

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

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November 10, 2009

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

Councilors present: Clay Christensen, Karen Doherty, Lara Mac Lean, Denise Hawkinson, and Mayor Jeff Dains.

Staff present: Heather Butkowski, City Administrator; Jim Bownik, Assistant to the City Administrator.

Mayor Dains asked for changes to the meeting agenda. There being none, **Councilor Hawkinson moved to approve the agenda. Councilor Mac Lean seconded the motion and it passed unanimously.**

Councilor Doherty moved to approve the October 27, 2009, City Council meeting minutes. Councilor Christensen seconded the motion and it passed unanimously.

Councilor Hawkinson moved approval of the claims totaling \$70,513.59. Councilor Mac Lean seconded the motion and it passed unanimously.

Mayor Dains asked if members of the public wished to address the Council. No one present wished to do so.

Mayor Dains asked if councilors wished to remove items from the consent agenda. Councilor Doherty removed the truck repair quote. **Councilor Mac Lean moved the remaining consent agenda items including: 2010 rental housing licenses and the request by the owner of 2401 Larpenteur to complete her driveway project in 2010. Councilor Doherty seconded the motion and it passed unanimously.**

Butkowski said the city election was a success with 240 voters. The top vote getters were Jeff Dains for the office of mayor and Mary Gaasch and Roxanne Grove for the city council seats. To make the results official, the City Council must adopt a resolution canvassing the election results.

Councilor Doherty moved to adopt resolution 111009A – certifying the election returns of the November 3, 2009, general municipal election. Councilor Christensen seconded the motion and it passed unanimously.

Bownik reported the Halloween event was a success with approximately 240 bags of candy distributed to attendees. The event was possible due to residents' contributions of candy and money. Additionally, residents, staff, PCIC and council members contributed time to

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decorating, food preparation, and clean up. The Council expressed gratitude to all that contributed.

Councilor Hawkinson moved to acknowledge and thank the supporters of the 2009 Halloween Party. Councilor Mac Lean seconded the motion and it passed unanimously by voice vote.

Butkowski informed the Council that Children's Home Society, Hamline Autobody, and Boyer Motor Company had been billed the incorrect stormwater fee since they were developed. Staff was notified of this by St. Paul Water during their conversion to a new billing software program. City code allows for businesses to apply for a credit if they install devices that improve stormwater quality. Each of these entities had but no policy existed from which to base the credit. The city engineer designed a stormwater credit policy based upon city code and the city's Stormwater Pollution Prevention Program (SWPPP).

Councilor Hawkinson moved to approve the new quarterly stormwater fees for Children's Home Society, Hamline Autobody, and Boyer Motor Company based upon the modeling presented by the city engineer. Councilor Christensen seconded the motion and it passed unanimously.

Butkowski said the City has collected stormwater fees since the Storm Water Utility Ordinance was adopted in 1994. The fees provide for the ongoing maintenance of the stormwater collection system and the obligations of the City in regard to its Municipal Separate Stormwater Sewer System Permit (MS4) and Stormwater Pollution Prevention Program (SWPPP).

An enterprise fund was created in 2008 to track the operating expenses separate from infrastructure expenses. The separation makes it easier for the Council to assess whether the stormwater fees meet the obligations of the utility. Staff's analysis shows that the fund's expenses are projected to exceed revenue starting in 2009 without an increase in the stormwater fee. The fee has not been increased since 2003.

The goal of the fund is to maintain a fund balance of 55% of the next year's operating expenses to meet the ongoing obligations of the fund and generate the funds needed for stormwater system infrastructure improvements.

Staff analysis shows the stormwater fees need to be increased to balance the fund and begin saving for future infrastructure improvements. Ten percent increases in 2010-2012 would result in an adequate fund balance and transfers to the stormwater infrastructure improvement fund.

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The City Council discussed the information and concurred that a ten percent increase was needed for 2010 to meet the obligations of the stormwater utility. Council directed staff to prepare a resolution to that effect for the next council meeting.

Similarly, the Council discussed the sanitary sewer rates, which also have not been increased since 2003 as the fund was subsidized by a lump sum payment received from the Metropolitan Council for a billing error. The cash flow analysis shows sanitary sewer expenditures are projected to outpace revenue and lead to a declining fund balance without an increase in the rate.

A five percent increase in each of the next three years would lead to an adequate year end fund balance but would not allow for transfers to the sanitary sewer capital improvement fund for future construction projects, such as the reconstruction of Eustis Street.

The City Council discussed the information and felt a seven and one-half percent increase was needed for 2010 to meet the ongoing needs of the utility. Council directed staff to prepare a resolution to that effect for the next council meeting.

Staff reminded the Council that a new contract was recently negotiated with Eureka Recycling. Due to revenue sharing over the last couple of years, when recyclable materials were traded at a premium, the City was able to build a fund balance that doesn't require a recycling fee increase for 2010. The rate would remain at \$2.45 per household. Council directed staff to add the recycling fee to the resolution for the next council meeting.

Councilor Doherty removed the truck repair quote from the consent agenda. She asked what the purchasing policy required as staff was asking for an exemption from the policy. The policy requires staff to solicit three quotes with the intent to receive at least two written quotes. Since this is a commercial truck, the City's usual repair shops do not handle the work. Staff felt Boyer's quote addressed the exhaust issue at a fair price. Councilors asked if this would have a future impact on the City. Staff responded that it would not as the Council sets the purchasing policy and can deviate from it at their discretion.

Councilor Doherty moved to accept Boyer Motor Company's estimate to repair the Ford F-350 truck. Councilor Mac Lean seconded the motion and it passed unanimously.

Butkowski reviewed the preliminary agenda for the next meeting, which included: 2010 rental licenses; interviews with prospective zoning code update consultants; 2010 storm sewer, sanitary sewer, and recycling fees; 2010 budget; and 2010 SCORE grant (recycling).

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Mayor Dains explained the Council was moving into a closed session with the city attorney regarding pending litigation.

The Council returned to the regular meeting at 8:20 p.m. There being no further business on the council agenda, Councilor Mac Lean moved to adjourn the meeting. Councilor Hawkinson seconded the motion and it carried. The meeting adjourned at 8:22 p.m.

Respectfully submitted,

Heather Butkowski
City Administrator