

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

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August 12, 2014

Mayor Dains called the City Council meeting to order at 8:02 p.m.

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

Councilor Absent: Denise Hawkinson.

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

Mayor Dains asked for changes to the meeting agenda. Councilor Mac Lean asked to add a discussion regarding residential group homes to the agenda. Councilor Gaasch moved to approve the agenda. Councilor Mac Lean seconded the motion and it passed unanimously.

Councilor Mac Lean moved to approve the July 22, 2014 City Council meeting minutes. Councilor Grove seconded the motion and it passed unanimously.

Councilor Grove moved approval of the claims totaling \$91,541.08. Councilor Mac Lean seconded the motion and it passed unanimously.

Mayor Dains asked if Councilors wished to remove items from the Consent Agenda; none did. Councilor Mac Lean moved to approve the Consent Agenda thereby approving Resolution 081214A – variance approval for 1754 Walnut Street and Resolution 081214B – variance approval for 1784 Walnut Street and PCIC Appointments. Councilor Grove seconded the motion and it passed unanimously.

Informational Presentations:

Day in the Park and Farmers Market

Bownik stated that Day in the Park is scheduled for August 16 from Noon to 3:00 p.m. The next Lauderdale Farmers Market is scheduled for August 21 from 4-7:00 p.m. followed by the final Farmers Market on September 18. Music will continue at the next two Farmers Markets with Running Riot playing in August and Blue Stratum in September.

Mayor Dains expressed his thanks to residents who hosted and attended the ten Night to Unite parties on August 5.

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Discussion Items:

Awarding of the Larpenteur Avenue Improvement Project

Darren Amundsen, the City Engineer, addressed the Council. The City received three bids on the project with Concrete Ideas, Inc., submitting the lowest bid.

Councilor Grove asked Amundsen how the Concrete Idea, Inc. bid came in so much lower than the others. Amundsen explained that Concrete Ideas only does sidewalk projects while the other two bidders are more multi-faceted site contractors who do not specialize in sidewalk projects. The project will begin in early to mid-September and should be completed in October.

Butkowski explained the decorative lighting and bus shelters may not be finished this year. The lighting is contingent on the availability of lamps through the City of St. Paul and the bus shelters are contingent on availability through the Metropolitan Council.

Councilor Gaasch moved to accept the bids and award the Larpenteur Avenue Improvement Project to Concrete Idea, Inc. with Alternatives 1, 2, and 4. Councilor Grove seconded the motion and it passed unanimously.

Resolution 081214C – Preliminary Approval for the Issuance of Conduit Debt

Mayor Dains stated the City recently adopted a policy allowing the City to extend use of its bank qualified debt (BQ debt) outside of the City's corporate limits. Annually, each City, regardless of its size, is allowed to issue up to ten million dollars in bank qualified debt. Bank qualified debt means banks can buy the debt and not pay income tax on the interest they earn from holding the debt. Since Lauderdale rarely uses its annual BQ debt allotment for municipal projects, it can extend its rights to issue BQ debt to others, generally non-profit organizations. This creates a win-win situation for the banks and the non-profit organizations. The banks offer a lower interest rate to the non-profits as the banks do not pay taxes on the interest they earn.

Julie Eddington, of Kennedy and Graven, addressed the Council. Eddington stated the City is being asked by Eldercare (a non-profit organization) for use of its 2014 allotment of bank qualified debt for a new transitional care facility in Northeast Minneapolis. Eddington stated the City needs to hold a public hearing on the proposed issuance of bonds which would take place in September. The closing of the deal is scheduled for October. At that time, the City would receive \$90,000 in fees for providing Eldercare with its allotment of BQ debt for the year. Eddington reminded the Council that the issuance of BQ debt for the transitional care facility doesn't put the City at financial liability to pay back the debt and the City is not putting any City funds into the deal.

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Councilor Grove moved to adopt Resolution 081214C-A Resolution Calling a Public Hearing on the Issuance of a Revenue Note and Providing Preliminary Approval to the Proposed Issuance of the Revenue Note. Councilor Gaasch seconded the motion and it passed unanimously.

Additional Items:

Group Home at 1781 Walnut Street

Councilor Mac Lean discussed concerns brought to her attention by residents on Walnut Street regarding the group home facility at 1781 Walnut Street. Mac Lean stated the ambulance and police have responded many times to calls at the home.

Butkowski responded that many of the calls were of a medical nature. Butkowski also stated that issues happening in the home could be related to the care given to residents and the response of staff to the person served in the group home. Staff has been monitoring the situation. Ultimately, cities do not have regulatory authority over residential group facilities but bring issues of concern to the County and facility managers.

Agenda items for the August 26 Council Meeting may include a discussion of the 2015 budget, approval of payments for recipients of the inflow and infiltration grant program, review of the Luther Seminary preliminary plat, the Eureka Recycling Contract, and nuisance abatement at 1701 Carl Street.

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. Bob Jacobson, of 1747 Carl Street, addressed the Council. Bob is concerned about pesticide use throughout the City. Butkowski explained that the City does not use pesticides on City property. Jacobson suggested the City Council adopt an ordinance similar to the one recently adopted by the City of Shorewood. Staff will look into Shorewood's ordinance and report to the Council.

2015 Budget

Butkowski explained that the return to higher housing prices is shifting the tax burden from commercial to residential properties. Some residents within Ramsey County will see very significant property tax increases even if their city and Ramsey County do not raise their property tax levies. Fortunately, this is not the case in Lauderdale where the median value home

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owner will only see a \$27 property tax increase (assuming the levy states flat). More information will be discussed during the August 26 Work Session.

There being no further business on the council agenda, Councilor Mac Lean moved to adjourn the meeting. Councilor Grove seconded the motion and it carried. The meeting adjourned at 8:48 p.m.

Respectfully submitted,



Kevin Kelly
Deputy City Clerk