

CITY COUNCIL MEETING
Tuesday, March 18, 2014

CITY COUNCIL PRESENT: Bob Livingston, Asia Bednar, Richard Glasgow

STAFF PRESENT: Chris Wallberg, Matt Kline, Steve Iverson, Tom Niedzwiecki, Chris Johnson

OTHERS PRESENT: Chris White, Jim Space, Terrance Hogan

1. **CALL TO ORDER** by Mayor Livingston at 6:04 p.m.
2. **PLEDGE OF ALLEGIENCE** *was recited.*
3. **CONSENT AGENDA – M/S/P (Glasgow/Bednar) to approve the Consent Agenda. Passed Unanimously.**
 - A. Minutes of the February 18, 2014 Regular City Council meeting
 - B. Treasurer's Report
 - C. 2013 Final Financial Statements
 - D. Bill to be Approved
 - E. Resolution approving authorized signers for 4M Fund City of Lakeland with US Bank
 - F. Transfer massage salon at 326 St. Croix Trail / Lakeland Village to new owner, Ben Wei, and change name to Rainbow Spa
 - G. Expenditure of up to \$2,400 for the Lakeland-Lakeland Shores Spring Clean Up Day
4. **LAW ENFORCEMENT REPORT** – The Law Enforcement report was yielded to Deputy Sullivan. Deputy Sullivan explained the difference between types of medical incidents on the ICR report. He stated a heroin overdose took place in Lakeland. The incident involved a 20 year-old who overdosed, had Narcan administered and was resuscitated by the LSCV Fire Department. The individual survived and is now in treatment. He added that heroin is now very cheap and is in upwards of 96% pure, which is very deadly. He stated that heroin usage has not been a large problem in the Lower St. Croix Valley, but has been in Hudson, WI. Bednar requested an update on the robberies that were discussed at the previous meeting. Sullivan stated that all the issues surrounding the robberies have been resolved and there is no threat to the community.
5. **PETITIONS TO THE COUNCIL** – Jim Space, 1109 Quixote Ave. N, stated that he submitted a letter to City Council and Staff voicing concern over receiving an invoice for \$3,795.31 for additional expenses related to his variance and grading & filling permit applications. He stated he feels the invoiced amount is excessive and decided to do research of his own. He stated he contacted three nearby communities regarding fees associated with permit and variance applications. He claimed that his comparison was “apples to apples” because the communities he contacted also have river properties. He stated his findings were detailed in the letter he submitted [On file with the City Clerk]. He claimed that Hudson, WI is the most expensive of the cities he contacted, and the cost is \$350. Livingston stated the comparison is not accurate because the information Space presented is for fees. He added the invoice from the City of Lakeland is based on hours worked by consultants and staff in relation to his grading & filling permit and variance applications. Space stated he contacted Sarah Taylor of Bayport and she informed him that applying for a variance, permit and engineer's plan review would cost \$250. Livingston stated he could not comment on Bayport's application fees or process. Livingston stated skepticism that Lakeland and Bayport would have such a stark contrast in expenses related to the application process. Space stated he contacted Shawn Sanders of Stillwater who informed him applying for a variance and grading & filling permit is free of charge. Livingston stated he does not hold the belief that Stillwater or Bayport absorbs the cost of contractors and staff when working on items in relation to variance or grading & filling permit applications. Space stated Sarah Taylor informed him that SEH is Bayport's engineering firm and that \$250 is the total fee including engineer review and inspection. Livingston stated that a majority of Space's arguments were legal issues and would not be discussed by the Council. He added most of the items were discussed previously and would not be revisited. He stated there is a court order against Mr. Space and he does not believe the Council should be involved with certain issues. He stated the court order was not yet completed and there is very little that can be done by the Council at present. Space stated there was no discussion regarding the termination of the required foliage to be planted on his property. Space stated that due to shady conditions and the presence of a tree canopy, very little foliage can grow in the required area. He stated the only foliage that has grown is weeds and large trees. Livingston agreed that the area does not receive a large amount of sunlight and stated a willingness to have the City Forester and the MSCWMO investigate to make suggestions on appropriate plantings. Space stated he is willing to work with those individuals. He added he has contacted Twin Cities Seed and Final Grade regarding what types of vegetation will grow in the area. He claimed both companies advised that the only item from the plantings list

that would grow successfully is fescue. Space questioned if he would be responsible if the foliage died due to a lack of sun. Livingston stated that he would prefer to leave that decision to an individual with expertise in the area. Livingston directed Space to contact the City Clerk for the telephone number of the City Forester. Space stated he is legally handicapped and during times of flood, he is only able to access his property by driving a pickup truck to the staircase located on the north side of his house. Livingston stated that issue would need to be addressed by someone other than the Council since it is part of the court order. Space claimed that the court order did not address vehicular traffic on the property and the Council imposed the vehicular traffic restrictions. Livingston stated he was unaware of whether Space's claims were fact and would not address them for that reason. Space enquired if the Council would address his situation at the next City Council meeting after the completion of research. Livingston stated the Council would not revisit the situation. He added he would allow experts to complete their evaluations at which time reports would be distributed to the Council for review. Attorney Chris Johnson stated he had the sense that a review of the previously granted variance was being requested by Space. He added that the Council already reached a quasi-legislative decision regarding the variance, and further review was inappropriate.

- 6. PURCHASE OF STRUCTURE – HUMPHRIES PARK** – Bednar stated there was a request for a public meeting regarding improvements at Humphries Park. She stated the public meeting took place and a handful of residents attended along with the Planning Commission Chair and the City Clerk; the residents arrived at the consensus that they would like to see a play structure added. Residents would also like slides, tables and/or benches added and would prefer not to add a grill. They would also like the existing swings to be lowered. She added that the proposed location of the new structure was discussed and was indicated in the packet materials. She stated she is pleased with the input received from residents over the course of the public meetings and workshops that took place. She is seeking approval to move forward with the purchase of the play structure. Livingston stated he was not personally opposed to moving forward with the structure but was concerned about doing so due to the absence of a Councilmember, who voiced concern about purchasing the structure. He added he is not prepared to vote on the item for that reason and he would like to go to Humphries to examine the proposed location of the structure. Bednar stated residents favored the proposed location indicated in materials. She added the residents are not aiming at a target age group for the park and would like all age groups to use it. She continued that with the proposed placement of the structure on the east side of the park would allow young adults to continue their use of the open area for Ultimate Frisbee. The new equipment would be in a more open area that would also be inviting. Bednar stated the proposed structure would be appropriate for younger children. Kline indicated that a drainage swale was located in the area where Bednar proposed to place the structure. Bednar stated the location indicated in the materials was approximate and could be moved to accommodate the drainage swale. She added the proposed structure would not be the same as she presented in October. She stated the residents indicated they would like the structure to include a tunnel and larger slide. Glasgow stated he would like to see a vote take place next month and would like more input from the absent Councilmembers. Bednar expressed frustration that no other Councilmembers attended the public meeting or the workshop to give input. Chris White, 301 Queenan Ave S., stated there has been adequate opportunity for Councilmembers to express their opinions and they should have done so by now so a vote could be taken. Bednar expressed disappointment for the residents who have taken time to provide their opinion at workshops and meetings. Livingston stated he would like the item on the agenda for a vote in April. Glasgow questioned how many children lived around Humphries Park. Bednar stated she did not have exact figures, but is aware there are day cares in the area. She added that she had received no communication that Councilmembers were unable to attend the public meeting; she would have been willing to accommodate schedules if notification was received. Bednar stated this item was pushed back month by month since December and she feels as though everything that Council had requested was accommodated. Livingston said the item will be on the agenda for the April meeting and a vote will be taken. Wallberg clarified the item was on the current agenda for action. Livingston stated no action would be taken and the item would be revisited in April.
- 7. ONLINE PAYMENT OF WATER BILLS** – Livingston stated online payment of water bills was discussed in the workshop preceding the Council Meeting. Kline stated a consensus was reached at the workshop to move forward with the purchase of ACH module software from Civic Systems with a one-time purchase price of \$1,750 and annual support fee of \$175. This software would allow the Water Utility to complete auto-bank withdrawal transactions. It would not give the capability to pay water utility bills online but this software would also allow an update of current software to allow automatic billing updates if online payments were pursued later. Kline stated he did not expect the software would save a large amount of time or money for the Water Utility, and is more of a convenience for citizens. Wallberg clarified a consensus of the Council was reached at the workshop. **M/S/P(Glasgow/Bednar) to approve the purchase of ACH Module software from Civic Systems for \$1,750 initial purchase cost and \$175 annual support fee.** Bednar stated she wished to clarify that residents will not have the ability to pay online with the software. Kline stated that an article in the newsletter and on the website would be available for informing residents.

Glasgow suggested placing information directly on the water bill and Kline stated that would be possible. Kline added he was unsure of the timeline of implementing the software. **Passed Unanimously.**

8. PERSONNEL COMMITTEE UPDATE ON PLANNING/ZONING – Livingston stated he would like to move the Personnel Committee Update on Planning/Zoning to the April meeting due to the absence of Councilmembers Williams and Paiement.

9. RECYCLING COMMITTEE – SINGLE-STREAM UPDATE – Wallberg stated a memo and information regarding the single-stream recycling proposal were included in the meeting materials. She stated the Recycling Committee has been meeting with Maroney's Sanitation and Eureka Recycling over a period of approximately 6 months to formulate the proposal. The Committee includes representatives from Lakeland and Lakeland Shores. The two cities have participated in a joint recycling arrangement for over 20 years. By switching to single stream, recycling Lakeland will come in line with other surrounding communities. She added Lakeland would still receive revenue sharing from Eureka Recycling as it currently does. Maroney's Sanitation would continue to pick up recycling materials but the pickup day would change to every other Wednesday, as that is when their garbage collection takes place. Lowering the amount of garbage truck traffic would be beneficial to maintaining good condition of the streets. She stated new containers would be required to switch to single-stream recycling and each property would receive a new container. Currently only about two-thirds of the City households were provided with the old blue containers. A truck with a mechanized arm would be used for the collection of single-stream recycling materials and new containers would be required for that reason. Maroney's Sanitation is proposing to buy, assemble and deliver new containers, which the Committee agreed with. Maroney's also will offer disposal of the old blue containers at the annual spring cleanup for a fee of \$3. She stated obtaining the carts would be an investment and the cost of recycling would go from \$2.98 per household per month, to \$3.78 per household per month in the first year of the contract, and \$3.51 per household per month for the final two years of the contract. Maroney's Sanitation has requested a 3-year contract to cover the costs associated with purchasing, assembling, and delivering the containers; there would also be an option for a 2-year extension. She stated that there is an option to have the program implemented by May 1, 2014, which would allow residents to dispose of old containers at the Spring Clean-up on May 3 if desired. Approval is being sought for the Recycling Committee's recommendation to switch to single-stream recycling with Maroney's Sanitation providing and delivering containers; and seeking direction on where additional costs for 2014 would be expensed. Glasgow questioned if Maroney's Sanitation or the homeowner would own the carts. Wallberg stated Maroney's would own the carts and a provision could be added to contract to clarify ownership. Glasgow stated the desire to strike section 20 regarding termination of services and discussion followed. Johnson suggested that striking section 20 and amending section 6 may be appropriate. He also suggested adding language regarding a contract termination period and/or renegotiation period to section 6. He stated concern regarding ownership of the containers and added the decision was at the discretion of the Council. Glasgow and Livingston stated the preference that Maroney's maintains ownership of the containers. **M/S/P(Glasgow/Bednar) to approve the contract with Maroney's Sanitation for full service curbside recycling, eliminating item #20 from the contract, adding language to the contract stating Maroney's would retain ownership of the containers, and changing the wording of contract item #6 to read (60) days as opposed to (30) days before the expiration of this Agreement.** There was discussion regarding the increase in recycling costs that was not budgeted for 2014. Niedzwiecki stated it was not necessary to address at the current time and could be examined at the end of 2014. **Passed Unanimously.**

10. LEAGUE OF MINNESOTA CITIES INSURANCE TRUST LIABILITY – Wallberg stated the form presented in the meeting materials is a clerical item that is required periodically with changes or renewal of the City's insurance. Johnson provided an explanation as to why City would waive statutory tort limit. He stated waiving the statutory tort limit would expose the City to greater liability, as it would allow an individual sustaining injury to pursue greater amounts of compensation than is covered by insurance. Electing not to waive the statutory tort limit ultimately lowers insurance premiums. Johnson stated that the statutory tort limit cap is fixed. There was discussion regarding the coverage limit listed on waiver form. **M/S/P (Livingston/Bednar) to confirm Lakeland does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04. Passed Unanimously.**

11. STAFF REPORT

Attorney – None.

City Clerk – Wallberg reported that she attended a meeting regarding the new system for Code Red. She outlined the purpose of the meeting, the steps necessary to implement its use in Lakeland and stated it would likely be a significant amount of time before it was ready for use. She stated the only additional fee for Code Red is associated

with sending out community voice alerts, and the fee is minimal. Lakeland's Board of Appeal and Equalization is scheduled for April 8, 2014 from 5 p.m. until 6 p.m. and gives residents an opportunity to discuss the valuation and classification of their property. If it is necessary, there will be a Board of Appeal and Equalization follow up meeting scheduled as part of the regular City Council meeting on April 15, 2014. She stated it is very important for Councilmembers to attend the Board of Appeal and Equalization meetings. She stated she spoke to Jeff Heimann, the volunteer coordinator of the Spring Clean-up, which will take place May 3, 2014 from 8 a.m. to 12 p.m. All services offered in past clean-ups are expected to be available. Mr. Heimann is currently in the process of obtaining a company that disposes of e-waste. If a company is unable to be identified, flyers from the Washington County e-waste disposal site will be distributed.

Public Works Director – Kline stated there has been a large number of water line freeze ups in Minnesota; there has been 58 freeze ups in the Lakeland Water Utility system. He reiterated that homeowners are responsible for water lines from inside the home to the water main and are responsible for maintenance costs. He stated the Water Utility was helping customers with mitigating freeze ups until recently as the LMC advised against it. He stated the Water Utility helped due Lakeland being a small City but has now moved away from it based on the advice of the LMC. He stated the Water Utility covered expenses for welding services for approximately 40 customers for which invoices will be issued. He stated water tower #1 experienced severe freezing outside of what is considered normal. He added the walls of the tower always have some freezing but the entire top of water tower #1 froze. When the top becomes frozen the likelihood of the entire tower freezing increases, which can compromise the integrity of the entire structure. He stated high-pressure water was used to blast a hole in frozen top area. He stated water has been running since the hole was created in an attempt to bring warmer water to the top of the tank. Due to this and customers with frozen lines continuously running water, massive amounts of water have been used when compared to normal winter usage. He thanked City Engineer John Parotti and the Lower St. Croix Valley Fire Department for their assistance. He stated spring could present more problems as they are unsure if pipes that were frozen burst, all the frozen lines would need to be monitored to ensure they did not break. He stated potential leaks might not come to the surface due to the areas sandy terrain. There is also a possibility that houses that are not connected to the Water Utility may have frozen at the curb-stop, which may cause leaks. He stated the other Cities involved in the JPA own their water system infrastructure and around 90% of the freeze ups have taken place in St. Croix Beach. The Water Utility is unsure why most have occurred in St. Croix Beach but the City is at the far end of the water system. The Water utility has instructed customers with freeze ups to continuously run water for which they are receiving credit on their bills. He stated between 5 and 6 million gallons would be used, which will cost the Water Utility between 11 and 12 thousand dollars. There was discussion regarding responsibility for Water Utility lines and curb-stops at properties not currently connected to City Water. Kline stated the JPA indicates responsibility of the homeowner begins once a property has been connected to City water. Glasgow suggested the JPA needs to be examined. Chris White questioned how the decision was made to credit homeowners who must have water running continuously. Kline stated there had been freeze ups approximately 20 years ago and the previous Public Works Director had credited the customers. He also added the JPA allows the Water Utility to make that decision. He also stated the decision was made when approximately 5 or 6 freeze ups had occurred and he did not expect 58 homes to freeze up.

Treasurer – Niedzwiecki reported that roughly \$6,000 of charges related to the freeze ups were charged to Public Works but will be amended and charged to the Water Utility. He stated when the water rate analysis is completed there is a contingency for prospective problems that may arise, such as frozen pipes. He will be filing the year-end report with the State Auditor, which is due by March 31. He stated Lakeland would be receiving between \$12,000 and \$15,000 from FEMA for the beach restoration project. He reported that building surcharge reports had not been submitted dating back to the 2nd Quarter of 2013 and approximately \$1,500 is owed. He stated a special distribution of \$10,853 was received from the Cable Commission, which is about 40% of the total distribution. The Communications reserve is approximately \$40,000 as of February. Approximately \$14,000 was spent from the Communications fund in 2013, which included a one-time initial set-up payment of roughly \$2,400 to GovOffice for the new website.

Zoning – None.

12. **COUNCIL MEMBER REPORT/** Bednar reported she plans to work with former Mayor Craggs on obtaining grants to address the bike path.
13. **COUNCIL MEMBER REPORT/** Glasgow reported LSCFD had 13 calls in Lakeland. He stated Commissioner Kreisel is working with Washington County to eliminate the costs of disposing of fluorescent light bulbs at the LSCFD. He stated the Alliance will hold a meeting on March 24; Judy Hunter of Washington County will be present to explain the

environmental charge that is present on refuse hauling bills; Senator Katie Sieben was invited to explain Senate file 2272 which addresses the authority of the DNR in local decisions.

14. COUNCIL MEMBER REPORT/ Williams was not present to report.

15. COUNCIL MEMBER REPORT/ Paiement was not present to report.

16. MAYOR'S REPORT/ Livingston stated he had a meeting with County and State Officials regarding water quality. He reported a workshop with DNR took place and he felt it went well. Both parties were well represented and he was impressed with the DNR's presentation. He felt the positive progress was made at the meeting but it was negatively affected when Senate file 2272 was brought to the attention of the City. Both parties agreed to meet again on May 13 at 6 p.m. He feels communication between the City and the DNR is important. Wallberg requested that Councilmembers inform her if they are unable to attend the meeting. Glasgow suggested expanding the meeting to include other cities in the valley. Livingston stated he would prefer to wait to involve other cities due to recent events.

17. ADJOURN – M/S/P (Glasgow/Bednar) to adjourn meeting at 7:29 p.m. Passed unanimously.

Bob Livingston, Mayor

Steve Iverson, Deputy Clerk/Recorder