legal services
			Total KENNEDY & GRAVEN		\$1,052.15
Paid Chk#	022763	4/28/2015		PUBLIC EMPLOYEES INS PROGRAM	
G 101-21706	HEALTH INSURANCE		\$838.48		5/15 employee insurance
			Total PUBLIC EMPLOYEES INS PROGRAM		\$838.48
Paid Chk#	022764	4/28/2015		RAMSEY COUNTY, PROP REC & REV	
E 101-43000-313	SNOW & ICE REMOVAL		\$1,899.52		Feb. and Mar. snow removal
			Total RAMSEY COUNTY, PROP REC & REV		\$1,899.52
Paid Chk#	022765	4/28/2015		RAPIT PRINTING	
E 101-41200-353	NEWSLETTER PRINTING		\$675.68		2Q newsletter
			Total RAPIT PRINTING		\$675.68
Paid Chk#	022766	4/28/2015		SUBURBAN ACE HARDWARE	
E 101-43000-228	MISC REPAIRS MAINT SUPPLIE		\$20.46		misc. parts for sink
			Total SUBURBAN ACE HARDWARE		\$20.46
Paid Chk#	022767	4/28/2015		XCEL ENERGY, PARK & GARAGE	
E 101-45200-383	GAS UTILITIES		\$64.14		3/15 utilities
E 101-45200-381	ELECTRIC		\$29.91		3/15 utilities
E 101-43000-383	GAS UTILITIES		\$64.14		3/15 utilities
E 101-43000-381	ELECTRIC		\$29.90		3/15 utilities
			Total XCEL ENERGY, PARK & GARAGE		\$188.09
			10100 NORTH STAR CHECKING		\$5,081.47

Fund Summary

10100 NORTH STAR CHECKING	
101 GENERAL	\$5,081.47
	\$5,081.47

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____

Public Hearing _____

Discussion X


Action X

Resolution _____

Work Session _____

Meeting Date April 28, 2015

ITEM NUMBER Deputy Clerk Appointment

STAFF INITIAL 

APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

Jim and I initially interviewed six candidates from the pool of 30+ applications we received. Two candidates with previous experience working for cities stood out; they were invited for an interview with Councilor Gaasch and myself. The committee agreed that Terry Berg was the best candidate for the job. Terry was offered employment conditioned on council approval and successful completion of a background check and pre-employment physical and drug screening as you will see in the attached letter.

Terry has worked in municipal government for thirty years. Between 1985 and 1998 she was city administrator in Pine Island, Pipestone, and Kenyon. At that point she moved strictly into city finance and was finance director in Lake Elmo, Faribault, and Albert Lea. For that reason, I am recommending the Council hire her at step three of the deputy clerk wage scale. I am also recommending the Council modify the deputy clerk wage scale. For pay equity reporting purposes, the deputy clerk and public work maintenance positions are comparables and their wage scales have grown apart over time.

Maintenance Worker	\$56,430.82	\$ 53,624.27	\$ 50,774.88	\$ 47,989.76	\$45,118.94
	\$ 27.13	\$ 25.78	\$ 24.41	\$ 23.07	\$ 21.69
Deputy Clerk	\$53,388.61	\$ 50,710.61	\$ 48,054.03	\$ 45,397.46	\$42,698.03
	\$ 25.67	\$ 24.38	\$ 23.10	\$ 21.83	\$ 20.53

OPTIONS:

Motion to hire Terry Berg or pursue other candidates.

STAFF RECOMMENDATION:

Motion to appoint Terry Berg to the deputy clerk position effective April 29, 2015 upon successful completion of the conditions noted above and raise the deputy clerk pay scale to match that of the public works maintenance worker.



CITY HALL
1891 WALNUT STREET
LAUDERDALE, MN 55113
651-792-7650
FAX 651-631-2066

April 23, 2015

Terry Berg
903 Ninth Avenue SW
Faribault, MN 55021

Dear Terry,

The Deputy Clerk Selection Committee would like to offer you the position of Deputy Clerk, subject to City Council approval and completion of the background check, physical exam, and drug test. We believe you will be an asset for the City into the future.

In recognition of your skills and background, I am recommending the Council hire you at step three of the deputy clerk wage scale. For 2015, step three is \$23.10 per hour with eligibility for a step increase after the probationary period in six months. As we discussed, I am asking the Council to modify the deputy clerk's pay scale. If they do this, your beginning rate of pay would be \$24.41. The position is 40 hours per week. Work will generally be performed during the City's regular office hours which are 8:00 a.m. to 4:30 p.m. Monday through Friday. Occasionally, your duties may require you to work outside of the City's regular hours.

The deputy city clerk position is covered by the union contract. As such, you will want to review the union agreement and personnel policy to determine your benefit eligibility.

If you have any questions or concerns, please let me know. We look forward to working with you.

Sincerely,


A handwritten signature in cursive script that reads "Heather Butkowski".

Heather Butkowski
City Administrator

LAUDERDALE COUNCIL ACTION FORM

Action Requested

Consent _____
 Public Hearing _____
 Discussion _____
 Action _____
 Resolution _____
 Closed Session X

Meeting Date April 28, 2015
 ITEM NUMBER 1821 Eustis Acquisition
 STAFF INITIAL 
 APPROVED BY ADMINISTRATOR _____

DESCRIPTION OF ISSUE AND PAST COUNCIL ACTION:

At the last meeting, the Council discussed contacting the family of 1821 Eustis as the owner died last fall. I ultimately discovered that the home was in foreclosure and the sheriff's sale was in October. I watch Ramsey County's foreclosure lists regularly but this one was not coded to Lauderdale. The redemption period ended in early April. I found out Wells Fargo was the original lender but Freddie Mac held the mortgage. About this time I got a call from someone who gathers title work and they gave me the name of the title company representing Freddie Mac. The title company assured me that their work was preliminary and that Freddie Mac had not accepted an offer. They gave me the contact info of the Freddie Mac employee working on the property. I asked them whether they would accept an offer directly; they said the offer would need to go through their local realtor.

I spoke to the realtor late last Friday. She said the City might have an opportunity to buy via a "first look" program. I have since learned that is not an option and the property will be openly marketed. As the family never cleaned out the property, Freddie Mac is now processing a personal property eviction and that will take a few weeks. In spite of this, I think if the Council would like to acquire the property, an offer should be put in as soon as possible to ensure Freddie Mac doesn't accept another offer before seeing the City's.

The first question for the Council is to determine whether you want to put in an offer. This is one of the smallest houses in town at 533 square feet. While it doesn't look bad from the road you begin to see how tired it is when you get closer. Following are a few pictures. You will see from the siding where the addition was put on the back end. It was built in 1932, a depression era home. I don't know if they used the basement as living space but it doesn't have an egress window.

If the Council wants to put in an offer, the next question is for how much. That is a tough question to answer. Ultimately, it depends on how aggressive the Council wants to be in acquiring it. I spoke to a county assessor and he felt their value of \$125,000 was fair but noted the comparables were larger homes. The previous owner paid \$155,400 for the property in 2006. I know the sheriff's sale was for approximately \$131,000. Banks always want to get their money out of properties but it isn't worth anything close to that. I told the Freddie Mac

staff and the listing agent that the City wants to acquire for tear down. I hope that tempers their expectations about what it is worth. My gut feeling is that \$70,000 to \$75,000 would be a reasonable offer.

I suggest \$70,000 because that is in the range where I think an investor would start thinking it could cash flow if they had a few weekends to clean it up and access to cheap materials. That sort of price might prevent the type of buyer the council doesn't want from acquiring. Due to the size of the structure I would not expect anyone other than an investor to be interested. Independently, Dave came to the same dollar amount. He also said no one would want to buy the structure and move it for use as a cabin or the like.

If the Council is more ambivalent towards acquiring the property, you can take a wait and see approach. That is a little hard to do as the foreclosure process isn't always logical. You would think Fannie Mae/Freddie Mac would slowly lower the price until it sells like typical sellers but they don't. They usually ask too much, and when it doesn't sell and they don't want to hold it on their books any longer, they take the first offer that comes along or dump them at auctions. 1828 Eustis is a classic example of that. It is not likely the City would end up with the property going this route, but if it did, it would probably be for quite cheap.

If Freddie Mac accepts the city's offer, how will the city pay for the property? At this point, \$61,000 remains in the TIF district account. That money has been set aside for the rest of the Larpenteur Avenue sidewalk project but street improvement funds could be used instead. The Council also has been setting aside money in the Development Fund. After this year's General Fund transfer, that fund will have \$160,000.

I have not spoken with the O'Keefe family yet. Ideally, that property could be acquired soon and all the lots developed into new homes. Even more ideally, the City would acquire the 400 square foot home directly behind 1821 Eustis on Malvern Street (photo of blue house).

If the Council would like to proceed with an offer, I recommend the Council direct staff to send a letter of intent, like the one attached, to Freddie Mac. I would have Ron Batty look it over before sending it on. It would likely be a few weeks before we hear back from them as they complete the personal property eviction.



CITY OF LAUDERDALE
LAUDERDALE CITY HALL
1891 WALNUT STREET
LAUDERDALE, MN 55113
651-792-7650
651-631-2066 FAX

April 29, 2015

Freddie Mac
8200 Jones Branch Drive
McLean, VA 22102-3110

RE: Property Acquisition: 1821 Eustis Street, Lauderdale, MN 55113
Parcel ID# 17.29.23.32.0097

Dear Freddie Mac Representative,

The City of Lauderdale is working on a citywide effort to rehabilitate and or demolish existing single-family homes that contain 700 square feet or less. The goal of the City is to allow for new construction of larger homes and/or significant rehabilitation of existing homes to increase housing choices within the City and increase property values. Your property legally described as Lot 10, Block 7, Lauderdale's East Side Addition, Ramsey County, Minnesota is designated to be acquired within this plan. The following land and improvements are proposed for fee simple acquisition from you:

1. A residential lot containing approximately 5,227.2 square feet; and,
2. A single-family residence containing approximately 533 square feet.

For the above noted land and improvements, the City of Lauderdale offers you:

\$ _____

The seller is responsible for all existing and pending special assessments to the date of closing and pro-rated taxes in 2015. The seller will pay reasonable and customary closing costs.

Since the City does want to purchase your property, please call me at 651.792.7657 to continue the acquisition process.

Sincerely,

Heather Butkowski
City Administrator

cc: Angela Larson, Realtor, TangleTown Realty







