CITY COUNCIL MEETING
Tuesday, February 19th, 2013

CITY COUNCIL PRESENT: Amy Williams, Richard Glasgow, Joe Paiement, Bob Livingston
STAFF PRESENT: Matt Kline, Chris Wallberg, Tom Niedzwiecki, Steve Iverson, Dave Snyder, Ron Moorse
OTHERS PRESENT: Chris White, Leah Stanton, Dan Thurmes, Jack Ross, Marjorie Ross

Workshop on proposed ordinance changes, proposed payroll changes, and potential facility expansion at 5:00 PM.

1. **CALL TO ORDER** by Mayor Livingston at 6:01 p.m.

2. **PLEDGE OF ALLEGIENCE** was recited.

3. **CONSENT AGENDA – M/S/P(Glasgow/Williams) to approve Consent Agenda Items A through H.** Wallberg noted a typographical error in the formal meeting packet. She stated there are two items listed as E and that approval is for items A through H as opposed to A through G. **Passed Unanimously.**

   A. Minutes of the January 15, 2013 Regular City Council Meeting
   B. Treasurer's Report
   C. Bills to be Approved
   D. Resolution approving City Annual Appointments
   E. Set Local Board of Appeal and Equalization meeting for Tuesday, April 9 from 5:00 to 6:00 p.m., and continuation (if needed) for Tuesday, April 16, 2013 at 5:00 p.m.
   F. AFP No. 2 / final for 2012 Beach Parking Lot Resotration in the amount of $3,026.85.
   G. AFP No. 4 / final for 2011 Streets Project in the amount of $12,528.37
   H. Expenditure of up to $2,400 for the Lakeland-Lakeland Shores Spring Clean Up Day

4. **LAW ENFORCEMENT REPORT-** Livingston stated Deputies have been arriving late. He stated he would like to see the Law Enforcement Report at the first convenient time after a deputy appears regardless of arrival time. Williams stated she would be agreeable to that suggestion. [There were 58 calls and 1 citation reported in January, 2013.]

5. **PETITIONS TO THE COUNCIL** – None.

6. **VACATION OF 2ND ST. ADJACENT TO 1195 QUINLAN AVENUE SOUTH –** Snyder introduced the details of this particular street vacation process. He stated the vacation involves replacing the street easement with a public utility easement. He also stated the purpose of a public hearing for street vacations and the potential actions available to the Council.

   A. Public Hearing
      1. Called to Order by Livingston.
      2. Public Comments – Dan Thurmes with Cornerstone Land Surveying introduced himself and stated he is appearing on behalf of Tom Anderson, the owner of the property. Thurmes stated when Anderson purchased the property the particular portion of 2nd St., for which vacation is being requested, did not show up in the title work. He stated that this portion of the street has never been actually used for roadway. He stated the street is immediately adjacent to an existing 60 foot roadway and the portion for which the vacation is being requested is 30 feet wide. He stated the existing public utilities appear to be outside of the existing right of way. He stated the intent of the vacation is to correct the current title work. Livingston questioned if the request pertained to the entire length of the road. Thurmes indicated that was the intent and added that Rob Hubbard requested vacation of a portion of the same road which was granted. Glasgow enquired about what would actually happen to the road and asked if it would be completely gone at that point. Thurmes stated that if the council chose to vacate the road that it would revert back to the possession of the land owner. Paiement stated confusion over the portion of the road not appearing on the title. Thurmes stated that it does appear on the titles for some properties to the north of the portion in question but not on others. Paiement questioned why it would be necessary to vacate the road if it does not appear on the title. Thurmes stated that it still needs to be vacated as it is still technically a dedicated road despite not showing up on the current title work. He also stated this may have been as a result of a mistake made in previous titling. He stated that the road had originally been

platted in the mid-1800's and that everything east of this portion had already previously been vacated. Wallberg stated that Quinlan runs immediately adjacent to this unused roadway which has added to the confusion. She also indicated that others could very well be coming forward in the future to request similar action. Livingston stated he would like that to take place in a case by case basis. Thurmes stated that Jack & Marjorie Ross were present and were enquiring about the process that was taking place and are interested in taking similar action. Williams questioned Kline about whether any services had been provided to this particular section of road. Kline and Thurmes reiterated that the road has never actually been used as a functional roadway and is overgrown by scrub. Kline stated it has never been used by the City but it had also not been assessed for the location of utilities. He stated the Council's proposal to vacate includes keeping the land as an easement and that the City would retain access if needed. Livingston questioned if it would be a utility easement or general easement. Thurmes stated that Mr. Anderson is requesting that the easement be limited to 10 feet as opposed to 30 feet. Livingston indicated that was attainable with the contingency that language be added to have the area reviewed for the presence of utilities.

3. Written Comments-None.
4. Hearing Closed by Livingston.

B. Discussion & Consideration- Williams indicated she was comfortable with the vacation. Moorse suggested that steps be taken to ensure locating the utilities lines. Kline suggested adding language to the motion addressing the utility line location in relation to the size of the easement. He added that the reason this case was handled in this manner was that Rob Hubbard's previous street vacation request did not include limiting the utility easement. Snyder suggested that if the resolution for vacation was agreeable that the amount indicated in the resolution be vacated or such lesser amount as advised by the City Engineer after reviewing the location of the utility lines. Consequently, at the next meeting a completed Resolution could be added to the consent agenda. **M/S/P (Paiement/Glasgow) to adopt Resolution 2013-05 with the addition of corrective language[Item 2, Page 2] indicated by Attorney Dave Snyder which vacates a portion of 2nd St. adjacent to 1195 Quinlan Avenue South. Roll call Williams, Glasgow, Paiement, Livingston voted aye. Resolution adopted.**

7. 2013 Street Improvement Project - Kline reported for City Engineer John Parotti, that the 2013 Street Improvement Project is open to receive bids. He stated that if the Council gave approval that bidding would take place from March 4, 2013 to March 25, 2013. Bid opening would take place on March 27, 2013. Based on this time schedule the option of awarding a bid would be available at the April Council meeting. Kline request that Council take action to allow SEH to advertise the project for bidding. **M/S/P (Glasgow/Paiement) to authorize the Public Works Director/City Engineer to take the necessary action to begin advertising the 2013 Street Improvement Project for bids.** There was discussion regarding the use of gravel shoulders on Lakeland's roads. The Public Works Director was asked to work with 12th St residents in regards to a gravel shoulder trial on the street. **Passed Unanimously.**

8. STAFF REPORT

Attorney – Snyder reported that various ordinances have been reviewed. He reported that the 2013 Street Improvement contracts were reviewed and found to be satisfactory. He reported that updates regarding the Space litigation and detachment proceedings have been provided to the Council in writing. He requests that a brief exectutive session be held at the April meeting regarding matters of litigation. He stated that the prosecution billing statement has been modified to include specific detailed actions taken in regard to prosecution as requested by the City Clerk. He offered that if Council or Staff had any other requests that they would be happy to accommodate.

City Clerk – Wallberg reported that on April, 9, 2013 at 5:00 p.m. the Board of Appeal and Equalization training will take place. She stressed the importance of having a Council Member present at the training and stated that Lakeland would lose their ability for local board of review if a trained Council Member was not present. There will be a workshop at the subsequent Council Meeting that will be a continuation of the Board of Appeal and Equalization if necessary. She reminded everyone that on February 28th, 2013 a meeting at the LSCV Fire District will take place to review the budget.

City Engineer – Nothing to report.

Public Works Director – Kline reviewed the City snow plow policy which states that plowing only takes place after two inches of snow fall or at the discretion of the Public Works Director. He stated that the Public Works Department attempts to limit sand/salt usage due to negative effects on the environment and due to budgetary constraints. He stated that these factors have led to ice being present on the streets. He reminded residents not to plow across the street from their driveway and to slow down while driving. He requested that residents be sure to remove their vehicles from the City streets until the roads are plowed. Kline stated that the Public Works Department has done preliminary research into purchaseing a 1 ton truck. He stated this would be a four wheel drive vehicle that would be used for snow removal in the winter months. He stated is would also be used for park and street maintenance during the warmer months. He stated it would act as a backup in the event any mechanical issues arose with the 5 ton trucks. He stated the 1 ton truck would have a 9 1/2 foot plow as opposed to the pick-up truck which only has an 8 foot plow. He stated the 1 ton truck would replace the Green 1998 Dodge pick-up which is approaching the end of its functionality. He stated the new truck would give the Public Works Department the ability to sand/salt more difficult roads to access, as well as the bike bath. He stated the 1 ton truck would be better suited to haul brush, black dirt, and woodchips due to having a dump box. He stated that he has researched the availability of used 1 ton trucks. He stated used trucks that were in good condition are scarce and as a result he is recommending purchasing a new truck. He stated he is not currently seeking Council action but seeking input and direction. Livingston questioned what the potential cost of a new truck would be. Kline reported with a tailgate sander the projected cost would be $65,600 and that without the sander it would be roughly $60,000. Kline reported that there is $102,000 in a vehicle replacement fund which Niedzwiecki confirmed. Niedzwiecki reported that he LSCV Fire District currently finanaces its vehicles through US Bank Municipal Equipment Finance Group which offers attractive interest rates and would be an option for financing the 1 ton truck. Kline explained what his projected payments would be based on his calculations. Niedzwiecki offered that establishing a relationship with US Bank Municipal Equipment Finance Group would be beneficial for future equipment purchases as well. Kline added that he estimated within 5 to 7 years a 5 ton truck would require replacement. Williams enquired what vehicles the Public Works Department currently possesses and Kline responded with a list of current vehicles. Williams enquired about the age of the 5 ton dump trucks. Kline responded with the current state of the vehicles, recent repairs performed and stated they should last another 5 to 7 years. Williams questioned what added sand/salting capabilities would be offered by the 1 ton truck as opposed to the 3/4 ton truck currently owned by the city. Kline explained that 1 ton truck would have a dump box as well as a sander which is not currently equipped on the 3/4 ton truck. Kline reiterated that the 1 ton truck would work nicely as a secondary option if one of the 5 ton trucks encountered mechanical problems. Williams voiced concern over spending $65,000 on a backup vehicle and was hesitant to incur such a large expense given the 5 ton trucks are going to be in need of replacement. She offered that it may be more sensible to excelerate the purchase of a 5 ton truck as opposed to a 1 ton truck. Kline stated that the truck wouldn't act primarily as a backup but would offer a better option in the event of mechanical failure in a 5 ton truck. Williams suggested investigating the State surplus in search of a truck that is more reasonably priced. Glasgow indicated he is in favor of purchasing the truck and stated case as to why. Williams raised concern over sand/salting the bike trail when cost is currently prohibitive for the use of sand/salt on the roads. Kline responded that this would be done primarily because children use the bike trail to walk to school. Paiement stated he is indecisive, would like more information and would also like to have used trucks explored. Livingston also indicated indecision but expressed priority to satisfy residents with quality plowing. Livingston expressed desire to increase sand/salt usage and would like to have budget ramifications reviewed. Kline indicated a policy change could be made to have the street totally clear, which is what Lake Elmo's policy is currently. Discussion ensued regarding the cost of such policy. There was discussion regarding an automobile accident that took place with a 5 ton city plow truck driven by a Public Works employee. The accident took place while sanding Division St. and was the first accident in Lakeland's history. Discussion ensued about the truck blade policy while sanding. Discussion about budgeting for snow removal followed. Then there was additional discussion about snow plow policy, snow plow routes, and safety items.

Treasurer – Niedzwiecki reported that he closed out the 2012 fiscal year. He reported that favorable variance from 2012 will be left in the general fund. He stated that 99.5% of property tax was collected in 2012 and that for all years, 2012 and prior, there is $10,593 in delinquent property tax. He reported $20,000 was transferred within the Public Work fund from Snow and Ice Removal to Vehicle Replacement. He stated the City has sufficient cash flow as the general fund stands at $502,638 which is 50.5% of the total budget. He stated that two funds will have negative balances at the beginning of 2013 – the Water Debt Service Fund and the Lakeland Village Debt Service Fund. He explained the Water Debt Service Fund would be negative for 3 to 4 months while the funds are replenished. He added that the Lakeland Village Debt Service Fund could remain negative for up to 3 years as remaining back interest on special assessements is collected over a 5 year period. He reported there have been good collections on TIF. Lastly, he reported facility expansion expenses will be taken from the Long Term Improvement Fund.

10. COUNCIL MEMBER REPORT/ Bednar was not present at the meeting to present a report. Wallberg reported for Bednar that she is working with vendors, as well as Kline, on funding and a number of projects in the parks. Kline reported that the Lower St. Croix Valley Community Foundation is offering a matching grant of $500 to $2000 for which application is due February 25, 2013. He requested Council input for uses of the grant. There was discussion regarding ideas for potential grant expenditures. Livingston stated his interest in turning Crocker Park into functional baseball field for use of league games. He stated concern over the City's relationship with the Valley Athletic Association and would like to ensure that no qualms exist. He stated a desire to have an updated scoreboard installed at Crocker Park. There was discussion about whether a scoreboard would qualify for the grant. There was additional discussion about field usage fees.

11. COUNCIL MEMBER REPORT/ Glasgow reported that Holly Hansen was retained by the Cable Commission to present advice on the upcoming franchise agreement. He reported yearly disbursements from the Cable Commission were made, with Lakeland receiving $10,428.96. He stated $30,000 is available in the Commission's Fund which will be used in the upcoming franchise agreement. He stated Tom Niedzwiecki was retained as the accountant for the Cable Commission on a quarterly basis and will be paid an hourly rate. He noted that on February 28th, 2013 at 7:00 p.m. a meeting at the LSCV Fire District will take place to review the budget. He stated in January 2013 there were 26 total calls to the LSCV Fire Department, 8 of which were for Lakeland. He stated the LSCV Fire District is very close to becoming an EMT Training Facility.

12. COUNCIL MEMBER REPORT/ Williams reported she attended a meeting with Lyssa of the Gateway Corridor Commission who gave her an overview of the organization. She also reported on her attendance to the monthly Gateway Corridor Commission meeting. She reported she attended a League of Minnesota Cities Seminar titled "Transit for a Stronger Economy". She stated that the proposed tax hike was introduced for mass transit improvement which would have funds appropriated to cities. She stated this would be very disavdvantageous for citizens of the Lower St. Croix Valley because all cities of poplulations fewer than 5,000 would not receive appropriation from the State. Livingston agreed that the proposed tax hike does not benefit Lakeland or Washington County in any way and would like to continue voicing that opinion at future Gateway Corridor Commission meetings. Williams reported she met with two Sheriff's Deputies on January 31, 2013 regading public safety in Lakeland. She reported one concern that was expressed was a lack of adaquate emergency response at Afton-Lakeland Elementary school. She reported she discussed emergency procedures with the Oakland Jr. Highschool resource officer and intended on having dialogue with the Afton-Lakeland Principal. Livingston stated he would like Williams to contact the County to identify herself as a point of contact in the case of an emergency. Williams reported on activity at a Lower St. Croix Valley Association meeting which included the addition of an on-site clinic at Stillwater High School.

13. COUNCIL MEMBER REPORT/ Paiement indicated the personnel committee did not meet in the previous month. Paiement stated that there is a need to have Steve Iverson's hours increased from 30 per week to 33 per week. Livingston stated that when the position was originally discussed the expectation was that it would be a full time, 40 hour per week position. He stated he would like to see the position receive 40 hours per week eventually but 33 would suffice at this point. There was additional discussion regarding whether the 3 additional hours would be sufficient to accomplish the additional tasks being added to the position. There then was discussion regarding performing internal self audit and tracking of hours. There was concensus among the Council to increase Iverson's hours from 30 to 33 per week. There was continuing discussion regarding a change of title for Iverson. No action was taken regarding a title change.

14. MAYOR'S REPORT/ Livingston reported on the potential facility expansion. He stated that this process had reached a point where decisions needed to be made based on monetary considerations. He stated he believed that the expansion would be advantageous in regards to the consolidation of people and events. He stated the belief that it would be beneficial for Staff and Council to reside in one facility. He expressed disappointment in the cost estimate that was presented. He stated he was not concerned in terms of cost to benefit ratio. However, he was concerned about the public perception of such a large expenditure in the current economic climate. He stated that this would be an item that could be revisited at a later time but did not see it as an item that should currently be pursued. Glasgow stated that he is opposed to the Public Works addition but in favor of the City Hall addition. Williams stated she would like to table the item until further notice to perform personnel studies to ascertain what the actual cost to benefit ratio would be. Livingston stated he would like to take it off the table. Paiement stated he agreed with the Mayor and is opposed to spending $400,000 at the current time. **M/S/P (Paiement/Williams) to indefinitely postpone discussion about potential facility expansion until the personnel committee is able to conduct cost to benefit ratio studies. Pass Unanimously**. Livingston proposed using direct deposit for payroll purposes. Iverson stated that direct deposit would be done through Intuit Quickbooks and provided the anticipated monthly costs associated. There was discussion regarding lack of authorized signers prior to disbursement using direct deposit. Williams suggested that a payroll register be signed by prior

to disbursements taking place. Glasgow stated that his concern arose from the possibility of an unscrupulous employee swindling the city if given access without signature authorization. Iverson offered that there is an authorization code needed to process payroll and also a payroll report could be generated and signed prior to disbursements taking place. There was additional conversation regarding concern about protection from a rogue employee swindling funds and necessary internal controls that need to be instituted to prevent fraudulent activity. Snyder idicated Councils direction to Staff was to implement direct deposit while being in compliance with ordinances regarding required signatures, and also follow the auditor's standard protocols for issuing electronic disbursements. There is discussion regarding the fact that Lakeland has not had an internal fiscal audit and Snyder suggested consulting the State Auditor's office. Williams suggested she would work with staff to ensure internal controls are in place. Livingston stated direct deposit would be an option and not a requirement. Livingston proposed to move to a [semi-monthly] as opposed to monthly payroll schedule. Iverson stated that semi-monthly pay would only be offered to City Staff and would take place on the 1st and 15th of each month. He also stated that all other disbursements would still take place on a monthly basis. **M/S/P (Williams/Glasgow) to process Staff payroll on a [semi-monthly] basis and that direct deposit be made available as an option for City Staff, City Council, and Planning Commission**. Snyder noted that the motion is subject to compliance with ordinances regarding required signatures and following up with the State Auditor to institute standard protocols for issuing electronic disbursements. **Pass Unanimously**.

15. ADJOURN – M/S/P (Glasgow/Williams) to adjourn meeting at 8:19 p.m. Passed unanimously.

Robert Livingston, Mayor

Steven Iverson, Clerk/Recorder