

**Lauderdale City Council
Meeting Minutes
December 14, 2004**

1. Meeting called to order at 7:00 P.M.

2. ROLL

Council present: Giannetti, Christensen, McCloskey, Gill-Gerbig and
Mayor Dains

Staff present: City Administrator Getschow

3. APPROVAL OF THE AGENDA

A. Approval of Agenda. Motion by Christensen, second by McCloskey to
approve the agenda. Motion carried unanimously.

4. APPROVAL

A. Approval of Minutes. Motion by Gill-Gerbig, second by McCloskey to
approve the minutes of the regular City Council meeting of the November 23,
2004. Motion carried unanimously.

B. Approval of Claims totaling \$77,537.15. Motion by Christensen, second
by McCloskey to approve the claims totaling \$77,537.15. Motion carried
unanimously.

5. OPPORTUNITY FOR THE PUBLIC TO ADDRESS ITEMS NOT ON THE
AGENDA

6. CONSENT

7. SPECIAL ORDER OF BUSINESS/RECOGNITIONS/PROCLAMATIONS

8. PUBLIC HEARINGS

9. INFORMATIONAL PRESENTATIONS

B. 2005 Lauderdale Budget and Property Tax Levy. The City Administrator gave an overview of the budget process, the 2005 Budget, and the property tax levy and impacts for 2005.

In discussing the tax levy, the City Administrator stated that the proposal is for small 1.5% increase in the levy. Lauderdale median valued home will see a 7% decrease in city taxes for 2005 as compared to 2004, property values being equal. But, property values do not normally remain equal and any tax increase can be attributed to property value increases. The property value increases and tax impacts are also affected by the limited market value phase-outs. Less property is being shielded from value increases for tax purposes as a result of State legislation that is phasing out the limited market value program.

In discussing the budget, the City Administrator stated that service levels are being maintained in the 2005 Budget. Also, in terms of the capital budgets, the focus of activity has moved from the capital project funds to the debt service funds.

Finally, the City Council should be very proud that they have undertaken these major street and utility improvements while maintaining or lowering the tax levy five out of the last six years. This was in light of severe state aid budget cuts. Ultimately, the City is in as good, if not a better, financial situation than they when the infrastructure improvements began.

10. ACTION

A. Approval of Resolution 121404A: A Resolution Adopting the City of Lauderdale 2005 Budget and 2005 Tax Levy. At the September 14, 2004 meeting, the Council approved a preliminary levy of \$487,460 for 2005, which is a 1.5% increase from the 2004 levy. This preliminary levy amount is now being considered as a final levy amount for approval.

The Mayor stated that he was very pleased with where this budget ended up considering the state aid cutbacks and other concerns with local budgets and tax levies. The 1.5% increase will be a cushion for the potential state budget deficits and cuts that could be ahead.

Motion by Christensen, second by Giannetti to approve Resolution 121104A: A Resolution adopting the City of Lauderdale Budget for 2005 and certifying the 2005 payable property tax levy to Ramsey County. Roll: Yes: all. Motion carried.

B. Resolution 121404B: A Resolution Approving Final Contract Acceptance of the 2003 Street and Utility Improvements. The City Administrator stated that the City Engineer and the contractor have come to agreement on the final quantities associated with the 2003 Street and Utility Improvements. The project can now be closed, and the full one-year warranty can be instituted. A resolution must be passed authorizing final payment and approval of the contract. The final pay request is for \$47,005.75. A majority of these funds are for the release of the retainage.

Motion by Gill-Gerbig, second by McCloskey to approve Resolution 121404B: A Resolution Approving Final Contract Acceptance of the 2003 Street and Utility Improvements. Roll: Yes: all. Motion carried.

C. Resolution 121404C: A Resolution Amending the JCA with the Mississippi Watershed Management Organization (MWMO). Administrator Getschow stated that a watershed JCA was created in 1997 with the City's of Saint Anthony, Falcon Heights, Saint Paul, and Minneapolis. It was first amended in June of 2000 as a result of boundary alterations and agreements. Also, at that time, the MWMO deliberated on the use of a sub-watershed property tax levy at the city level as opposed to a levy that would be applied over the entire watershed. Through subsequent action by the State Legislature, it was ruled that sub-watershed levies are not permissible. The watershed levy, which covered the entire watershed, then went into effect for the first time with the certification of the 2002 property taxes.

This JCA amendment for consideration at this meeting updates language related to optional member contributions that are made to the watershed organization as an alternative to levy dollars. In reality, the contributions may never be requested or needed, and if they were, Lauderdale's annual optional contribution would be less than \$500.

Motion by McCloskey, second by Gill-Gerbig to approve Resolution 121404C: A Resolution Amending the Joint Powers Agreement with the Mississippi Watershed Management Organization. Roll: Yes: all. Motion carried.

D. 2005 Financial Services and Audit Agreement with Abdo, Eick and Myers. The Administrator stated that the proposed agreement for services from Abdo, Eick & Myers contains the same language as past agreements, except that extra time and cost needs to be given to the GASB 34 requirements. The 2004 fiscal year, which is covered in this agreement, is the first year for GASB 34 compliance. There is also a separate engagement letter to convert the city financial statements to a GASB 34 compliant format. This special one-time GASB 34 extra cost is scheduled to be between \$2,500-\$3,500.

The proposed agreement for regular audit and financial services has a not to exceed amount for services in 2005 of \$9,750. This is a \$2,250 increase from last year and is once again a result of the extra cost required to move the city toward GASB 34 compliance. This includes new costs associated with providing information that would assist the City in completing its first Management Discussion and Analysis report that is due in 2005.

Motion by Christensen, second by Giannetti to authorize the City Administrator to enter into the 2005 Financial Services and Audit Agreement with Abdo, Eick and Myers. Roll: Yes: all. Motion carried.

E. Approval of the Larpenteur Avenue Redevelopment (Southeast Quadrant) Goals. The City Administrator stated that the goals of this redevelopment project have been discussed at recent work sessions.

They are proposed as follows:

Primary Goal

- Attract reinvestment to the Larpenteur southeast quadrant area of the City for mixed use residential/retail area and other potential commercial development.

Secondary Goals

- Broaden and strengthen and renew the City's housing south of Larpenteur.
- Create a signature for Lauderdale in the Larpenteur southeast quadrant.

- Eliminate and prevent conditions of physical and economic blight and deterioration and ensure neighborhood safety.
- Maintain small-town character of the community.
- Strengthen the City's tax base.
- Create opportunity for Lauderdale residents to shop and get services within the community.

Motion by McCloskey, second by Gill-Gerbig to approve the goals for the Larpenteur Avenue (Southeast Quadrant) Redevelopment Project. Roll: Yes: all. Motion carried.

F. Approval of the Larpenteur Avenue Redevelopment (Southeast Quadrant) Communications and Public Involvement Plan. A communications and public involvement plan has also been discussed and revised at recent City Council work sessions.

The plan was a product of Jill Schultz from JMS Consulting and Jessica Cook from Ehlers and Associates receiving input individually from the Mayor and each Council member on this project. The plan will be a guide as how to involve all stakeholders in the creation of a plan for the redevelopment of Larpenteur Avenue.

Motion by Christensen, second by Giannetti to approve the Communications and Public Involvement Plan for the Larpenteur Avenue (Southeast Quadrant) Redevelopment Project. Roll: Yes: all. Motion carried.

G. Approval of the Larpenteur Avenue Redevelopment (Southeast Quadrant) Planning Services Agreement. The Administrator stated that he and/or Ehlers and Associates have interviewed two potential planners to assist the City in developing a preliminary concept plan for this project. Both planners have prior experience working with these types of redevelopment projects and working with Ehlers and Associates.

The planner proposals were from The Brauer Group, led by Don Brauer and Cornejo Consulting, led by Dan Cornejo.

Both proposals illustrated that either firm could satisfactorily complete the work, but staff was recommending the Brauer Group based on a lower cost per hour and the excellent references received. Even though the Cornejo proposal had a lower initial flat cost, it was felt that the Brauer Group could actually produce a quality product for a lower price after the full project is complete.

Motion by Giannetti, second by McCloskey to approve an agreement with the Brauer Group for planning services for the Larpenteur Avenue (Southeast Quadrant) Redevelopment Project. Roll: Yes: all. Motion carried.

H. Set a Date and Time for the 2005 Goal Setting Session. Motion by Christensen, second by McCloskey to set Tuesday, January 11, 2005 as the date for the Goal setting session (This is also the evening of the first regular City Council meeting for January) at 5:00 p.m. at Lauderdale City Hall. Roll: Yes: all. Motion carried.

11. REPORTS

12. ITEMS REMOVED FROM THE CONSENT AGENDA

13. ADDITIONAL ITEMS

A. Staff Holiday. Motion by Gill-Gerbig, second by McCloskey to grant an additional paid holiday to City Staff, upon the condition that it is approved with by the City Administrator. Roll: Yes: all. Motion carried.

14. SET AGENDA FOR NEXT MEETING

1. Goal Setting Session
2. Investment Policy and Institutions
3. Committee/Commission Appointments
4. 2005 Appointments
5. 2005 Licenses
6. 2005 Fees
7. 2005 Staff Compensation
8. Purchase of a new city truck

16. ADJOURNMENT

Motion by McCloskey, second by Christensen to adjourn at 7:57 P.M. Ayes: All.