

**CITY COUNCIL MEETING**  
**July 15, 2008**

**COUNCIL MEMBERS PRESENT:** Bob Craggs, Richard Glasgow (8:05 pm), Peg Larsen, Robert Livingston, Brian Zeller

**PC MEMBERS PRESENT:** Chris White

**STAFF PRESENT:** Mark Nagel, Tom Niedzwiecki, Nick Vivian, Chris Wallberg

**OTHERS PRESENT:** Al Bergevin, David Drown (Drown Associates), Dave Simons (SEH)

1. **CALL TO ORDER** by Mayor Zeller at 7:02 p.m.
2. **PLEDGE OF ALLEGIANCE** was said.
3. **CONSENT AGENDA** – Craggs asked Agenda Item D pulled. **M/S/P (Larsen/Craggs) to approve Consent Agenda Items A, B, C, E, and F. By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**
  - A. **Minutes of the June 17, 2008 Regular city Council Meeting**
  - B. **Treasurer's Report**
  - C. **Bills to be Approved**
  - E. **Public Works #1 Position Description**
  - F. **Appointment of the following Election Judges for the September 9, 2008 Primary Election and November 4, 2008 General Election:**

**Bob Behrman**

**Jim Gilles**

**Kathy Jerry\***

**Cecilia Martin**

**Gloria Phillips**

**Chris White**

**Ruth Ann Brunckhorst**

**Theresa Heimann**

**Sharon Lee**

**Harry Martin**

**Kate Piscitello\***

Agenda Item D. Craggs asked this pulled due to significance of Plaza Redevelopment Program to the City and having timely public input; just wanted to request that steps associated with process, the overview, be conveyed in the record verbally and would ask the Administrator do that. Administrator reported the PC met on July 1; have copy of report he feels very detailed and well put together; what they will be doing this evening is accepting the preliminary review that the PC did on the Plaza and establishing a public hearing on the matter; that is set for August 12, 2008 at 7:00 p.m.; the PC will make recommendation to the CC after that meeting, and on August 19, 2008 at the regular CC meeting, they would address whatever issues remain; suggested putting a short article in the newsletter to insure they get that information communicated; as they can see in the listing, there are some things that need to be completed before then, and they will obviously be working on that over the next month or so; at that point, CC will see it on August 19; hopefully all of them will have seen it so they can shorten the process and not have a full presentation at that meeting; number of issues to address and Bednar (PC) has brought up one in terms of the word 'variance;' little confusing in there but thinks the planners answered that adequately; in terms of codification, they have been making a list of things they need to change once they get the Code; obviously working under the old Code; that is one of the text amendments among many they will have to address at some point at PC. Craggs would add that one of the recommended steps is that a neighborhood meeting with residents to the west of the Plaza be held prior to August 12; asked if that is still something that is planned to be done if it hasn't already. Administrator doesn't know that it has been done; something the applicant was going to do; assumption is they are just waiting to set up a public hearing so they actually have the next step in place. Zeller said it was not a condition but a recommendation as he recalls. Craggs just wanted it clarified applicant has agreed to do that.

**M/S/P (Craggs/Larsen) to approve Consent Agenda Item D. Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**

- D. **Acknowledgement and Adoption of the Planning Commission's acceptance of the preliminary review and Approval of the overall design for the General Development Plans for the Lakeland Plaza Shopping Center Planned Unit Development, and setting a public hearing on the matter for August 12, 2008.**

**3a. RESOLUTIONS RE: BONDING** (Refer to Agenda Item 8 below)

Administrator asked this be next on agenda.

David Drown, David Drown Associates. A week ago the CC and he spent time reviewing costs associated with public improvements around the Plaza shopping center; generally speaking, they are talking about a project cost and bond issue of over \$600,000; consensus of the group at that time was to follow his recommendation and plan to finance this project not conventionally but utilizing a program put together by Minnesota Rural Water Association; he calls it a cool bond program; the way it works is instead of having cities across the State of Minnesota each do individual bond issues, what

the program intends to do is coordinate the borrowing needs of many communities for one bond issue issued through this group; helps controlling the issuance cost, but greatest benefit is those cool bonds can be sold at a much better credit rating than the City could on its own initiative; bottom line is they expect the City to see an interest rate savings of probably .04 of a percentage point; when you are borrowing hundreds of thousands of dollars, that amount to quite a bit of savings; they are back this evening with two action items for the CC to make that happen; first would be a resolution approving a joint powers agreement; the way this program works is the entity that issues these cool bonds is actually structured as a joint powers organization under Minnesota Law; if you want to borrow money through the program, you would have the necessary privilege of becoming a member of that group, so in order to be able to borrow money through this program, the City needs to become a member of the joint powers organization; this resolution would accomplish that and would designate the mayor as the City's representative to that group although if they want to change that tonight, they certainly can; no obligation to mayor to attend meetings, financial costs, so he can be as involved or uninvolved as he wants to be. Zeller asked City Attorney that typically their resolutions are numbered; asked if they would still do that. City Attorney thinks they would change formatting a little bit; they have an extract formatting some cities utilize; Lakeland doesn't, they just attach a number; Drown can email resolutions over and the Clerk can put in City's form. Administrator said this is also final review of the joint powers agreement as well. Craggs asked that by being part of the joint powers agreement if there a fee associated then with the bonding itself if they choose to go forward with the bond. Drown said by being members of the joint powers agreement gives them the unique right to borrow money through the programs sponsored by this entity; does not obligate them to do that, but if they pass the next resolution, they are certainly strongly going in that direction.

**M/S/P (Livingston/Zeller) to adopt Resolution 2008-27, a resolution accepting a Joint Powers Agreement authorizing the issuance of Bond by the Joint Board and appointing a delegate to represent the City, that delegate being the mayor, subject to review and formatting by the City Attorney.** Administrator said he would like to add subject to review and comment by the City Attorney both on the resolution format and the joint powers agreement. **By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-27 adopted.** Drown continued the second item would be a resolution authorizing the issue of approximately \$660,000 general obligation improvement note; this could be the CC decision to establish the intentions to finance this project through this program; normally when the CC is presented with a bond resolution, they have a binding proposal in front of them for specific interest rate and price of bond issue; that can't work that way with a program like this because they have other communities that they can get their borrowing needs figured so everyone can go together; the way this works is that each borrower is asked to approve the borrowing of their money through this program; when all this is done, the day is picked for the one big bond issue to be priced and that is probably September 1; on September 1, everything gets finalized, the most important item being what's the interest rate on this bond based on whatever market conditions look like on September 1; this resolution a bit different than normal; one it is a little skinnier, this one is less than 20 pages and usually 30 pages; has some ambiguity in the language that he won't highlight but pointed out important points; at the bottom of the very first page, it talks about a dollar amount of approximately \$660,000; what that means is when interest costs, they may have changes they want to make in terms of the final amount of money they want to borrow; this resolution gives everyone some flexibility to change the number down somewhat, so that the final dollar amount is properly signed. Zeller said this CC's preference generally speaking is to have a 'not to exceed' number; asked if he saw any problem with them incorporating some language there if it was \$680,000 or \$670,000, whatever the CC is comfortable with. Drown thinks that is okay; would prefer they not necessary ask Briggs and Morgan to change the language of the resolutions, but if they wanted to establish an understanding of CC that they wouldn't move forward if the dollar amount went above a certain level; agrees with concern. Administrator said the only thing he would add is the only reason it would go up is because if he recalls from the work session, he is having Staff put together their numbers in terms of time so they will be reimbursed for that; Gilles is also looking at the numbers to make sure they are correct as well too; if it goes up, it will only go up because they will be recovering their costs and anything else. Zeller's only concern is with the language approximately relative to the interest costs; if something extreme were to happen in that market, he would want to be back revisiting the issue. Administrator asked if he would be comfortable if it went over 5% they should be back to CC. Zeller comfortable with the statement he made and the comment Drown made; doesn't know that they need to pin it down that much, but just a general understanding that if costs escalate quickly, they would like to come back and talk about it. Drown said a similar item can be found on the second paragraph where they formally designate the mayor as the entity to accept the group's offer; what that basically means is when pricing takes place on September 1, there will be a proposal to buy the City bonds at a certain interest rate. Zeller asked where they are approximately on current interest rate, 4.75%. Drown has a feeling if they were to do the deal today, he would expect an interest rate of 4.35/4.40% or something like that; leads him to page 3 they will find a blank on the second paragraph talking about an interest rate on the note that can't exceed a certain threshold; if they were to put in what he thinks today's rates are, he would say they are 4.35%; when they price the bond, if the interest rates have risen a bit and they end up getting a proposal at 4.50%, the mayor wouldn't be able to move forward without getting this group together; intention is to provide margin for market movement; his suggestion is they look at a limit somewhere in range of 4.75% and maybe as high as 5%, if interest rates were to move up in the

marketplace; only reason that rate would be up, and would the CC abandon the project and not borrow the money if market rates change in the next couple weeks, probably not; at that point in time they would still have a better alternative in his judgment in this program; need to provide a little margin there; suggestion is rate 4.75% and no lower than that; if they want to provide a larger cushion, they should put 5% in there but that is one decision they have to make this evening; that blank does need to be filled in. Livingston would like to see it under 5%; starts to want to possibly take a look at the financial situation in the country against a bond percentage; at iffy stage in banking. Larsen would agree and would like to see the 4.75%; asked Drown if they put 4.75% in there and it zips up higher, do they have to get everybody together; would be comfortable with something closer to 5% just to make sure they did not have to do that because she does agree with Livingston they will possibly see some strange things on banking and the market right now; wouldn't go over 5. Craggs' question is what would be the difference as far as an annual payment; 4.35% as opposed to 5%. Drown thinks they were talking about the City's levy on the average being \$28,000/year; difference if they were to see that move up to 5% would be \$3,000/year as a dollar impact over the 20 year period of time. Craggs would be comfortable putting 5% in. Zeller thinks they have consensus at 5%. Drown said beyond that, this loan or note from this organization has call protection on it just like normal bonds do; date of call is February 2016 which is about 8 years from now and fairly normal call provision; if rates low enough here, thinks very unlikely rates will drop so doesn't make sense to refinance this; doesn't have a problem with that call provision; thinks the only major item is this resolution as skinny as it is because there is a companion document called an Assistance Agreement that isn't drafted yet but is referred to in this document a few times; what is contained in the Assistance Agreement is all things in a bond resolution, all the technical details that are incorporated in this side agreement; doesn't have a copy of that for them. Zeller said for what it is worth, the difference between 4.35% and 4.75% on a 20 year with a \$660,000 principal balance is \$1,700/year. Drown asked if that full principal amount; theirs is half of that so he was on the high side; thinks that what he finds noteworthy in this resolution is that by passing it, it is really the CC's commitment for borrowing their money in this program; constraints would be dollar amount can change dramatically from \$660,000; interest rate would have to be less than 5%; if things change from that and they see them coming, they may be able to tell the CC to have a special meeting to keep them on track; his recommendation would be to approve. Administrator would add subject to City Attorney reviewing the Assistance Agreement and asked when Drown will have that. Drown said they could get a draft out in a day or so. Niedzwiecki would like Drown to speak to retaining of the bond and how that works; when the payments start, etc. Drown said this whole project is driven in part in cooperation with the owners of the Plaza shopping center; as they heard earlier in the agenda finding some of the improvements in the shopping center, the logical time to do street work adjacent to the center is when the center is being constructed and CSAH 18 is being constructed; all of that is kind of going on at the same time; the City has approved TIF District for the shopping center, a fairly lengthy agreement that was drafted between the City and the shopping center; that agreement provides for the City's willingness to finance all the increments of roads and water mains around the shopping center and to basically share costs with the shopping center team; in general terms, the shopping center team will pay half of the costs of all of these improvements as a special assessment; it is a special charge that will be levied on their property and they will pay over time; the other half of the project will be the City's responsibility to pay for; hope is the redevelopment of the shopping center and other development in that area will generate tax increments; more property taxes will be paid by the businesses at that location, much of which will be taxed as increment; City has a revenue sharing agreement with the shopping center that they get a certain percentage to reimburse the cost of redeveloping the shopping center, the City gets to keep a certain percentage of that increment basically to cover the City's half of roadway and water improvement; initially the amount of increment generated by the redevelopment of this center will be a fairly small number; in the early years, the City will be financially responsible for making some of the earlier payments on the bond issue; as time goes on, in particular if they see more development within the boundaries of the TIF District, there will be more taxes paid and tax increments coming to the City, and some of that can be applied to reduce what the City has to make as payments on this bond; increments will cover an increasingly larger share; hope in the long run is that the shopping center is very successful, it's able to see other development on its property over there, and increments will fully cover the payments the City has to make on its bond issue and even allow them to recover some of the payments they made in the early years; how that works is probably dependent upon how quickly the shopping center is successful; the faster they succeed, the greater the likelihood the City will reduce payments on this bond issue; in general terms, that's the diameter to how this is supposed to work. Niedzwiecki said most likely scenario is they will have a shortfall in the first year or two, or maybe even three, and just wants to make sure they all have the same understanding as to how that shortfall is going to be covered until the TIF payments are sufficient enough; his understanding is that they will not specifically reject increasing their budget to cover that; that they will be shifting funds from other sources within their budget. Zeller asked if the shortfall itself was funded in the bonding amount itself; believes the first year deferment on assessment is included in this. Drown said with the shopping center folks, the first year their assessment payment is delayed so they won't have to make their first assessment payment until 2010; with the City's share, they didn't do any delaying; this fall they will be raising budget to cover the general payments on this bond; thinks first payment delayed until August. Administrator said what they would do is cover that in their 303+ whatever they approve next year for 2009 would come out of the Street Improvement line item and they would do a smaller project as a

result to cover that first year; the other hook here of course is if they don't pay their assessments, they don't forward the tax increment either; there is that protection as well in later years; for example, if they decided they weren't going to pay the assessment, they would use their tax increment part of that to pay for the City portion of improvements. Zeller asked that Administrator and Treasurer look at alternative ways they could fund that shortfall; getting back to them at their work session. Administrator forgets what the number is, and really not that great. Niedzwiecki said \$23,000. Zeller thought there passionate discussion among the CC members not to reduce their Streets spending. Administrator said their Streets spending this year will be going up from about \$303,000 and then a 4.8% increase; when you add that in that is another \$1,600 – they would do a Street project in the neighborhood of \$300,000 anyway, and the rest of that could cover the shortfall if they had to. Niedzwiecki has one idea about where they could go in a different way of doing it; most important point is they are not planning to increase their General Fund Tax Levy, they are planning to reduce the amount they have available for Streets Improvement with the idea that hopefully in two/three years they get those tax increments. Administrator said \$23,000 should narrow over the next couple years. Zeller said to be clear, he believes that gathers the intent of the current CC, but they can't bind future CC. Craggs wanted to go back to the approximately \$660,000 because he wasn't sure what was being recommended and how they were going to approach the resolution; were they going to leave the language as is. Zeller said they have to leave the language as is; can't move forward without passing something, and they don't have it pinned down yet; have general understanding that if something significant happens, they will be back talking about it. Administrator said if they recall they raised it from \$635,000 to \$660,000, so it can add in administrative staff things they brought up to be reimbursed. Zeller said detail of the \$635,000 now \$660,000 was in their packets from their workshop last Tuesday. Administrator said administrative expenses will be a little more than they see there, and Gilles is detailing out to make sure they have the right numbers and have everything covered.

**M/S/P (Zeller/Livingston) to approve Resolution 2008-28, a resolution authorizing the issue of approximately \$660,000 general obligation improvement notes, interest rate not to exceed 5%, subject to the review in formatting by City Attorney as well as the Attorney's review of the Assistance Agreement that will be provided by Drown, Drown Associates, within the next week.** Craggs thinks they should at least understand the significance of this prior to voting; they are going into debt for 20 years, and as has been the City's custom, they have been very prudent in terms of making these kinds of decisions; this is similar in terms of the amount of debt associated with the rehab of the fire hall; thinks very good decision; thinks it will help the common good for the City of Lakeland and they have done it in a very prudent way; just important to state there is no guarantee that the tax increments will cover this, so they are obligating basically the City's residents in terms of paying for this. Livingston believes there has been an unprecedented amount of instruction to the CC by experts, meetings, etc., and certainly he is aware of them as a Council person the risk involved in this. Zeller said this is a complicated procedure and certainly something the City has never ventured into before; hundreds of thousands of other municipalities have done it, and it's been a very successful tool to disburse and reimburse redevelopment into the community and that is the reason they are doing it; grown comfortable with it over time, but it is a complicated procedure/undertaking they have gone through; encourages anyone who has questions about it to come forward and ask at any time. Larsen thanked all the Staff who made it possible for them to understand how complicated this is. Administrator said they have been looking at this for over a year and looking at some additional scenarios and thinks as they talked about it, they always talked the worst case scenario; if everything fell apart, how much would the bond take and could they afford it; might take a dent out of their Street Improvement project for a little bit, but they can rest pretty comfortably assured with a \$53-55,000 payment they will have \$318-319,000 if everything failed and they had to make bonding themselves; they can make those bond payments, so they are pretty safe there; the second thing being - that realignment needed to take place anyway; it makes sense to realign 5<sup>th</sup>, it made sense to do that 3<sup>rd</sup> Street improvement, and it makes sense to put the water underneath CSAH 18; spent much time going through it and he agrees with all the CC members, it is certainly a risk; just wants everyone to understand they have looked at the worse case scenarios. Zeller said \$.60 of every tax dollar is coming from sources outside the City; effectively, they are getting the State, County, and even the School District to participate on these improvements in their community. Zeller called question. **Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-28 adopted.**

#### **4. PUBLIC SAFETY REPORT**

For the month of June, there were 107 calls for service, with 14 citations issued. Deputy Wick was present previously and left couple of words, and Administrator will have to talk with Gilles about a no parking sign at the end of Quinnell Avenue, so that Wick is able to enforce that area down there; parking on the side of the road there, and in a couple cases some complaints; will try to take care of that in the next day or so; other than that he said it was a very quiet July 4, and as Larsen said, it was noisier around graduation than around July 4; nothing really stood out here in terms of complaints. Livingston was on the River July 4 and he just wanted to comment that the Washington and St. Croix County water patrols were out in force enforcing the alcohol laws, life preserver laws, etc. vigorously; wanted to comment and commend them for their efforts.

#### **5. PETITIONS TO THE COUNCIL – none**

## 6. METROPOLITAN MOSQUITO CONTROL DISTRICT

Kirk Johnson, Metropolitan Mosquito Control District. Generally appreciates the opportunity to be here to speak with them today; any opportunity their agency has to educate and inform citizens goes quite a long way toward improving their program and toward achieving one of their primary goals which is to reduce the incidence of mosquito borne illness; at the Mosquito Control District, he is a vector ecologist, so his responsibilities revolve around controlling the types of mosquitoes that can transmit mosquito-borne diseases and thereby reduce the likelihood that citizens living in the 7-county Metro area will be affected with these different direct viruses; understands they are making some improvements toward their storm water management system; much of what he knows of storm water management is related directly to West Nile virus; in the six years that West Nile virus has circulated in Minnesota, their agency has had to gain a great deal of understanding on an entirely new topic, not new to their agency but new to North America; much of what they learned is that a number of the different mosquitoes can transmit West Nile virus are often associated with storm water management systems; has to speak a little bit about West Nile virus because that sets up the information he can provide on storm water management; West Nile virus is a virus that circulates naturally among mosquitoes and birds; certain species of mosquitoes and actually many different species of birds; that is the natural cycle; in a perfect world for the virus, the virus would never exit that cycle; it would just transmit between the certain mosquito species and birds; unfortunately, as the summer wears on and the virus is amplified, the amount of virus present increases and does spill out of that cycle; the virus will infect virtually any animal that infected mosquitoes come in contact with; that virus doesn't impact most animals; it does cause severe illness in horses and in people unfortunately; their program before West Nile virus arrived was centered on reducing mosquito numbers of the types of mosquitoes that cause great nuisance to people; these are primarily flood water types of mosquitoes; mosquitoes that lay their eggs right at the waterline in a wetland or sometimes in artificial containers like tires, buckets, and rain barrels, and then when rain falls, those eggs are flooded by the rising water level and that is when they hatch; there is another major group of mosquitoes that actually lay their eggs directly on the water surface in a raft; those eggs begin to hatch within hours of the deposition and those are the types of mosquitoes they find oftentimes associated with storm water management systems; they also unfortunately are the mosquitoes that transmit West Nile Virus here locally; to put West Nile in perspective, in the six years they have had West Nile transmission in Minnesota, they have seen 440 citizens of the State diagnosed with the West Nile Virus illness; that is a fairly small number compared to most of the other states in the nation; something he thinks 14 families who have lost a member would not discredit; causes an extremely severe illness; 2/3 of the cases are classified as West Nile Fever and that is an illness with symptoms from speaking with a number of people who have suffered from West Nile Fever, he understands it is the absolute worst flu-like illness that any of them have experienced; oftentimes will persist for several days, even a week, with horrendous headaches, muscle aches, great sensitivity to light and sound; vomiting, fever, just a horrible illness to have to undergo for up to a week; more severe forms, however, lead to encephalitis and meningitis and there is a case fatality rate of about 4%; that 4% comes from the 1/3 of the patients who suffer the very severe illnesses; in reality, roughly 12% of the people who develop either meningitis or encephalitis will succumb to this illness; definitely something they don't take lightly at their agency. Zeller asked if Johnson had any idea the number of deaths by region or by state from this. Johnson said that rate of approximately 4% of diagnosed infections holds pretty true from state to state; they have seen enough cases in all regions of the country that tends to be the case; have had 14 here in the State of Minnesota. Johnson understands they are developing and designing some rain gardens; in most cases when rain gardens are functioning properly there is really not a mosquito production issue at all; in some circumstances they have seen this with some of the older rain gardens around the Metropolitan area now that they can be clogged with sediments, organics, clay sediment will clog that pour space that is designed into the rain garden, but in the rain gardens the water is intended to infiltrate in a matter of usually 2-3 days or less; mosquitoes need at least five days to go from egg to adult and in most cases it is a little longer and if the weather is cooler, it can be as long as two weeks; in the rain gardens they have identified as mosquito producers versus rain gardens that have become clogged, they are generally the flood water types of mosquitoes, mosquitoes not necessarily as of great concern for West Nile transmission; however, in many other storm water management designs, there is an intention to retain some amounts of water as a settling basin for pollutants; due to EPA requirements to reduce sediment as storm water considered a point source for pollution; these designs are absolutely wonderful mechanisms for reducing sediment load but because of the design, they also retain large amounts of water and this is the type of water that is just an ideal setting for these types of mosquitoes that will lay their eggs right on the water surface, the types of mosquitoes they have locally that transmit West Nile virus; tend to design these features in developed area; these are the areas where they all live; they don't see these storm water structures in the more rural parts of America, they see them in the urban and suburban environments and small towns across the country; they are actually producing the types of mosquitoes that are involved in circulation of this virus right in their front yards; that greatly increases the risk for transmission of West Nile viruses in areas; once that cycle begins, when the mosquitoes are present, birds are present, and the virus is introduced to the area, it takes off and continues to grow through the summer and other mosquitoes that aren't capable of transmitting the virus to people will move into the area and become infected when feeding on the birds that are part of this natural cycle; they will take another blood meal maybe a week or two weeks

later when they are ready to lay another batch of eggs, and sometimes a person is the most convenient source for that blood meal; that is how West Nile Virus is transmitted. Livingston said coming in tonight, he passed the new giant pit in Lakeland at the corner of Upper 5<sup>th</sup> and CSAH 18 that he believes is going to be a storm water pond; asked if that what Johnson talking about. Johnson said this is potentially the type of structure development that can produce mosquitoes; some of the larger storm water retention and detention ponds have enough open water so that there is some wave action and that prevents mosquitoes from developing there; in some of the smaller storm water ponds and shallower ponds where vegetation can grow and create a stagnant pool of water, they will see mosquitoes in those types of habitats; also oftentimes associated with storm management ponds, retention and detention these days, a number of the developers prefer a system that allows for an overflow for these historically high amounts of rainfall; call risers that are basically like an overflow spillway in their tub/sink where there is a system that allows for that extra water to pour out of the site and back into another part of the storm water system; many of those actually have a trap to catch any sediment so they always have water at the base of those structures. Administrator said they are seeing a lot of green film on ponds that would seem to suggest to him the water is still enough for mosquito habitat; asked if they are spraying for that whenever they see that, or more important, what has it been like here in Lakeland. Johnson said they have a fairly extensive system of maps where they map wetlands and surface waters of all types including storm water management systems and they have also spent a great deal of time over the last couple of years locating, quantifying, classifying a number of these different storm water management structures he has been talking about including culverts, pond water regulators, risers, areas where storm water management is causing erosion that is causing pools of water; they are documenting all of those they can find; they conduct surveillance to determine if mosquitoes are using those sites and then when they do identify those sites that do produce mosquitoes they do visit them repeatedly; from his understanding from what exists today in Lakeland, they don't see a lot of mosquitoes from the current storm water management system and that is the case in many areas; they are seeing changes occurring rapidly with road construction; many of the developers, contractors that are involved in road construction have their favorite storm water management designs; many include these designs that do produce mosquitoes; constantly on the lookout in the storm water system. Zeller said all the communities, as part of their Comprehensive Plans, are submitting a storm water management plan; asked if that something worth providing him and having him take a quick look at it to see if he has any recommendations or suggestions. Johnson said absolutely; that is one of the reasons that this type of exchange is valuable to them as well as to our City; any information that they can get in a cooperative effort and provide in a cooperative effort and any control services and public education services they can provide cooperatively can go along with their efforts to deter mosquitoes; have interaction with watershed districts, the Metropolitan Council, the counties, the cities, the states all have different responsibilities in managing storm water; have GIS specialist who is involved in a local GIS board who is currently working on a project to document the entire seven county Metro storm water management system as well as bringing in the rest of the State; large network. Larsen said people hear him talk about coming in and spraying or doing work; was surprised to find out how very safe the chemicals are and how much they have been tested and improved over the years; asked if Johnson could say a few words about the types of chemicals they use and how it affects their environment. Johnson said the days of hooking a tank to the truck and driving down street after street and spraying out a fog are long gone; the fogging they do to kill adult mosquitoes is a supplemental part of their program; bulk of the control work they do is in aquatic habitats and they are not using chemicals to control those mosquitoes; they are using biological and hormonal control methods; they use a product called Bti; there are many Bt products that are approved for organic gardening and this is a cousin of those same bacteria; product that kills mosquitoes and a few mites and black flies and doesn't cause an impact at all to the other aquatic organisms so is very safe and extremely effective product to use. Craggs referred back to the Administrator's question, what is the frequency by which they would come out and spray; if they are asked that by a citizen, would they see him out here in the summer or one of his staff. Johnson said it's really an ongoing effort; they have people out everyday doing some larvae control and some adult mosquito control; they do spend a number of days here in Lakeland and what they have found is that the storm water management system to date has not been a great producer of mosquitoes; the other mosquitoes they are dealing with in aquatic habitats are primarily associated with wetlands and there are a great number of wetlands here in town; although as they are seeing storm water management including more and more retention and detention ponds and those are the types of habitats that they include in their visits; every time it rains they target certain wetlands to control those floodwater mosquitoes and then during the warmer dry periods, those are excellent conditions for these other West Nile type vectors; they call them Qx species; in between those rainfall events, they have an aggressive approach to control those West Nile vector species; certainly citizens may see them in the City; always welcome to call and ask for certain services to be provided; typically they will respond to those calls and will send somebody out to assess the situation and provide the control efforts necessary to provide relief. Larsen asked if West Nile disease a new disease; never heard of it before and it seems within the last five years it is new to their area. Johnson said the West Nile virus is a virus that developed millions of years ago; native to Africa, East Europe, Western Asia and arrived in the United States in 1999; in a matter of four short years spread from coast to coast; was an amazing learning experience and took everybody by surprise; no one expected this virus to move this rapidly across the country; has impacted a number of states tremendously with thousands of illnesses in many states. Livingston

suggested this word needs to get out to more governments; have a group in the Lower Valley of 7 cities and three townships that meets once a month; would suggest that he would make a very excellent person on the agenda of that group; asked if he would mind coming back to the area speaking to a broader audience. Johnson said they welcome every opportunity to educate at all levels; in speaking directly to citizens at their front door all the way to units of local government; accepted his invitation. Livingston said one other administrative detail is there is a County emergency planning and services board; happens to be a member of it; presumes most counties have these; one of the functions is public education and materials are made available; there are grants to cities that are made available in terms of infectious disease and other items like toxins, household poisons, etc.; in past couple of years they have been targeting the elderly with information; thinks getting this information out either through press releases, which he presumes he does, but also perhaps working specifically with maybe the counties in the Metro area where he said this is happening, certainly he would be very interested in taking it to Washington County to get more people at the levels where they can address more citizens; he is looking at it at a broader basis than County. Johnson said they do work very closely with the county health departments, county environmental services departments, and also the Minnesota Department of Health; education is one of the best methods to reduce risk for mosquito borne diseases because there are a number of personal precautionary measures that can be taken to greatly reduce the likelihood of coming in contact with one of these viruses; again, they welcome any opportunity to piggyback their message on another effort; they say they are targeting some messages to elderly; West Nile virus is a message they constantly strive to drive home to that same age group because older citizens are at greater risk for developing the most severe forms of illness related to West Nile; perhaps they can speak to attempt to deliver their message along with some of the messages they are working on getting out. Livingston said this is 10-city pilot program right now, Afton being one of the cities down here; asked how many ponds they are putting in on this project, reconstruction and Plaza. Zeller said on the Plaza itself there are four and two on the road; they aren't all wet though. Livingston knows the big one out here is probably way too deep and too big, that's going to have waves on it; asked if there are, in Johnson's opinion any risk areas or risk design the ponds they are now putting in.

Dave Simons, SEH. Said for the most part the ponds as part of this project are not going to be infiltration ponds; intent is to make use of their sandy soils they have down here to infiltrate the water because as they might notice, they don't see a lot of standing water during the summertime down here because of the soil; what was being referred to here earlier is what they might call wet ponds or water quality ponds; typically those would be located at the downstream end of a conveyance system before the water goes into a water body; in this particular case, they are not discharging any water, for example to the St. Croix River, it's all being self contained on or adjacent to the site; would be surprised if they would have much standing water out here for any length of time unless they have ponds that need to be cleaned or something to that effect; this is not the kind of project where they would see large wet ponds with water standing for long periods of time. Livingston said what he got out of what Johnson was saying, and perhaps he is wrong as he knows absolutely nothing about infiltration systems or anything else, but what he understood was when they were pretty sloppy about their storm water management, waters and polluting them and they didn't get West Nile; now they are doing manmade artificial things to prevent that, a good deed in itself and if they don't watch full stages of development of those things and have people like Johnson available as consultants on projects, they could be doing as much harm in a different way as good it is in one way; in addition, they want to raise people's consciousness; this came as a shock to him and he thanks Johnson for that shot; wish they had it a year ago so it could become a formal part of being able to say the ponds they are putting in now are not likely to produce this; scares him a little bit; thinks that is part of his job and thinks he did it well. Johnson said just to reassure them, the feedback he has received from his staff who do spend quite a bit of time working in town mimics what the Simons has mentioned that they don't see standing water in this area for great lengths of time because of the sandy sub soils; would like to reiterate one more time that they are keenly aware of areas that do retain water and for those who are new, those associated with storm water management, they appreciate notification that they have been installed so they can get them into their system and react every time it is necessary to go to those locations to control mosquitoes and thereby reduce the likelihood they make it to adulthood and transmit disease. Larsen asked if they have a large body of water and it sits, do they stir it or is there something they can do to keep the mosquitoes from breeding there; knows they don't spray near any of the river ways; asked how they take care of that and is there anything they can do. Johnson said each situation is unique, but in general, if a body of water is open and the wind is allowed to create some surface action, any type of wave action at all, it is generally not a good habitat for mosquitoes; to clarify one more time about the treatment of these wetlands, the material they are applying is a dry granular; it is approved for fish bearing and non fish bearing waters; there are areas along the River they do treat with a granular material to kill the mosquitoes but generally not tied by surface water to the River, but through ground water flow; they are treating riparian wetlands; they are great habitats for nuisance mosquitoes. Craggs said to take heart to what he said and based on what the other CC members have said, it seems they should transmit the plans for the CSAH 18 project to him; asked if he would like a map of what is being designed so he will see these storm water detention pond locations. Zeller suggested they will send him the entire plan. Administrator referred to slide show Johnson had they didn't see; asked if he wanted to send to City Hall and they will get it out to everybody. Zeller also suggested sharing with neighboring communities.

7. FUTURE SURVEYING PROJECTS (*refer to Agenda Item 10 below*)

8. RESOLUTIONS RE – BONDING (*refer to Agenda Item 3a above*)

**9. PURCHASE OF USED 2005 ¾ TON, 4-WHEEL DRIVE PICKUP TRUCK FOR THE PUBLIC WORKS DEPARTMENT**

Zeller asked Livingston if he would chair the discussion, as he would like to abstain from discussion and the vote. Livingston said they had their meeting a couple of weeks ago; a proposal came forward from the Public Works Director and Administrator to purchase a used 2005 4-wheel drive pickup truck, believes a Ford, as an additional truck; must qualify that in saying the oldest truck in the fleet is a 1970 that is not in really good shape; while it would give them another truck, he really doesn't know for how long; price on it as was presented to them is higher advantageous for a very obvious reason, gas prices; this is a large engine truck and gets lousy gas mileage; they need this type of vehicle and need it outfitted with a v plow so they can do the smaller streets for snowplowing, do them more effectively; possibly if they do a deal with Lakeland Shores, doing many of their streets with this and therefore will be both a cost setter and revenue producing unit; recommendation is they authorize the purchase at a price of \$16,000; from what he has heard, it will be with the additional employee coming on because of the snowplowing and parks work, this will be a very good use of resources available to them; put forward as a recommendation to approve. Larsen wanted to clarify that the cost of the v plow is not in that \$16,000; that will be an additional \$4,000-5,500 estimated; truck they are currently using is questionable; did some research too and found the price for this truck with these miles is actually very good; would speak in favor of it knowing their Public Works department is growing, thinks this wise investment at this point in time. Craggs wanted to follow up on the clarification that Larsen made as it relates to the new plow; asked if they were then looking to purchase the truck only this evening or the plow also. Administrator said they are purchasing the truck this evening, and if they find a suitable plow at a good price, they will see it in August; wouldn't be any more than \$5,500. City Attorney said for purposes of record, noted that about 8:05 p.m., CC member Glasgow joined the meeting, so will have a five person vote as opposed to a four person vote; wanted on record there is a reason for that.

**M/S/P (Larsen/Craggs) to accept the recommendation of Staff to purchase a used 2005 ¾-ton Ford 4 wheel drive pickup for the Public Works Department at a cost of \$16,000, not including the v plow.** Niedzwiecki commented as the funds are available and intention is to pay for this in cash from the line item City Vehicles in the Long Term Improvement Fund; have been building that fund for this type of purchase over the last 4-5 years; currently have \$21,000 in the fund, plus they have \$4,000 that will become part of fund in 2008 at some point in time. **Glasgow, Craggs, Livingston, and Larsen voted aye. Zeller abstained. Motion passed.**

**10. 2009 STREET IMPROVEMENTS ENGINEERING ESTIMATES (*includes Agenda Item 7 above*)**

Dave Simons, SEH. Wanted to fill in for the City Engineer tonight; referred to result of request by Public Works Director Gilles to start looking ahead to the 2009 Project really for economic reasons; two reasons they wanted to bring this estimate forward at this time; first of all have surveyors in the area on a routine basis with the CSAH 18 project and they will have to do some surveying for the 2009 Streets Project; they can take advantage of the fact they are here in town and save some money in terms of travel time if they get started on that; would propose to use them when they have a break in their schedule and get the other survey work done for the Project; second reason they are bringing this forward at this time is it puts them in a real good position for the City to get bids on this project at a very economic time of the year which is essentially the winter; if they can get bids on this project this winter instead of waiting until spring or summer of next year, they know from history probably the months of January and February are the best months to take bids; if that holds true again this year, these would be a couple reasons to go forward with this and why the Public Works Director asked them to bring this forward to them for their consideration at this time; streets on the schedule to be done this year are 2<sup>nd</sup> Street North, both east and west of Quality Avenue (cul-de-sac streets), Upper 2<sup>nd</sup> Street North just across from Humphries Park on the east side of Quality, and then also includes design of assessable parking space and access trail to proposed play structure at Humphries Park; these streets would be essentially reclaimed similar to their other projects they have done; they are in quite poor at this point and there is also some drainage and erosion issues on 2<sup>nd</sup> Street North on the west side of Quality, if they are familiar with that area, has a low point where there always seems to be standing water in the winter time when the ground is frozen tends to be a big problem; pavement is breaking up in that area; they have had much maintenance costs trying to keep that area safe; streets on east side of Quality are relatively steep, have a steep grade, so proposing to look at the possibility of curb and gutter on those steeper areas to try to keep the water from eroding away along the edge of the road which it currently is doing; this project is in the City's long term improvement plan, total cost of project including construction and drainage improvements and engineering has programmed to \$225,379; this estimate for the design services would be part of that cost that is the City's capital improvements program, but does not include cost for playground equipment but the connection from the parking lot to play structure is what would be designed as part of this project. Zeller has more procedural question than anything; recently his phone has been

ringing on a couple drainage issues or erosion problems and residents, one of their contentions, is it is the result of a recent street project they did in front of their property; on the backside of a project, the money has been spent, the reports generated, the work was done; asked process to go back then and review the project is there are some trouble spots that popped up. Simons would recommend first of all the issue is forwarded on to the City Administrator, and he believes this is something that engineering or public works should take a look at; they would like to take a look at exactly what the issue is because it could be several different things coming into play; if there is some defect with the project, their projects do have a warranty, the contractor provides a warranty to the City, so if it is warranty work, they certainly want to get it taken care of while they still have a warranty; the other things that might come into play perhaps for example on some of their projects they seed next to the road and if that seeding doesn't take right away, they do sometimes get complaints on that because there could be erosion; that is something fairly common; just takes some time for that grass to get established so it holds the soil; several different answers potentially to that question but thinks procedurally probably what he would recommend is if there are complaints like that to forward that on to the City Administrator and he will forward so it gets to the appropriate staff member; if warranty issue, they will jump on it right away to make sure it gets taken care of while they still have the warranty in place. Administrator said one of the things they are willing to do is on page 2 they are going to start doing a project team meeting before they start the project; thinks one of the issues in the past has been what are the expectations, when is it scheduled, how is the cost going to allocated, so they have a better breakdown of the actual expenses; what they have here is \$21,000, but exactly how does that break out for surveying the rest of that; thinks one of the things in an effort to get them more information, Gilles, he, Larsen, and one other CC member (haven't really gone through the details of that) will sit down with SEH and walk through this and break it down so that they have more established lines of communications if some of these things happen; at the end which isn't on here obviously is they will have another project evaluation; thinks it good to give a performance appraisal so to speak to their engineers in terms of that; that's the time really to bring up some of these things they already see; one of the things they tend to do is have a street improvement project, they go out to do it, and they really don't see much or have much contact; in some cases in two months they will have two meetings and there really isn't much time to talk about it; thinks what they will do with this project teaming, they will try it this time around with at least Larsen, himself, Parotti, Simons, and Gilles and see if they can't get a little better communication not only just in sense where the dollars are going but so they have more information in terms if they get those kinds of phone calls who it goes to so they can react a little quicker; kind of what they are doing in a sense over on CSAH 18; there are weekly meetings; Gilles sent them an email on how things are going and he thinks that has been pretty helpful and if they need to go to the website, they can go to the website of the County and get more; frankly would like to see more of that on their street improvement projects; a weekly update, where they are, any problems they are going to see; thinks getting on top of it at the beginning and trying this project team approach which he has used in other communities seems to work pretty well in that sense. Zeller said one of those instances they did discuss and it is just occurring to him they are within their one year warranty period on that [Jeff and Theresa Hines]. Administrator said they have been out there working with Jeff and Theresa; thinks Parotti and Gilles out there this week or last; they have been very good about that; they told them there needed to be something done; they have the contractors here and a sensible time to do it is when the contractors are here which would be less expensive than having them come back and do that; will double check with Gilles to see where they are on that one. Zeller said relative to their fiscal policy, their fiscal review, does he see going out for 2009 work conflicting with anything he is doing. Administrator thinks what he has done just to be sure is taken a look at their schedule; engineering agreement they had from 1988 with no schedule of costs on there at all; now he has a schedule of costs and he checked based on what the League of Minnesota Cities has, and like their Attorney's fees, it tends to be a little less per hour than some of the other city engineer costs; needs to get that to them because they will need to approve; really don't have a suitable engineering contract at this point in time with all the caveats in there; City Attorney and he received a copy from Simons and they will go over it next week or so to see what they have there as well; doesn't see any problem with this in terms of 2009 project at all; would like to try this project team thing and get them more information; what he has seen so far here is in essence once they have it, they really don't see it until there is an end result; thinks there needs to be more communication along the way as far as that goes, plus thinks it would be helpful in talking to Gilles to have a presentation of the capital improvement plans so they see where everything is and where it is going; will do at a work session; hard to approve something when they don't see where it is all headed but they do have a capital improvement plan; as Larsen knows it is very well documented but they just need to get it in front of them; if Zeller would like to be part of that project team, that would be find with him. Craggs asked since they listed it on page 3 as an estimate proposing work on an hourly time and materials basis, wondering if there is a problem if they limit it and put a maximum 'not to exceed' number. Administrator thinks that will be fine and they will go back as a project team and split out the costs of preliminary surveys, what the design is going to be; if they have a cost of not to exceed \$24,950, that won't be a problem getting surveys done; if there is anything different they will come back to CC.

**M/S/P (Craggs/Larsen) to approve the engineering costs for 2009 Street Improvements engineering, up to \$24,950, per the memo dated 7/10/08 from SEH.** Niedzwiecki thinks one item they have capability with SEH account system to provide separate invoices including the maximum cost. Simons said that is no problem to do that. **Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Passed unanimously.**

## 11. CITY STAFF REPORTS

### - Administrator

Statewide transportation plan for the State of Minnesota is going to have an outreach meeting in Eagan Community Center July 22 from 1 to 4:30 if anyone is interested in what is happening in the Statewide transportation plan; group for spending the ½ cent sales tax is getting ready to have a representative; for certain, the mayors of Stillwater, Woodbury, Lake Elmo, Lakeland Shores, and a councilwoman from Oak Park Heights have applied for it; Zeller will be on the committee that selects the representative in a couple of weeks; received notice of planning commission for Washington County and doesn't know how they handle these; this one is for Horizon Wireless and at Tower Asphalt; conditional use permit and they are going to put up another cell tower out there at 135'; normally in many cities they just give it to the PC and they take a look at it and decide if they really have any input to decide; this one due July 22; doesn't know procedurally how they want to handle those - whether they in the past made comment at their planning advisory commission; whether those kinds of things should be forwarded to the PC to look at, comment, and get back to them or if it makes any difference. Zeller thinks generally speaking their procedure depends on the severity or the impact of the project proposed; in this particular case, his own personal feeling is there is minimal or no impact to Lakeland, so doesn't think they need to be too vocal or too involved. Administrator thinks in handling in the future maybe what they should do procedurally is just scan these, distribute, and get comments back and if they have time let the PC look at them as well too; sometimes what he finds in other communities is what you think wouldn't be an issue tends to be an issue at some point in time and people tend to ask why didn't they even look at it or discuss it whether or not it seems to have any seeming effect on it; doesn't want to put them in a situation where they haven't seen it and he hasn't forwarded. Zeller said Alliance does a good job of bringing issues that are significant to the forefront as well; thinks combination of scanning and forwarding one method and then continuance in the Alliance; does think on this one there is minimal impact to their community. Zeller said for what it's worth, he did talk to this Horizon gentleman several months ago; they currently have a policy where they do not have cell power on their water tower; thinks that is a mistake; these generate a nice little source of revenue; he indicated if they had a hard time finding a site that maybe Lakeland would revisit that restriction; would be the only reason they might be curious to see what the outcome is if they are declined for some reason and then maybe there is opportunity for Lakeland to look at a little bit of revenue by allowing that on their water tower; on Tower 2, their agreement with the landowner prohibits them from doing that, but on Tower 1 it does not. Craggs remembers having this discussion about the second water tower at the CC level and deciding at that time based on the arrangement associated with working with the landowner that they agreed, and thinks it is part of the formal agreement, not doing that on Tower 2. Zeller interrupted they did, they are prohibited on Tower 2, not on Tower 1. Craggs continued he was just suggesting there was some discussion and rationale behind that, and thinks they might want to revisit the history associated with Water Tower 1. Larsen said it seems to her when they put up Tower 1, there was issue with West Lakeland Township. Zeller said candidly it is fair to have a tower there that has the visual impact it has versus putting up a freestanding cell phone tower – makes sense in his mind. Administrator said revenue can run anywhere between \$11-21,000 annually. Zeller added that is per user. Administrator can recall when they built a water tower in Anoka they had 12 of them attached to it at about \$18,000/piece and pretty much paid their bond that way. Administrator said only other issue he had was in conjunction with Niedzwiecki is that they had a short budget report and they went over it on July 8; their thought is they will need to approve a preliminary levy obviously by September 14; asked if they wanted a separate meeting for that in August 5 from 4:30 to 6:00 to finish it out and approve it on the August 19 or are they comfortable enough with where they are headed to do it at 6 p.m. on August 19 and move it to CC; thinks normal feedback they have received is it is better than it was – can they make it any better; that is what they are attempting to do at this point over the next month; can be honest with them and say it will get a little better, not much better. Staff advised August 12 is just public hearing in regard to Plaza; PC is still meeting August 5 for their regular meeting. Administrator suggested 4:30 p.m. on August 5. Niedzwiecki would have problems meeting at 4:30. Staff thinking CC members would do well to be at the public hearing and that they might do it after that, on August 12. Zeller suggested doing the workshop at 5:30 on August 12. That is better for Niedzwiecki. Consensus to set for 5:30 on August 12 since they have to be there anyway. Administrator will see if he can get the CIP on there too. Craggs had question and thought for Administrator; over the last couple of months they have had a handful of noncompliance issues relative to some different zoning situations; was looking for some type of update and doesn't know what the appropriate forum is for that and obviously doesn't want to get bogged down in the details but there are a couple zoning non compliance issues that have been outstanding for multiple months. Administrator asked him which ones he had in mind. Zeller just wondering if Administrator could generate an update for him. Craggs said that is the reason he brought it up the way he did. Administrator asked if he was speaking to the Mau issue; asked him to email him with what he needs. Craggs just think important for closure for several of them on a couple of those issues so they understand where it sits; some of them have been outstanding for a significant period of time. Zeller thought Mau in his update. Administrator said he would be happy to update him again; if they have other non compliance issues, he should email him and update. Craggs said it is just for informational purposes since they are not addressing them at the meeting and it's not part of the Staff presentation, he would like to have something.

### - City Attorney

The only thing he would mention since the comment was just made relative to the Mau situation is that it is in litigation and pending; if the CC wants additional update, they can schedule a Closed Session at an upcoming meeting to discuss where it is in the process; would be happy to do that and also be happy to provide a written report although those things that do need to be confidential won't be disclosed in writing and will be discussed in Closed Session; if Craggs would like that to happen, they should communicate with Administrator and he will set that up. Zeller said why don't they say anything they are in litigation on; maybe they can go into Closed Session for an update because they are still with the DNR and Sierra Club; zoning issue resolved a while back over by the school; asked they put that on the agenda for August.

- Clerk

Just to remind them that elections are coming up and training is in full swing; City of Lakeland will have two CC seats and the Mayor's position open; at the end of August, she will send them an email as to when filing opens for those positions for the City. Zeller asked if they could place an article in the newsletter so that anyone who is interested in filing can do that.

- Engineer – no report

- Treasurer

Would like to do mid-year report that will take probably five minutes. Zeller said he has told Niedzwiecki any time he needs more than five minutes he wants him on the agenda, not just to sneak in a report; his information is critical so they have to make sure they are budgeting enough time for it; will give him 6.5 minutes tonight. Treasurer went down the list, General Fund \$405,000 of revenue, page 2 of current month has receipts at bottom of \$405,802 primarily General Property Taxes for the current year and then they collected some property taxes for prior years; also fiscal disparity tax levy; those are all coming in as expected; turning to page 9, they collected \$12,000 from prior years; what was for 2007, they collected \$11,354 of the \$12,369 that was delinquent so now they only have \$1,000 left in 2007; thinks that excellent; delinquency remaining .1%; back to page 3, Administration and Finance, there is a new line item there called City Administrator; talking over the last few months about reconfiguring their financials to have Administrator a separate item; moving down into General Government Other, the big item there are 2008 assessment fees from Washington County came in at \$8,884 combined with some of the tax levy reports and miscellaneous they are right on budget. Zeller asked regarding 43125 on page 5, Snow & Ice – Washington County contract annual budget \$31,550; assuming some of that is going to transfer to their new fund created for snow plowing [Washington County Contract \$11,574.20 YTD]. Niedzwiecki asked they look at the revenue budget and revenue items, looking at Snow and Ice levy current year, they levied for as part of the general fund budget \$34,500 which covered the Washington County Contract and the mobilization fee, so total net budget for Public Works is 0.00; made budget transfer into this fund both in terms of a revenue item, they will be splitting part of that General Fund and book it as Public Works and spend money out of that. Zeller asked if safe to assume that as he is doing this he is making journal entries so that when they are doing their audit there is a clear descriptive trail for someone to follow. Niedzwiecki said everything he has changed he has made it very clear in QuickBooks; they will also see a number in the revenue section under 31651 Snow & Ice Levy – prior years for \$60,266.77; came from line item in Long Term Improvement fund that they have been accumulating over the years; can be used to buy trucks and if they have excess it just stays in this fund; in future they will have a Trucks & Equipment fund; they no longer accumulate funds in the Snow & Ice Long Term Improvement fund; any accumulation of funds would be Public Works funds; when they do the final budget for this year and for the preliminary meeting, August 19, he wants to have the budget in the new format; looking at Public Safety on page 3, there is nothing for Police Protection yet; Fire Protection bills quarterly so current on that; probably the next time they get this report, account 43100 and 43101 will be out of there in Streets and Drainage; will be in public works fund in Streets section; Streets section will probably have some engineering in it; negative number in the garbage and clean up day; still waiting on invoices; have receipts and have had some invoices from Maroney but haven't received all invoices from all the vendors yet; last item he was going to point out is 50 other financing users (transfers out) of \$14,327.50; that is ½ of their Water Debt Service for ½ of the City subsidy; page 4, Special Parks they have spent some of the money for play equipment for Humphries, and he created a new account 45257 and they spent \$8,655 so far in that; page 5, Fire Station Debt Serv. routine – in June and at end of year they allocate ½ of debt service levy into that fund; Fire District does have authority to ask for funds more often but with structured cash flow they wait until all the cities claim both halves of their levy; water utility fund routine; water construction fund routine; water debt service fund they take as revenue; charge Debt Service Fund for fee for Special Assessment billings from Washington County; Building Inspection fund routine; Long Term Improvement fund City Administrator had opening balance of \$3,000 so that actually shows up; everything is just reallocated; item in Economic Development the Administrator provided detail of hours spent on Comp Plan so charged some of his time to Economic Development; in answer to Zeller, the Water Tower Construction Fund has its headings; multiyear project and they are still incurring some expenses; incurred \$1,351 for ongoing testing warranty; main construction 44101; spent \$565,869.80 – their budget was \$694,357 so came in under budget; engineering was a little tougher because they had a budget, spent budget and then they are now in the contingency section of engineering and testing; two places they can find how much money they make – one if the project life to date bottom line \$527,573; going back to page 1 - 605 Water Construction

fund balance 6/30/08 \$527,573; that is how much money they have in that fund; some of that is designated for the rehab of Tower 1 which is approximately \$300,000, but that money, because it is being funded by water revenue is obligated. Zeller understands and is not suggesting they would try to capture that money, saying they do have a bond out there and if this money isn't going to be spent they would pay the bond down. Niedzwiecki said they could do that; looked up when it is first callable probably 2011 but one other possibility would be to use these funds for the water share of 5<sup>th</sup> Street Realignment, the water main work - \$30-60,000; Gilles and he did talk about this once if they needed funds; thinks the first plan would be to just take it out of the regular water utility; have some options there. Livingston said they have talked several times over the last few years about attempting to separate out the City and the water utility; would still like to have that as a goal; joint powers deal. Zeller said to answer his question is not a simple answer; knows what he is saying; he would like to see an annual budget for the water department and he concurs; isn't something they really review or they are active in and thinks that is where he is going. Livingston said assuming a comment he made a year ago and the same answer; unacceptable – doesn't care if he is more involved in it, would just like to see a budget in the same format or as close as possible as they use for the City but separated so they take a look at it. Glasgow said one comment, Niedzwiecki is pretty passionate about the budget and they give him the time he needs, but thinks they need a 'not to exceed.' Craggs suggested having a work session on the Water Utility and Zeller had suggested that a couple times; to help formulate basically the budget in a form they can find user friendly; suggesting whatever he thinks appropriate but to him that would be the best way to address it. Zeller thinks they have the data; asked if Niedzwiecki would supply the data and then they are having a budget workshop so if they want to touch on it during that workshop that would be the time. Craggs said from his perspective to some extent it is a formatting issue; putting it in a form they can read and understand; consequently no criticism to the Treasurer because he is sure he is doing this per what is required, but seems to him would be clearer if they put in format that is comparable to their City budget.

## **12. COUNCIL MEMBER REPORT/Craggs**

In the Lakeland update just to provide a brief overview that the Administrator outlined numbers 3,4, and 5 talked about recent activities as it relates to the Parks; would encourage them to take a look at that; also in their packets was a letter that the Administrator drafted in response to the LMCIT review of the Parks as it relates to risk; whole series of issues raised and in conjunction with a lot of the issues they discussed in the past including signage; have been meeting every other week – the Administrator, himself, Gilles, and Klein and actively address the particular issues that were raised in the report as well as moving forward with the Humphries Park playground equipment installation that is scheduled for week of July 21; last Saturday, contractor basically provided some of the initial clearing and/or some of the groundwork that needs to be done, excavation work, so the equipment can be put in. Zeller said along with Parks, the question was raised about the five communities each contributing some money for trash pickup along the bike trail; haven't had an Alliance meeting yet where that has been addressed but assuming all the communities are on board with say \$500, who can logistically handle that; is that something they have staff or resources to facilitate – collecting the trash and getting rid of it. Glasgow suggested talking to Sentence to Serve before they spend the money. Administrator needs to get on the agenda first and see what they want to do; will email Kopesky. Zeller said when he polled the neighboring communities, they all acknowledged there is a problem with trash along the bike path and a willingness to participate in the cost but then they have a logistical issue of who is going to do it and where is it going to go; seemed pretty simple solution to fund it but haven't been able to get it any further than that. Administrator said what it will probably take is someone to collect the \$500 and then work with Sentence to Serve and go down and do it, or even hire Teens for Christ to go down and pick it up. Craggs said in conjunction with what they mentioned, they will basically have to fund the purchase of some type of trash and recycling receptacles; that is other piece of it; needs to be some funding from some source to do that and multiple types of containers won't be cheap. Zeller thought there was some discussion that a citizen had already donated trash receptacles that weren't being used by the school and donated to the school; in her review of it didn't appear they were being utilized so the question was is that something they could utilize for receptacles. Administrator said it has been tough dealing with the school issues this summer because there is no one really to deal with; that is something they can talk to them about. Livingston asked regarding Parks whether they have gotten any further on lights. Administrator said they have; looked at solar lights somewhere between \$3,000-3,500 but what they are looking at now is working with Xcel to position the light a little closer to the parking lot; in the plan and something they are going to do in conjunction with the Park project itself along with trying to get the paved path in there and everything else. Craggs said Gilles has been directed to obtain costs from Xcel; from their discussion, they thought that most cost effective.

## **13. COUNCIL MEMBER REPORT/Glasgow**

Along with Parks, has anything been done with lighting in Cully yet; knows they have a light that isn't used in Cully now that could be moved; noticed no complaints coming in on Cully and thinks due to Washington County once again; the guy who calls him constantly when there is someone in that lot hasn't called, and he has driven by late at night and there is no one in there; thinks strictly due to Washington County presence there and they have been very diligent in checking the Parks over. Administrator knows the Staff sees them almost every day. Craggs said because of the concerns raised, he

talked specifically this evening with Deputy Wick and he said over the summer he hasn't seen any problems down at the park in terms of activities he thought inappropriate. Glasgow said there was no Cable meeting this month; did have meeting with Senator Coleman's campaign staff and they are looking into the fire department taking calls up on I-94, so they will get involved in the issue hopefully.

**14. COUNCIL MEMBER REPORT/Larsen**

AARP Driver Safety Program offered by Jack Ross mentioned. Staff has been taking reservations for the *55 and Alive* insurance class and asked her if full. Wallberg said she has 26 people and he can take 30. Larsen reminded it is from 5:30 to 9:00 on July 28 and 30; by State Law you have to be given a 10% discount on your car insurance so if you take it you will benefit from it; had a couple meetings with Gilles about the roads.

15. COUNCIL MEMBER REPORT/Livingston – no report

16. MAYOR'S REPORT – no report

**17. ADJOURN – M/S/P (Glasgow/Livingston) to adjourn at 9:18 p.m. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed unanimously.**

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**Brian Zeller, Mayor**

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**Kate Piscitello, Recording Secretary**

**CITY COUNCIL MEETING**  
**July 15, 2008**

**COUNCIL MEMBERS PRESENT:** Bob Craggs, Richard Glasgow (8:05 pm), Peg Larsen, Robert Livingston, Brian Zeller

**PC MEMBERS PRESENT:** Chris White

**STAFF PRESENT:** Mark Nagel, Tom Niedzwiecki, Nick Vivian, Chris Wallberg

**OTHERS PRESENT:** Al Bergevin, David Drown (Drown Associates), Dave Simons (SEH)

1. **CALL TO ORDER** by Mayor Zeller at 7:02 p.m.
2. **PLEDGE OF ALLEGIANCE** was said.
3. **CONSENT AGENDA** – Craggs asked Agenda Item D pulled. **M/S/P (Larsen/Craggs) to approve Consent Agenda Items A, B, C, E, and F. By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**
  - A. **Minutes of the June 17, 2008 Regular city Council Meeting**
  - B. **Treasurer's Report**
  - C. **Bills to be Approved**
  - E. **Public Works #1 Position Description**
  - F. **Appointment of the following Election Judges for the September 9, 2008 Primary Election and November 4, 2008 General Election:**

**Bob Behrman**

**Jim Gilles**

**Kathy Jerry\***

**Cecilia Martin**

**Gloria Phillips**

**Chris White**

**Ruth Ann Brunckhorst**

**Theresa Heimann**

**Sharon Lee**

**Harry Martin**

**Kate Piscitello\***

Agenda Item D. Craggs asked this pulled due to significance of Plaza Redevelopment Program to the City and having timely public input; just wanted to request that steps associated with process, the overview, be conveyed in the record verbally and would ask the Administrator do that. Administrator reported the PC met on July 1; have copy of report he feels very detailed and well put together; what they will be doing this evening is accepting the preliminary review that the PC did on the Plaza and establishing a public hearing on the matter; that is set for August 12, 2008 at 7:00 p.m.; the PC will make recommendation to the CC after that meeting, and on August 19, 2008 at the regular CC meeting, they would address whatever issues remain; suggested putting a short article in the newsletter to insure they get that information communicated; as they can see in the listing, there are some things that need to be completed before then, and they will obviously be working on that over the next month or so; at that point, CC will see it on August 19; hopefully all of them will have seen it so they can shorten the process and not have a full presentation at that meeting; number of issues to address and Bednar (PC) has brought up one in terms of the word 'variance;' little confusing in there but thinks the planners answered that adequately; in terms of codification, they have been making a list of things they need to change once they get the Code; obviously working under the old Code; that is one of the text amendments among many they will have to address at some point at PC. Craggs would add that one of the recommended steps is that a neighborhood meeting with residents to the west of the Plaza be held prior to August 12; asked if that is still something that is planned to be done if it hasn't already. Administrator doesn't know that it has been done; something the applicant was going to do; assumption is they are just waiting to set up a public hearing so they actually have the next step in place. Zeller said it was not a condition but a recommendation as he recalls. Craggs just wanted it clarified applicant has agreed to do that.

**M/S/P (Craggs/Larsen) to approve Consent Agenda Item D. Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**

- D. **Acknowledgement and Adoption of the Planning Commission's acceptance of the preliminary review and Approval of the overall design for the General Development Plans for the Lakeland Plaza Shopping Center Planned Unit Development, and setting a public hearing on the matter for August 12, 2008.**

**3a. RESOLUTIONS RE: BONDING** (Refer to Agenda Item 8 below)

Administrator asked this be next on agenda.

David Drown, David Drown Associates. A week ago the CC and he spent time reviewing costs associated with public improvements around the Plaza shopping center; generally speaking, they are talking about a project cost and bond issue of over \$600,000; consensus of the group at that time was to follow his recommendation and plan to finance this project not conventionally but utilizing a program put together by Minnesota Rural Water Association; he calls it a cool bond program; the way it works is instead of having cities across the State of Minnesota each do individual bond issues, what

the program intends to do is coordinate the borrowing needs of many communities for one bond issue issued through this group; helps controlling the issuance cost, but greatest benefit is those cool bonds can be sold at a much better credit rating than the City could on its own initiative; bottom line is they expect the City to see an interest rate savings of probably .04 of a percentage point; when you are borrowing hundreds of thousands of dollars, that amount to quite a bit of savings; they are back this evening with two action items for the CC to make that happen; first would be a resolution approving a joint powers agreement; the way this program works is the entity that issues these cool bonds is actually structured as a joint powers organization under Minnesota Law; if you want to borrow money through the program, you would have the necessary privilege of becoming a member of that group, so in order to be able to borrow money through this program, the City needs to become a member of the joint powers organization; this resolution would accomplish that and would designate the mayor as the City's representative to that group although if they want to change that tonight, they certainly can; no obligation to mayor to attend meetings, financial costs, so he can be as involved or uninvolved as he wants to be. Zeller asked City Attorney that typically their resolutions are numbered; asked if they would still do that. City Attorney thinks they would change formatting a little bit; they have an extract formatting some cities utilize; Lakeland doesn't, they just attach a number; Drown can email resolutions over and the Clerk can put in City's form. Administrator said this is also final review of the joint powers agreement as well. Craggs asked that by being part of the joint powers agreement if there a fee associated then with the bonding itself if they choose to go forward with the bond. Drown said by being members of the joint powers agreement gives them the unique right to borrow money through the programs sponsored by this entity; does not obligate them to do that, but if they pass the next resolution, they are certainly strongly going in that direction.

**M/S/P (Livingston/Zeller) to adopt Resolution 2008-27, a resolution accepting a Joint Powers Agreement authorizing the issuance of Bond by the Joint Board and appointing a delegate to represent the City, that delegate being the mayor, subject to review and formatting by the City Attorney.** Administrator said he would like to add subject to review and comment by the City Attorney both on the resolution format and the joint powers agreement. **By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-27 adopted.** Drown continued the second item would be a resolution authorizing the issue of approximately \$660,000 general obligation improvement note; this could be the CC decision to establish the intentions to finance this project through this program; normally when the CC is presented with a bond resolution, they have a binding proposal in front of them for specific interest rate and price of bond issue; that can't work that way with a program like this because they have other communities that they can get their borrowing needs figured so everyone can go together; the way this works is that each borrower is asked to approve the borrowing of their money through this program; when all this is done, the day is picked for the one big bond issue to be priced and that is probably September 1; on September 1, everything gets finalized, the most important item being what's the interest rate on this bond based on whatever market conditions look like on September 1; this resolution a bit different than normal; one it is a little skinnier, this one is less than 20 pages and usually 30 pages; has some ambiguity in the language that he won't highlight but pointed out important points; at the bottom of the very first page, it talks about a dollar amount of approximately \$660,000; what that means is when interest costs, they may have changes they want to make in terms of the final amount of money they want to borrow; this resolution gives everyone some flexibility to change the number down somewhat, so that the final dollar amount is properly signed. Zeller said this CC's preference generally speaking is to have a 'not to exceed' number; asked if he saw any problem with them incorporating some language there if it was \$680,000 or \$670,000, whatever the CC is comfortable with. Drown thinks that is okay; would prefer they not necessary ask Briggs and Morgan to change the language of the resolutions, but if they wanted to establish an understanding of CC that they wouldn't move forward if the dollar amount went above a certain level; agrees with concern. Administrator said the only thing he would add is the only reason it would go up is because if he recalls from the work session, he is having Staff put together their numbers in terms of time so they will be reimbursed for that; Gilles is also looking at the numbers to make sure they are correct as well too; if it goes up, it will only go up because they will be recovering their costs and anything else. Zeller's only concern is with the language approximately relative to the interest costs; if something extreme were to happen in that market, he would want to be back revisiting the issue. Administrator asked if he would be comfortable if it went over 5% they should be back to CC. Zeller comfortable with the statement he made and the comment Drown made; doesn't know that they need to pin it down that much, but just a general understanding that if costs escalate quickly, they would like to come back and talk about it. Drown said a similar item can be found on the second paragraph where they formally designate the mayor as the entity to accept the group's offer; what that basically means is when pricing takes place on September 1, there will be a proposal to buy the City bonds at a certain interest rate. Zeller asked where they are approximately on current interest rate, 4.75%. Drown has a feeling if they were to do the deal today, he would expect an interest rate of 4.35/4.40% or something like that; leads him to page 3 they will find a blank on the second paragraph talking about an interest rate on the note that can't exceed a certain threshold; if they were to put in what he thinks today's rates are, he would say they are 4.35%; when they price the bond, if the interest rates have risen a bit and they end up getting a proposal at 4.50%, the mayor wouldn't be able to move forward without getting this group together; intention is to provide margin for market movement; his suggestion is they look at a limit somewhere in range of 4.75% and maybe as high as 5%, if interest rates were to move up in the

marketplace; only reason that rate would be up, and would the CC abandon the project and not borrow the money if market rates change in the next couple weeks, probably not; at that point in time they would still have a better alternative in his judgment in this program; need to provide a little margin there; suggestion is rate 4.75% and no lower than that; if they want to provide a larger cushion, they should put 5% in there but that is one decision they have to make this evening; that blank does need to be filled in. Livingston would like to see it under 5%; starts to want to possibly take a look at the financial situation in the country against a bond percentage; at iffy stage in banking. Larsen would agree and would like to see the 4.75%; asked Drown if they put 4.75% in there and it zips up higher, do they have to get everybody together; would be comfortable with something closer to 5% just to make sure they did not have to do that because she does agree with Livingston they will possibly see some strange things on banking and the market right now; wouldn't go over 5. Craggs' question is what would be the difference as far as an annual payment; 4.35% as opposed to 5%. Drown thinks they were talking about the City's levy on the average being \$28,000/year; difference if they were to see that move up to 5% would be \$3,000/year as a dollar impact over the 20 year period of time. Craggs would be comfortable putting 5% in. Zeller thinks they have consensus at 5%. Drown said beyond that, this loan or note from this organization has call protection on it just like normal bonds do; date of call is February 2016 which is about 8 years from now and fairly normal call provision; if rates low enough here, thinks very unlikely rates will drop so doesn't make sense to refinance this; doesn't have a problem with that call provision; thinks the only major item is this resolution as skinny as it is because there is a companion document called an Assistance Agreement that isn't drafted yet but is referred to in this document a few times; what is contained in the Assistance Agreement is all things in a bond resolution, all the technical details that are incorporated in this side agreement; doesn't have a copy of that for them. Zeller said for what it is worth, the difference between 4.35% and 4.75% on a 20 year with a \$660,000 principal balance is \$1,700/year. Drown asked if that full principal amount; theirs is half of that so he was on the high side; thinks that what he finds noteworthy in this resolution is that by passing it, it is really the CC's commitment for borrowing their money in this program; constraints would be dollar amount can change dramatically from \$660,000; interest rate would have to be less than 5%; if things change from that and they see them coming, they may be able to tell the CC to have a special meeting to keep them on track; his recommendation would be to approve. Administrator would add subject to City Attorney reviewing the Assistance Agreement and asked when Drown will have that. Drown said they could get a draft out in a day or so. Niedzwiecki would like Drown to speak to retaining of the bond and how that works; when the payments start, etc. Drown said this whole project is driven in part in cooperation with the owners of the Plaza shopping center; as they heard earlier in the agenda finding some of the improvements in the shopping center, the logical time to do street work adjacent to the center is when the center is being constructed and CSAH 18 is being constructed; all of that is kind of going on at the same time; the City has approved TIF District for the shopping center, a fairly lengthy agreement that was drafted between the City and the shopping center; that agreement provides for the City's willingness to finance all the increments of roads and water mains around the shopping center and to basically share costs with the shopping center team; in general terms, the shopping center team will pay half of the costs of all of these improvements as a special assessment; it is a special charge that will be levied on their property and they will pay over time; the other half of the project will be the City's responsibility to pay for; hope is the redevelopment of the shopping center and other development in that area will generate tax increments; more property taxes will be paid by the businesses at that location, much of which will be taxed as increment; City has a revenue sharing agreement with the shopping center that they get a certain percentage to reimburse the cost of redeveloping the shopping center, the City gets to keep a certain percentage of that increment basically to cover the City's half of roadway and water improvement; initially the amount of increment generated by the redevelopment of this center will be a fairly small number; in the early years, the City will be financially responsible for making some of the earlier payments on the bond issue; as time goes on, in particular if they see more development within the boundaries of the TIF District, there will be more taxes paid and tax increments coming to the City, and some of that can be applied to reduce what the City has to make as payments on this bond; increments will cover an increasingly larger share; hope in the long run is that the shopping center is very successful, it's able to see other development on its property over there, and increments will fully cover the payments the City has to make on its bond issue and even allow them to recover some of the payments they made in the early years; how that works is probably dependent upon how quickly the shopping center is successful; the faster they succeed, the greater the likelihood the City will reduce payments on this bond issue; in general terms, that's the diameter to how this is supposed to work. Niedzwiecki said most likely scenario is they will have a shortfall in the first year or two, or maybe even three, and just wants to make sure they all have the same understanding as to how that shortfall is going to be covered until the TIF payments are sufficient enough; his understanding is that they will not specifically reject increasing their budget to cover that; that they will be shifting funds from other sources within their budget. Zeller asked if the shortfall itself was funded in the bonding amount itself; believes the first year deferment on assessment is included in this. Drown said with the shopping center folks, the first year their assessment payment is delayed so they won't have to make their first assessment payment until 2010; with the City's share, they didn't do any delaying; this fall they will be raising budget to cover the general payments on this bond; thinks first payment delayed until August. Administrator said what they would do is cover that in their 303+ whatever they approve next year for 2009 would come out of the Street Improvement line item and they would do a smaller project as a

result to cover that first year; the other hook here of course is if they don't pay their assessments, they don't forward the tax increment either; there is that protection as well in later years; for example, if they decided they weren't going to pay the assessment, they would use their tax increment part of that to pay for the City portion of improvements. Zeller asked that Administrator and Treasurer look at alternative ways they could fund that shortfall; getting back to them at their work session. Administrator forgets what the number is, and really not that great. Niedzwiecki said \$23,000. Zeller thought there passionate discussion among the CC members not to reduce their Streets spending. Administrator said their Streets spending this year will be going up from about \$303,000 and then a 4.8% increase; when you add that in that is another \$1,600 – they would do a Street project in the neighborhood of \$300,000 anyway, and the rest of that could cover the shortfall if they had to. Niedzwiecki has one idea about where they could go in a different way of doing it; most important point is they are not planning to increase their General Fund Tax Levy, they are planning to reduce the amount they have available for Streets Improvement with the idea that hopefully in two/three years they get those tax increments. Administrator said \$23,000 should narrow over the next couple years. Zeller said to be clear, he believes that gathers the intent of the current CC, but they can't bind future CC. Craggs wanted to go back to the approximately \$660,000 because he wasn't sure what was being recommended and how they were going to approach the resolution; were they going to leave the language as is. Zeller said they have to leave the language as is; can't move forward without passing something, and they don't have it pinned down yet; have general understanding that if something significant happens, they will be back talking about it. Administrator said if they recall they raised it from \$635,000 to \$660,000, so it can add in administrative staff things they brought up to be reimbursed. Zeller said detail of the \$635,000 now \$660,000 was in their packets from their workshop last Tuesday. Administrator said administrative expenses will be a little more than they see there, and Gilles is detailing out to make sure they have the right numbers and have everything covered.

**M/S/P (Zeller/Livingston) to approve Resolution 2008-28, a resolution authorizing the issue of approximately \$660,000 general obligation improvement notes, interest rate not to exceed 5%, subject to the review in formatting by City Attorney as well as the Attorney's review of the Assistance Agreement that will be provided by Drown, Drown Associates, within the next week.** Craggs thinks they should at least understand the significance of this prior to voting; they are going into debt for 20 years, and as has been the City's custom, they have been very prudent in terms of making these kinds of decisions; this is similar in terms of the amount of debt associated with the rehab of the fire hall; thinks very good decision; thinks it will help the common good for the City of Lakeland and they have done it in a very prudent way; just important to state there is no guarantee that the tax increments will cover this, so they are obligating basically the City's residents in terms of paying for this. Livingston believes there has been an unprecedented amount of instruction to the CC by experts, meetings, etc., and certainly he is aware of them as a Council person the risk involved in this. Zeller said this is a complicated procedure and certainly something the City has never ventured into before; hundreds of thousands of other municipalities have done it, and it's been a very successful tool to disburse and reimburse redevelopment into the community and that is the reason they are doing it; grown comfortable with it over time, but it is a complicated procedure/undertaking they have gone through; encourages anyone who has questions about it to come forward and ask at any time. Larsen thanked all the Staff who made it possible for them to understand how complicated this is. Administrator said they have been looking at this for over a year and looking at some additional scenarios and thinks as they talked about it, they always talked the worst case scenario; if everything fell apart, how much would the bond take and could they afford it; might take a dent out of their Street Improvement project for a little bit, but they can rest pretty comfortably assured with a \$53-55,000 payment they will have \$318-319,000 if everything failed and they had to make bonding themselves; they can make those bond payments, so they are pretty safe there; the second thing being - that realignment needed to take place anyway; it makes sense to realign 5<sup>th</sup>, it made sense to do that 3<sup>rd</sup> Street improvement, and it makes sense to put the water underneath CSAH 18; spent much time going through it and he agrees with all the CC members, it is certainly a risk; just wants everyone to understand they have looked at the worse case scenarios. Zeller said \$.60 of every tax dollar is coming from sources outside the City; effectively, they are getting the State, County, and even the School District to participate on these improvements in their community. Zeller called question. **Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-28 adopted.**

#### **4. PUBLIC SAFETY REPORT**

For the month of June, there were 107 calls for service, with 14 citations issued. Deputy Wick was present previously and left couple of words, and Administrator will have to talk with Gilles about a no parking sign at the end of Quinnell Avenue, so that Wick is able to enforce that area down there; parking on the side of the road there, and in a couple cases some complaints; will try to take care of that in the next day or so; other than that he said it was a very quiet July 4, and as Larsen said, it was noisier around graduation than around July 4; nothing really stood out here in terms of complaints. Livingston was on the River July 4 and he just wanted to comment that the Washington and St. Croix County water patrols were out in force enforcing the alcohol laws, life preserver laws, etc. vigorously; wanted to comment and commend them for their efforts.

#### **5. PETITIONS TO THE COUNCIL – none**

## **6. METROPOLITAN MOSQUITO CONTROL DISTRICT**

Kirk Johnson, Metropolitan Mosquito Control District. Generally appreciates the opportunity to be here to speak with them today; any opportunity their agency has to educate and inform citizens goes quite a long way toward improving their program and toward achieving one of their primary goals which is to reduce the incidence of mosquito borne illness; at the Mosquito Control District, he is a vector ecologist, so his responsibilities revolve around controlling the types of mosquitoes that can transmit mosquito-borne diseases and thereby reduce the likelihood that citizens living in the 7-county Metro area will be affected with these different direct viruses; understands they are making some improvements toward their storm water management system; much of what he knows of storm water management is related directly to West Nile virus; in the six years that West Nile virus has circulated in Minnesota, their agency has had to gain a great deal of understanding on an entirely new topic, not new to their agency but new to North America; much of what they learned is that a number of the different mosquitoes can transmit West Nile virus are often associated with storm water management systems; has to speak a little bit about West Nile virus because that sets up the information he can provide on storm water management; West Nile virus is a virus that circulates naturally among mosquitoes and birds; certain species of mosquitoes and actually many different species of birds; that is the natural cycle; in a perfect world for the virus, the virus would never exit that cycle; it would just transmit between the certain mosquito species and birds; unfortunately, as the summer wears on and the virus is amplified, the amount of virus present increases and does spill out of that cycle; the virus will infect virtually any animal that infected mosquitoes come in contact with; that virus doesn't impact most animals; it does cause severe illness in horses and in people unfortunately; their program before West Nile virus arrived was centered on reducing mosquito numbers of the types of mosquitoes that cause great nuisance to people; these are primarily flood water types of mosquitoes; mosquitoes that lay their eggs right at the waterline in a wetland or sometimes in artificial containers like tires, buckets, and rain barrels, and then when rain falls, those eggs are flooded by the rising water level and that is when they hatch; there is another major group of mosquitoes that actually lay their eggs directly on the water surface in a raft; those eggs begin to hatch within hours of the deposition and those are the types of mosquitoes they find oftentimes associated with storm water management systems; they also unfortunately are the mosquitoes that transmit West Nile Virus here locally; to put West Nile in perspective, in the six years they have had West Nile transmission in Minnesota, they have seen 440 citizens of the State diagnosed with the West Nile Virus illness; that is a fairly small number compared to most of the other states in the nation; something he thinks 14 families who have lost a member would not discredit; causes an extremely severe illness; 2/3 of the cases are classified as West Nile Fever and that is an illness with symptoms from speaking with a number of people who have suffered from West Nile Fever, he understands it is the absolute worst flu-like illness that any of them have experienced; oftentimes will persist for several days, even a week, with horrendous headaches, muscle aches, great sensitivity to light and sound; vomiting, fever, just a horrible illness to have to undergo for up to a week; more severe forms, however, lead to encephalitis and meningitis and there is a case fatality rate of about 4%; that 4% comes from the 1/3 of the patients who suffer the very severe illnesses; in reality, roughly 12% of the people who develop either meningitis or encephalitis will succumb to this illness; definitely something they don't take lightly at their agency. Zeller asked if Johnson had any idea the number of deaths by region or by state from this. Johnson said that rate of approximately 4% of diagnosed infections holds pretty true from state to state; they have seen enough cases in all regions of the country that tends to be the case; have had 14 here in the State of Minnesota. Johnson understands they are developing and designing some rain gardens; in most cases when rain gardens are functioning properly there is really not a mosquito production issue at all; in some circumstances they have seen this with some of the older rain gardens around the Metropolitan area now that they can be clogged with sediments, organics, clay sediment will clog that pour space that is designed into the rain garden, but in the rain gardens the water is intended to infiltrate in a matter of usually 2-3 days or less; mosquitoes need at least five days to go from egg to adult and in most cases it is a little longer and if the weather is cooler, it can be as long as two weeks; in the rain gardens they have identified as mosquito producers versus rain gardens that have become clogged, they are generally the flood water types of mosquitoes, mosquitoes not necessarily as of great concern for West Nile transmission; however, in many other storm water management designs, there is an intention to retain some amounts of water as a settling basin for pollutants; due to EPA requirements to reduce sediment as storm water considered a point source for pollution; these designs are absolutely wonderful mechanisms for reducing sediment load but because of the design, they also retain large amounts of water and this is the type of water that is just an ideal setting for these types of mosquitoes that will lay their eggs right on the water surface, the types of mosquitoes they have locally that transmit West Nile virus; tend to design these features in developed area; these are the areas where they all live; they don't see these storm water structures in the more rural parts of America, they see them in the urban and suburban environments and small towns across the country; they are actually producing the types of mosquitoes that are involved in circulation of this virus right in their front yards; that greatly increases the risk for transmission of West Nile viruses in areas; once that cycle begins, when the mosquitoes are present, birds are present, and the virus is introduced to the area, it takes off and continues to grow through the summer and other mosquitoes that aren't capable of transmitting the virus to people will move into the area and become infected when feeding on the birds that are part of this natural cycle; they will take another blood meal maybe a week or two weeks

later when they are ready to lay another batch of eggs, and sometimes a person is the most convenient source for that blood meal; that is how West Nile Virus is transmitted. Livingston said coming in tonight, he passed the new giant pit in Lakeland at the corner of Upper 5<sup>th</sup> and CSAH 18 that he believes is going to be a storm water pond; asked if that what Johnson talking about. Johnson said this is potentially the type of structure development that can produce mosquitoes; some of the larger storm water retention and detention ponds have enough open water so that there is some wave action and that prevents mosquitoes from developing there; in some of the smaller storm water ponds and shallower ponds where vegetation can grow and create a stagnant pool of water, they will see mosquitoes in those types of habitats; also oftentimes associated with storm management ponds, retention and detention these days, a number of the developers prefer a system that allows for an overflow for these historically high amounts of rainfall; call risers that are basically like an overflow spillway in their tub/sink where there is a system that allows for that extra water to pour out of the site and back into another part of the storm water system; many of those actually have a trap to catch any sediment so they always have water at the base of those structures. Administrator said they are seeing a lot of green film on ponds that would seem to suggest to him the water is still enough for mosquito habitat; asked if they are spraying for that whenever they see that, or more important, what has it been like here in Lakeland. Johnson said they have a fairly extensive system of maps where they map wetlands and surface waters of all types including storm water management systems and they have also spent a great deal of time over the last couple of years locating, quantifying, classifying a number of these different storm water management structures he has been talking about including culverts, pond water regulators, risers, areas where storm water management is causing erosion that is causing pools of water; they are documenting all of those they can find; they conduct surveillance to determine if mosquitoes are using those sites and then when they do identify those sites that do produce mosquitoes they do visit them repeatedly; from his understanding from what exists today in Lakeland, they don't see a lot of mosquitoes from the current storm water management system and that is the case in many areas; they are seeing changes occurring rapidly with road construction; many of the developers, contractors that are involved in road construction have their favorite storm water management designs; many include these designs that do produce mosquitoes; constantly on the lookout in the storm water system. Zeller said all the communities, as part of their Comprehensive Plans, are submitting a storm water management plan; asked if that something worth providing him and having him take a quick look at it to see if he has any recommendations or suggestions. Johnson said absolutely; that is one of the reasons that this type of exchange is valuable to them as well as to our City; any information that they can get in a cooperative effort and provide in a cooperative effort and any control services and public education services they can provide cooperatively can go along with their efforts to deter mosquitoes; have interaction with watershed districts, the Metropolitan Council, the counties, the cities, the states all have different responsibilities in managing storm water; have GIS specialist who is involved in a local GIS board who is currently working on a project to document the entire seven county Metro storm water management system as well as bringing in the rest of the State; large network. Larsen said people hear him talk about coming in and spraying or doing work; was surprised to find out how very safe the chemicals are and how much they have been tested and improved over the years; asked if Johnson could say a few words about the types of chemicals they use and how it affects their environment. Johnson said the days of hooking a tank to the truck and driving down street after street and spraying out a fog are long gone; the fogging they do to kill adult mosquitoes is a supplemental part of their program; bulk of the control work they do is in aquatic habitats and they are not using chemicals to control those mosquitoes; they are using biological and hormonal control methods; they use a product called Bti; there are many Bt products that are approved for organic gardening and this is a cousin of those same bacteria; product that kills mosquitoes and a few mites and black flies and doesn't cause an impact at all to the other aquatic organisms so is very safe and extremely effective product to use. Craggs referred back to the Administrator's question, what is the frequency by which they would come out and spray; if they are asked that by a citizen, would they see him out here in the summer or one of his staff. Johnson said it's really an ongoing effort; they have people out everyday doing some larvae control and some adult mosquito control; they do spend a number of days here in Lakeland and what they have found is that the storm water management system to date has not been a great producer of mosquitoes; the other mosquitoes they are dealing with in aquatic habitats are primarily associated with wetlands and there are a great number of wetlands here in town; although as they are seeing storm water management including more and more retention and detention ponds and those are the types of habitats that they include in their visits; every time it rains they target certain wetlands to control those floodwater mosquitoes and then during the warmer dry periods, those are excellent conditions for these other West Nile type vectors; they call them Qx species; in between those rainfall events, they have an aggressive approach to control those West Nile vector species; certainly citizens may see them in the City; always welcome to call and ask for certain services to be provided; typically they will respond to those calls and will send somebody out to assess the situation and provide the control efforts necessary to provide relief. Larsen asked if West Nile disease a new disease; never heard of it before and it seems within the last five years it is new to their area. Johnson said the West Nile virus is a virus that developed millions of years ago; native to Africa, East Europe, Western Asia and arrived in the United States in 1999; in a matter of four short years spread from coast to coast; was an amazing learning experience and took everybody by surprise; no one expected this virus to move this rapidly across the country; has impacted a number of states tremendously with thousands of illnesses in many states. Livingston

suggested this word needs to get out to more governments; have a group in the Lower Valley of 7 cities and three townships that meets once a month; would suggest that he would make a very excellent person on the agenda of that group; asked if he would mind coming back to the area speaking to a broader audience. Johnson said they welcome every opportunity to educate at all levels; in speaking directly to citizens at their front door all the way to units of local government; accepted his invitation. Livingston said one other administrative detail is there is a County emergency planning and services board; happens to be a member of it; presumes most counties have these; one of the functions is public education and materials are made available; there are grants to cities that are made available in terms of infectious disease and other items like toxins, household poisons, etc.; in past couple of years they have been targeting the elderly with information; thinks getting this information out either through press releases, which he presumes he does, but also perhaps working specifically with maybe the counties in the Metro area where he said this is happening, certainly he would be very interested in taking it to Washington County to get more people at the levels where they can address more citizens; he is looking at it at a broader basis than County. Johnson said they do work very closely with the county health departments, county environmental services departments, and also the Minnesota Department of Health; education is one of the best methods to reduce risk for mosquito borne diseases because there are a number of personal precautionary measures that can be taken to greatly reduce the likelihood of coming in contact with one of these viruses; again, they welcome any opportunity to piggyback their message on another effort; they say they are targeting some messages to elderly; West Nile virus is a message they constantly strive to drive home to that same age group because older citizens are at greater risk for developing the most severe forms of illness related to West Nile; perhaps they can speak to attempt to deliver their message along with some of the messages they are working on getting out. Livingston said this is 10-city pilot program right now, Afton being one of the cities down here; asked how many ponds they are putting in on this project, reconstruction and Plaza. Zeller said on the Plaza itself there are four and two on the road; they aren't all wet though. Livingston knows the big one out here is probably way too deep and too big, that's going to have waves on it; asked if there are, in Johnson's opinion any risk areas or risk design the ponds they are now putting in.

Dave Simons, SEH. Said for the most part the ponds as part of this project are not going to be infiltration ponds; intent is to make use of their sandy soils they have down here to infiltrate the water because as they might notice, they don't see a lot of standing water during the summertime down here because of the soil; what was being referred to here earlier is what they might call wet ponds or water quality ponds; typically those would be located at the downstream end of a conveyance system before the water goes into a water body; in this particular case, they are not discharging any water, for example to the St. Croix River, it's all being self contained on or adjacent to the site; would be surprised if they would have much standing water out here for any length of time unless they have ponds that need to be cleaned or something to that effect; this is not the kind of project where they would see large wet ponds with water standing for long periods of time. Livingston said what he got out of what Johnson was saying, and perhaps he is wrong as he knows absolutely nothing about infiltration systems or anything else, but what he understood was when they were pretty sloppy about their storm water management, waters and polluting them and they didn't get West Nile; now they are doing manmade artificial things to prevent that, a good deed in itself and if they don't watch full stages of development of those things and have people like Johnson available as consultants on projects, they could be doing as much harm in a different way as good it is in one way; in addition, they want to raise people's consciousness; this came as a shock to him and he thanks Johnson for that shot; wish they had it a year ago so it could become a formal part of being able to say the ponds they are putting in now are not likely to produce this; scares him a little bit; thinks that is part of his job and thinks he did it well. Johnson said just to reassure them, the feedback he has received from his staff who do spend quite a bit of time working in town mimics what the Simons has mentioned that they don't see standing water in this area for great lengths of time because of the sandy sub soils; would like to reiterate one more time that they are keenly aware of areas that do retain water and for those who are new, those associated with storm water management, they appreciate notification that they have been installed so they can get them into their system and react every time it is necessary to go to those locations to control mosquitoes and thereby reduce the likelihood they make it to adulthood and transmit disease. Larsen asked if they have a large body of water and it sits, do they stir it or is there something they can do to keep the mosquitoes from breeding there; knows they don't spray near any of the river ways; asked how they take care of that and is there anything they can do. Johnson said each situation is unique, but in general, if a body of water is open and the wind is allowed to create some surface action, any type of wave action at all, it is generally not a good habitat for mosquitoes; to clarify one more time about the treatment of these wetlands, the material they are applying is a dry granular; it is approved for fish bearing and non fish bearing waters; there are areas along the River they do treat with a granular material to kill the mosquitoes but generally not tied by surface water to the River, but through ground water flow; they are treating riparian wetlands; they are great habitats for nuisance mosquitoes. Craggs said to take heart to what he said and based on what the other CC members have said, it seems they should transmit the plans for the CSAH 18 project to him; asked if he would like a map of what is being designed so he will see these storm water detention pond locations. Zeller suggested they will send him the entire plan. Administrator referred to slide show Johnson had they didn't see; asked if he wanted to send to City Hall and they will get it out to everybody. Zeller also suggested sharing with neighboring communities.

7. FUTURE SURVEYING PROJECTS (*refer to Agenda Item 10 below*)

8. RESOLUTIONS RE – BONDING (*refer to Agenda Item 3a above*)

**9. PURCHASE OF USED 2005 ¾ TON, 4-WHEEL DRIVE PICKUP TRUCK FOR THE PUBLIC WORKS DEPARTMENT**

Zeller asked Livingston if he would chair the discussion, as he would like to abstain from discussion and the vote. Livingston said they had their meeting a couple of weeks ago; a proposal came forward from the Public Works Director and Administrator to purchase a used 2005 4-wheel drive pickup truck, believes a Ford, as an additional truck; must qualify that in saying the oldest truck in the fleet is a 1970 that is not in really good shape; while it would give them another truck, he really doesn't know for how long; price on it as was presented to them is higher advantageous for a very obvious reason, gas prices; this is a large engine truck and gets lousy gas mileage; they need this type of vehicle and need it outfitted with a v plow so they can do the smaller streets for snowplowing, do them more effectively; possibly if they do a deal with Lakeland Shores, doing many of their streets with this and therefore will be both a cost setter and revenue producing unit; recommendation is they authorize the purchase at a price of \$16,000; from what he has heard, it will be with the additional employee coming on because of the snowplowing and parks work, this will be a very good use of resources available to them; put forward as a recommendation to approve. Larsen wanted to clarify that the cost of the v plow is not in that \$16,000; that will be an additional \$4,000-5,500 estimated; truck they are currently using is questionable; did some research too and found the price for this truck with these miles is actually very good; would speak in favor of it knowing their Public Works department is growing, thinks this wise investment at this point in time. Craggs wanted to follow up on the clarification that Larsen made as it relates to the new plow; asked if they were then looking to purchase the truck only this evening or the plow also. Administrator said they are purchasing the truck this evening, and if they find a suitable plow at a good price, they will see it in August; wouldn't be any more than \$5,500. City Attorney said for purposes of record, noted that about 8:05 p.m., CC member Glasgow joined the meeting, so will have a five person vote as opposed to a four person vote; wanted on record there is a reason for that.

**M/S/P (Larsen/Craggs) to accept the recommendation of Staff to purchase a used 2005 ¾-ton Ford 4 wheel drive pickup for the Public Works Department at a cost of \$16,000, not including the v plow.** Niedzwiecki commented as the funds are available and intention is to pay for this in cash from the line item City Vehicles in the Long Term Improvement Fund; have been building that fund for this type of purchase over the last 4-5 years; currently have \$21,000 in the fund, plus they have \$4,000 that will become part of fund in 2008 at some point in time. **Glasgow, Craggs, Livingston, and Larsen voted aye. Zeller abstained. Motion passed.**

**10. 2009 STREET IMPROVEMENTS ENGINEERING ESTIMATES (*includes Agenda Item 7 above*)**

Dave Simons, SEH. Wanted to fill in for the City Engineer tonight; referred to result of request by Public Works Director Gilles to start looking ahead to the 2009 Project really for economic reasons; two reasons they wanted to bring this estimate forward at this time; first of all have surveyors in the area on a routine basis with the CSAH 18 project and they will have to do some surveying for the 2009 Streets Project; they can take advantage of the fact they are here in town and save some money in terms of travel time if they get started on that; would propose to use them when they have a break in their schedule and get the other survey work done for the Project; second reason they are bringing this forward at this time is it puts them in a real good position for the City to get bids on this project at a very economic time of the year which is essentially the winter; if they can get bids on this project this winter instead of waiting until spring or summer of next year, they know from history probably the months of January and February are the best months to take bids; if that holds true again this year, these would be a couple reasons to go forward with this and why the Public Works Director asked them to bring this forward to them for their consideration at this time; streets on the schedule to be done this year are 2<sup>nd</sup> Street North, both east and west of Quality Avenue (cul-de-sac streets), Upper 2<sup>nd</sup> Street North just across from Humphries Park on the east side of Quality, and then also includes design of assessable parking space and access trail to proposed play structure at Humphries Park; these streets would be essentially reclaimed similar to their other projects they have done; they are in quite poor at this point and there is also some drainage and erosion issues on 2<sup>nd</sup> Street North on the west side of Quality, if they are familiar with that area, has a low point where there always seems to be standing water in the winter time when the ground is frozen tends to be a big problem; pavement is breaking up in that area; they have had much maintenance costs trying to keep that area safe; streets on east side of Quality are relatively steep, have a steep grade, so proposing to look at the possibility of curb and gutter on those steeper areas to try to keep the water from eroding away along the edge of the road which it currently is doing; this project is in the City's long term improvement plan, total cost of project including construction and drainage improvements and engineering has programmed to \$225,379; this estimate for the design services would be part of that cost that is the City's capital improvements program, but does not include cost for playground equipment but the connection from the parking lot to play structure is what would be designed as part of this project. Zeller has more procedural question than anything; recently his phone has been

ringing on a couple drainage issues or erosion problems and residents, one of their contentions, is it is the result of a recent street project they did in front of their property; on the backside of a project, the money has been spent, the reports generated, the work was done; asked process to go back then and review the project is there are some trouble spots that popped up. Simons would recommend first of all the issue is forwarded on to the City Administrator, and he believes this is something that engineering or public works should take a look at; they would like to take a look at exactly what the issue is because it could be several different things coming into play; if there is some defect with the project, their projects do have a warranty, the contractor provides a warranty to the City, so if it is warranty work, they certainly want to get it taken care of while they still have a warranty; the other things that might come into play perhaps for example on some of their projects they seed next to the road and if that seeding doesn't take right away, they do sometimes get complaints on that because there could be erosion; that is something fairly common; just takes some time for that grass to get established so it holds the soil; several different answers potentially to that question but thinks procedurally probably what he would recommend is if there are complaints like that to forward that on to the City Administrator and he will forward so it gets to the appropriate staff member; if warranty issue, they will jump on it right away to make sure it gets taken care of while they still have the warranty in place. Administrator said one of the things they are willing to do is on page 2 they are going to start doing a project team meeting before they start the project; thinks one of the issues in the past has been what are the expectations, when is it scheduled, how is the cost going to allocated, so they have a better breakdown of the actual expenses; what they have here is \$21,000, but exactly how does that break out for surveying the rest of that; thinks one of the things in an effort to get them more information, Gilles, he, Larsen, and one other CC member (haven't really gone through the details of that) will sit down with SEH and walk through this and break it down so that they have more established lines of communications if some of these things happen; at the end which isn't on here obviously is they will have another project evaluation; thinks it good to give a performance appraisal so to speak to their engineers in terms of that; that's the time really to bring up some of these things they already see; one of the things they tend to do is have a street improvement project, they go out to do it, and they really don't see much or have much contact; in some cases in two months they will have two meetings and there really isn't much time to talk about it; thinks what they will do with this project teaming, they will try it this time around with at least Larsen, himself, Parotti, Simons, and Gilles and see if they can't get a little better communication not only just in sense where the dollars are going but so they have more information in terms if they get those kinds of phone calls who it goes to so they can react a little quicker; kind of what they are doing in a sense over on CSAH 18; there are weekly meetings; Gilles sent them an email on how things are going and he thinks that has been pretty helpful and if they need to go to the website, they can go to the website of the County and get more; frankly would like to see more of that on their street improvement projects; a weekly update, where they are, any problems they are going to see; thinks getting on top of it at the beginning and trying this project team approach which he has used in other communities seems to work pretty well in that sense. Zeller said one of those instances they did discuss and it is just occurring to him they are within their one year warranty period on that [Jeff and Theresa Hines]. Administrator said they have been out there working with Jeff and Theresa; thinks Parotti and Gilles out there this week or last; they have been very good about that; they told them there needed to be something done; they have the contractors here and a sensible time to do it is when the contractors are here which would be less expensive than having them come back and do that; will double check with Gilles to see where they are on that one. Zeller said relative to their fiscal policy, their fiscal review, does he see going out for 2009 work conflicting with anything he is doing. Administrator thinks what he has done just to be sure is taken a look at their schedule; engineering agreement they had from 1988 with no schedule of costs on there at all; now he has a schedule of costs and he checked based on what the League of Minnesota Cities has, and like their Attorney's fees, it tends to be a little less per hour than some of the other city engineer costs; needs to get that to them because they will need to approve; really don't have a suitable engineering contract at this point in time with all the caveats in there; City Attorney and he received a copy from Simons and they will go over it next week or so to see what they have there as well; doesn't see any problem with this in terms of 2009 project at all; would like to try this project team thing and get them more information; what he has seen so far here is in essence once they have it, they really don't see it until there is an end result; thinks there needs to be more communication along the way as far as that goes, plus thinks it would be helpful in talking to Gilles to have a presentation of the capital improvement plans so they see where everything is and where it is going; will do at a work session; hard to approve something when they don't see where it is all headed but they do have a capital improvement plan; as Larsen knows it is very well documented but they just need to get it in front of them; if Zeller would like to be part of that project team, that would be find with him. Craggs asked since they listed it on page 3 as an estimate proposing work on an hourly time and materials basis, wondering if there is a problem if they limit it and put a maximum 'not to exceed' number. Administrator thinks that will be fine and they will go back as a project team and split out the costs of preliminary surveys, what the design is going to be; if they have a cost of not to exceed \$24,950, that won't be a problem getting surveys done; if there is anything different they will come back to CC.

**M/S/P (Craggs/Larsen) to approve the engineering costs for 2009 Street Improvements engineering, up to \$24,950, per the memo dated 7/10/08 from SEH.** Niedzwiecki thinks one item they have capability with SEH account system to provide separate invoices including the maximum cost. Simons said that is no problem to do that. **Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Passed unanimously.**

## 11. CITY STAFF REPORTS

### - Administrator

Statewide transportation plan for the State of Minnesota is going to have an outreach meeting in Eagan Community Center July 22 from 1 to 4:30 if anyone is interested in what is happening in the Statewide transportation plan; group for spending the ½ cent sales tax is getting ready to have a representative; for certain, the mayors of Stillwater, Woodbury, Lake Elmo, Lakeland Shores, and a councilwoman from Oak Park Heights have applied for it; Zeller will be on the committee that selects the representative in a couple of weeks; received notice of planning commission for Washington County and doesn't know how they handle these; this one is for Horizon Wireless and at Tower Asphalt; conditional use permit and they are going to put up another cell tower out there at 135'; normally in many cities they just give it to the PC and they take a look at it and decide if they really have any input to decide; this one due July 22; doesn't know procedurally how they want to handle those - whether they in the past made comment at their planning advisory commission; whether those kinds of things should be forwarded to the PC to look at, comment, and get back to them or if it makes any difference. Zeller thinks generally speaking their procedure depends on the severity or the impact of the project proposed; in this particular case, his own personal feeling is there is minimal or no impact to Lakeland, so doesn't think they need to be too vocal or too involved. Administrator thinks in handling in the future maybe what they should do procedurally is just scan these, distribute, and get comments back and if they have time let the PC look at them as well too; sometimes what he finds in other communities is what you think wouldn't be an issue tends to be an issue at some point in time and people tend to ask why didn't they even look at it or discuss it whether or not it seems to have any seeming effect on it; doesn't want to put them in a situation where they haven't seen it and he hasn't forwarded. Zeller said Alliance does a good job of bringing issues that are significant to the forefront as well; thinks combination of scanning and forwarding one method and then continuance in the Alliance; does think on this one there is minimal impact to their community. Zeller said for what it's worth, he did talk to this Horizon gentleman several months ago; they currently have a policy where they do not have cell power on their water tower; thinks that is a mistake; these generate a nice little source of revenue; he indicated if they had a hard time finding a site that maybe Lakeland would revisit that restriction; would be the only reason they might be curious to see what the outcome is if they are declined for some reason and then maybe there is opportunity for Lakeland to look at a little bit of revenue by allowing that on their water tower; on Tower 2, their agreement with the landowner prohibits them from doing that, but on Tower 1 it does not. Craggs remembers having this discussion about the second water tower at the CC level and deciding at that time based on the arrangement associated with working with the landowner that they agreed, and thinks it is part of the formal agreement, not doing that on Tower 2. Zeller interrupted they did, they are prohibited on Tower 2, not on Tower 1. Craggs continued he was just suggesting there was some discussion and rationale behind that, and thinks they might want to revisit the history associated with Water Tower 1. Larsen said it seems to her when they put up Tower 1, there was issue with West Lakeland Township. Zeller said candidly it is fair to have a tower there that has the visual impact it has versus putting up a freestanding cell phone tower – makes sense in his mind. Administrator said revenue can run anywhere between \$11-21,000 annually. Zeller added that is per user. Administrator can recall when they built a water tower in Anoka they had 12 of them attached to it at about \$18,000/piece and pretty much paid their bond that way. Administrator said only other issue he had was in conjunction with Niedzwiecki is that they had a short budget report and they went over it on July 8; their thought is they will need to approve a preliminary levy obviously by September 14; asked if they wanted a separate meeting for that in August 5 from 4:30 to 6:00 to finish it out and approve it on the August 19 or are they comfortable enough with where they are headed to do it at 6 p.m. on August 19 and move it to CC; thinks normal feedback they have received is it is better than it was – can they make it any better; that is what they are attempting to do at this point over the next month; can be honest with them and say it will get a little better, not much better. Staff advised August 12 is just public hearing in regard to Plaza; PC is still meeting August 5 for their regular meeting. Administrator suggested 4:30 p.m. on August 5. Niedzwiecki would have problems meeting at 4:30. Staff thinking CC members would do well to be at the public hearing and that they might do it after that, on August 12. Zeller suggested doing the workshop at 5:30 on August 12. That is better for Niedzwiecki. Consensus to set for 5:30 on August 12 since they have to be there anyway. Administrator will see if he can get the CIP on there too. Craggs had question and thought for Administrator; over the last couple of months they have had a handful of noncompliance issues relative to some different zoning situations; was looking for some type of update and doesn't know what the appropriate forum is for that and obviously doesn't want to get bogged down in the details but there are a couple zoning non compliance issues that have been outstanding for multiple months. Administrator asked him which ones he had in mind. Zeller just wondering if Administrator could generate an update for him. Craggs said that is the reason he brought it up the way he did. Administrator asked if he was speaking to the Mau issue; asked him to email him with what he needs. Craggs just think important for closure for several of them on a couple of those issues so they understand where it sits; some of them have been outstanding for a significant period of time. Zeller thought Mau in his update. Administrator said he would be happy to update him again; if they have other non compliance issues, he should email him and update. Craggs said it is just for informational purposes since they are not addressing them at the meeting and it's not part of the Staff presentation, he would like to have something.

### - City Attorney

The only thing he would mention since the comment was just made relative to the Mau situation is that it is in litigation and pending; if the CC wants additional update, they can schedule a Closed Session at an upcoming meeting to discuss where it is in the process; would be happy to do that and also be happy to provide a written report although those things that do need to be confidential won't be disclosed in writing and will be discussed in Closed Session; if Craggs would like that to happen, they should communicate with Administrator and he will set that up. Zeller said why don't they say anything they are in litigation on; maybe they can go into Closed Session for an update because they are still with the DNR and Sierra Club; zoning issue resolved a while back over by the school; asked they put that on the agenda for August.

- Clerk

Just to remind them that elections are coming up and training is in full swing; City of Lakeland will have two CC seats and the Mayor's position open; at the end of August, she will send them an email as to when filing opens for those positions for the City. Zeller asked if they could place an article in the newsletter so that anyone who is interested in filing can do that.

- Engineer – no report

- Treasurer

Would like to do mid-year report that will take probably five minutes. Zeller said he has told Niedzwiecki any time he needs more than five minutes he wants him on the agenda, not just to sneak in a report; his information is critical so they have to make sure they are budgeting enough time for it; will give him 6.5 minutes tonight. Treasurer went down the list, General Fund \$405,000 of revenue, page 2 of current month has receipts at bottom of \$405,802 primarily General Property Taxes for the current year and then they collected some property taxes for prior years; also fiscal disparity tax levy; those are all coming in as expected; turning to page 9, they collected \$12,000 from prior years; what was for 2007, they collected \$11,354 of the \$12,369 that was delinquent so now they only have \$1,000 left in 2007; thinks that excellent; delinquency remaining .1%; back to page 3, Administration and Finance, there is a new line item there called City Administrator; talking over the last few months about reconfiguring their financials to have Administrator a separate item; moving down into General Government Other, the big item there are 2008 assessment fees from Washington County came in at \$8,884 combined with some of the tax levy reports and miscellaneous they are right on budget. Zeller asked regarding 43125 on page 5, Snow & Ice – Washington County contract annual budget \$31,550; assuming some of that is going to transfer to their new fund created for snow plowing [Washington County Contract \$11,574.20 YTD]. Niedzwiecki asked they look at the revenue budget and revenue items, looking at Snow and Ice levy current year, they levied for as part of the general fund budget \$34,500 which covered the Washington County Contract and the mobilization fee, so total net budget for Public Works is 0.00; made budget transfer into this fund both in terms of a revenue item, they will be splitting part of that General Fund and book it as Public Works and spend money out of that. Zeller asked if safe to assume that as he is doing this he is making journal entries so that when they are doing their audit there is a clear descriptive trail for someone to follow. Niedzwiecki said everything he has changed he has made it very clear in QuickBooks; they will also see a number in the revenue section under 31651 Snow & Ice Levy – prior years for \$60,266.77; came from line item in Long Term Improvement fund that they have been accumulating over the years; can be used to buy trucks and if they have excess it just stays in this fund; in future they will have a Trucks & Equipment fund; they no longer accumulate funds in the Snow & Ice Long Term Improvement fund; any accumulation of funds would be Public Works funds; when they do the final budget for this year and for the preliminary meeting, August 19, he wants to have the budget in the new format; looking at Public Safety on page 3, there is nothing for Police Protection yet; Fire Protection bills quarterly so current on that; probably the next time they get this report, account 43100 and 43101 will be out of there in Streets and Drainage; will be in public works fund in Streets section; Streets section will probably have some engineering in it; negative number in the garbage and clean up day; still waiting on invoices; have receipts and have had some invoices from Maroney but haven't received all invoices from all the vendors yet; last item he was going to point out is 50 other financing users (transfers out) of \$14,327.50; that is ½ of their Water Debt Service for ½ of the City subsidy; page 4, Special Parks they have spent some of the money for play equipment for Humphries, and he created a new account 45257 and they spent \$8,655 so far in that; page 5, Fire Station Debt Serv. routine – in June and at end of year they allocate ½ of debt service levy into that fund; Fire District does have authority to ask for funds more often but with structured cash flow they wait until all the cities claim both halves of their levy; water utility fund routine; water construction fund routine; water debt service fund they take as revenue; charge Debt Service Fund for fee for Special Assessment billings from Washington County; Building Inspection fund routine; Long Term Improvement fund City Administrator had opening balance of \$3,000 so that actually shows up; everything is just reallocated; item in Economic Development the Administrator provided detail of hours spent on Comp Plan so charged some of his time to Economic Development; in answer to Zeller, the Water Tower Construction Fund has its headings; multiyear project and they are still incurring some expenses; incurred \$1,351 for ongoing testing warranty; main construction 44101; spent \$565,869.80 – their budget was \$694,357 so came in under budget; engineering was a little tougher because they had a budget, spent budget and then they are now in the contingency section of engineering and testing; two places they can find how much money they make – one if the project life to date bottom line \$527,573; going back to page 1 - 605 Water Construction

fund balance 6/30/08 \$527,573; that is how much money they have in that fund; some of that is designated for the rehab of Tower 1 which is approximately \$300,000, but that money, because it is being funded by water revenue is obligated. Zeller understands and is not suggesting they would try to capture that money, saying they do have a bond out there and if this money isn't going to be spent they would pay the bond down. Niedzwiecki said they could do that; looked up when it is first callable probably 2011 but one other possibility would be to use these funds for the water share of 5<sup>th</sup> Street Realignment, the water main work - \$30-60,000; Gilles and he did talk about this once if they needed funds; thinks the first plan would be to just take it out of the regular water utility; have some options there. Livingston said they have talked several times over the last few years about attempting to separate out the City and the water utility; would still like to have that as a goal; joint powers deal. Zeller said to answer his question is not a simple answer; knows what he is saying; he would like to see an annual budget for the water department and he concurs; isn't something they really review or they are active in and thinks that is where he is going. Livingston said assuming a comment he made a year ago and the same answer; unacceptable – doesn't care if he is more involved in it, would just like to see a budget in the same format or as close as possible as they use for the City but separated so they take a look at it. Glasgow said one comment, Niedzwiecki is pretty passionate about the budget and they give him the time he needs, but thinks they need a 'not to exceed.' Craggs suggested having a work session on the Water Utility and Zeller had suggested that a couple times; to help formulate basically the budget in a form they can find user friendly; suggesting whatever he thinks appropriate but to him that would be the best way to address it. Zeller thinks they have the data; asked if Niedzwiecki would supply the data and then they are having a budget workshop so if they want to touch on it during that workshop that would be the time. Craggs said from his perspective to some extent it is a formatting issue; putting it in a form they can read and understand; consequently no criticism to the Treasurer because he is sure he is doing this per what is required, but seems to him would be clearer if they put in format that is comparable to their City budget.

## **12. COUNCIL MEMBER REPORT/Craggs**

In the Lakeland update just to provide a brief overview that the Administrator outlined numbers 3,4, and 5 talked about recent activities as it relates to the Parks; would encourage them to take a look at that; also in their packets was a letter that the Administrator drafted in response to the LMCIT review of the Parks as it relates to risk; whole series of issues raised and in conjunction with a lot of the issues they discussed in the past including signage; have been meeting every other week – the Administrator, himself, Gilles, and Klein and actively address the particular issues that were raised in the report as well as moving forward with the Humphries Park playground equipment installation that is scheduled for week of July 21; last Saturday, contractor basically provided some of the initial clearing and/or some of the groundwork that needs to be done, excavation work, so the equipment can be put in. Zeller said along with Parks, the question was raised about the five communities each contributing some money for trash pickup along the bike trail; haven't had an Alliance meeting yet where that has been addressed but assuming all the communities are on board with say \$500, who can logistically handle that; is that something they have staff or resources to facilitate – collecting the trash and getting rid of it. Glasgow suggested talking to Sentence to Serve before they spend the money. Administrator needs to get on the agenda first and see what they want to do; will email Kopesky. Zeller said when he polled the neighboring communities, they all acknowledged there is a problem with trash along the bike path and a willingness to participate in the cost but then they have a logistical issue of who is going to do it and where is it going to go; seemed pretty simple solution to fund it but haven't been able to get it any further than that. Administrator said what it will probably take is someone to collect the \$500 and then work with Sentence to Serve and go down and do it, or even hire Teens for Christ to go down and pick it up. Craggs said in conjunction with what they mentioned, they will basically have to fund the purchase of some type of trash and recycling receptacles; that is other piece of it; needs to be some funding from some source to do that and multiple types of containers won't be cheap. Zeller thought there was some discussion that a citizen had already donated trash receptacles that weren't being used by the school and donated to the school; in her review of it didn't appear they were being utilized so the question was is that something they could utilize for receptacles. Administrator said it has been tough dealing with the school issues this summer because there is no one really to deal with; that is something they can talk to them about. Livingston asked regarding Parks whether they have gotten any further on lights. Administrator said they have; looked at solar lights somewhere between \$3,000-3,500 but what they are looking at now is working with Xcel to position the light a little closer to the parking lot; in the plan and something they are going to do in conjunction with the Park project itself along with trying to get the paved path in there and everything else. Craggs said Gilles has been directed to obtain costs from Xcel; from their discussion, they thought that most cost effective.

## **13. COUNCIL MEMBER REPORT/Glasgow**

Along with Parks, has anything been done with lighting in Cully yet; knows they have a light that isn't used in Cully now that could be moved; noticed no complaints coming in on Cully and thinks due to Washington County once again; the guy who calls him constantly when there is someone in that lot hasn't called, and he has driven by late at night and there is no one in there; thinks strictly due to Washington County presence there and they have been very diligent in checking the Parks over. Administrator knows the Staff sees them almost every day. Craggs said because of the concerns raised, he

talked specifically this evening with Deputy Wick and he said over the summer he hasn't seen any problems down at the park in terms of activities he thought inappropriate. Glasgow said there was no Cable meeting this month; did have meeting with Senator Coleman's campaign staff and they are looking into the fire department taking calls up on I-94, so they will get involved in the issue hopefully.

**14. COUNCIL MEMBER REPORT/Larsen**

AARP Driver Safety Program offered by Jack Ross mentioned. Staff has been taking reservations for the *55 and Alive* insurance class and asked her if full. Wallberg said she has 26 people and he can take 30. Larsen reminded it is from 5:30 to 9:00 on July 28 and 30; by State Law you have to be given a 10% discount on your car insurance so if you take it you will benefit from it; had a couple meetings with Gilles about the roads.

15. COUNCIL MEMBER REPORT/Livingston – no report

16. MAYOR'S REPORT – no report

**17. ADJOURN – M/S/P (Glasgow/Livingston) to adjourn at 9:18 p.m. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed unanimously.**

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**Brian Zeller, Mayor**

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**Kate Piscitello, Recording Secretary**

**CITY COUNCIL MEETING**  
**July 15, 2008**

**COUNCIL MEMBERS PRESENT:** Bob Craggs, Richard Glasgow (8:05 pm), Peg Larsen, Robert Livingston, Brian Zeller

**PC MEMBERS PRESENT:** Chris White

**STAFF PRESENT:** Mark Nagel, Tom Niedzwiecki, Nick Vivian, Chris Wallberg

**OTHERS PRESENT:** Al Bergevin, David Drown (Drown Associates), Dave Simons (SEH)

1. **CALL TO ORDER** by Mayor Zeller at 7:02 p.m.
2. **PLEDGE OF ALLEGIANCE** was said.
3. **CONSENT AGENDA** – Craggs asked Agenda Item D pulled. **M/S/P (Larsen/Craggs) to approve Consent Agenda Items A, B, C, E, and F. By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**
  - A. **Minutes of the June 17, 2008 Regular city Council Meeting**
  - B. **Treasurer's Report**
  - C. **Bills to be Approved**
  - E. **Public Works #1 Position Description**
  - F. **Appointment of the following Election Judges for the September 9, 2008 Primary Election and November 4, 2008 General Election:**

**Bob Behrman**

**Jim Gilles**

**Kathy Jerry\***

**Cecilia Martin**

**Gloria Phillips**

**Chris White**

**Ruth Ann Brunckhorst**

**Theresa Heimann**

**Sharon Lee**

**Harry Martin**

**Kate Piscitello\***

Agenda Item D. Craggs asked this pulled due to significance of Plaza Redevelopment Program to the City and having timely public input; just wanted to request that steps associated with process, the overview, be conveyed in the record verbally and would ask the Administrator do that. Administrator reported the PC met on July 1; have copy of report he feels very detailed and well put together; what they will be doing this evening is accepting the preliminary review that the PC did on the Plaza and establishing a public hearing on the matter; that is set for August 12, 2008 at 7:00 p.m.; the PC will make recommendation to the CC after that meeting, and on August 19, 2008 at the regular CC meeting, they would address whatever issues remain; suggested putting a short article in the newsletter to insure they get that information communicated; as they can see in the listing, there are some things that need to be completed before then, and they will obviously be working on that over the next month or so; at that point, CC will see it on August 19; hopefully all of them will have seen it so they can shorten the process and not have a full presentation at that meeting; number of issues to address and Bednar (PC) has brought up one in terms of the word 'variance;' little confusing in there but thinks the planners answered that adequately; in terms of codification, they have been making a list of things they need to change once they get the Code; obviously working under the old Code; that is one of the text amendments among many they will have to address at some point at PC. Craggs would add that one of the recommended steps is that a neighborhood meeting with residents to the west of the Plaza be held prior to August 12; asked if that is still something that is planned to be done if it hasn't already. Administrator doesn't know that it has been done; something the applicant was going to do; assumption is they are just waiting to set up a public hearing so they actually have the next step in place. Zeller said it was not a condition but a recommendation as he recalls. Craggs just wanted it clarified applicant has agreed to do that.

**M/S/P (Craggs/Larsen) to approve Consent Agenda Item D. Craggs, Larsen, Livingston, and Zeller voted aye. Motion passed.**

- D. **Acknowledgement and Adoption of the Planning Commission's acceptance of the preliminary review and Approval of the overall design for the General Development Plans for the Lakeland Plaza Shopping Center Planned Unit Development, and setting a public hearing on the matter for August 12, 2008.**

**3a. RESOLUTIONS RE: BONDING** (Refer to Agenda Item 8 below)

Administrator asked this be next on agenda.

David Drown, David Drown Associates. A week ago the CC and he spent time reviewing costs associated with public improvements around the Plaza shopping center; generally speaking, they are talking about a project cost and bond issue of over \$600,000; consensus of the group at that time was to follow his recommendation and plan to finance this project not conventionally but utilizing a program put together by Minnesota Rural Water Association; he calls it a cool bond program; the way it works is instead of having cities across the State of Minnesota each do individual bond issues, what

the program intends to do is coordinate the borrowing needs of many communities for one bond issue issued through this group; helps controlling the issuance cost, but greatest benefit is those cool bonds can be sold at a much better credit rating than the City could on its own initiative; bottom line is they expect the City to see an interest rate savings of probably .04 of a percentage point; when you are borrowing hundreds of thousands of dollars, that amount to quite a bit of savings; they are back this evening with two action items for the CC to make that happen; first would be a resolution approving a joint powers agreement; the way this program works is the entity that issues these cool bonds is actually structured as a joint powers organization under Minnesota Law; if you want to borrow money through the program, you would have the necessary privilege of becoming a member of that group, so in order to be able to borrow money through this program, the City needs to become a member of the joint powers organization; this resolution would accomplish that and would designate the mayor as the City's representative to that group although if they want to change that tonight, they certainly can; no obligation to mayor to attend meetings, financial costs, so he can be as involved or uninvolved as he wants to be. Zeller asked City Attorney that typically their resolutions are numbered; asked if they would still do that. City Attorney thinks they would change formatting a little bit; they have an extract formatting some cities utilize; Lakeland doesn't, they just attach a number; Drown can email resolutions over and the Clerk can put in City's form. Administrator said this is also final review of the joint powers agreement as well. Craggs asked that by being part of the joint powers agreement if there a fee associated then with the bonding itself if they choose to go forward with the bond. Drown said by being members of the joint powers agreement gives them the unique right to borrow money through the programs sponsored by this entity; does not obligate them to do that, but if they pass the next resolution, they are certainly strongly going in that direction.

**M/S/P (Livingston/Zeller) to adopt Resolution 2008-27, a resolution accepting a Joint Powers Agreement authorizing the issuance of Bond by the Joint Board and appointing a delegate to represent the City, that delegate being the mayor, subject to review and formatting by the City Attorney.** Administrator said he would like to add subject to review and comment by the City Attorney both on the resolution format and the joint powers agreement. **By roll call, Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-27 adopted.** Drown continued the second item would be a resolution authorizing the issue of approximately \$660,000 general obligation improvement note; this could be the CC decision to establish the intentions to finance this project through this program; normally when the CC is presented with a bond resolution, they have a binding proposal in front of them for specific interest rate and price of bond issue; that can't work that way with a program like this because they have other communities that they can get their borrowing needs figured so everyone can go together; the way this works is that each borrower is asked to approve the borrowing of their money through this program; when all this is done, the day is picked for the one big bond issue to be priced and that is probably September 1; on September 1, everything gets finalized, the most important item being what's the interest rate on this bond based on whatever market conditions look like on September 1; this resolution a bit different than normal; one it is a little skinnier, this one is less than 20 pages and usually 30 pages; has some ambiguity in the language that he won't highlight but pointed out important points; at the bottom of the very first page, it talks about a dollar amount of approximately \$660,000; what that means is when interest costs, they may have changes they want to make in terms of the final amount of money they want to borrow; this resolution gives everyone some flexibility to change the number down somewhat, so that the final dollar amount is properly signed. Zeller said this CC's preference generally speaking is to have a 'not to exceed' number; asked if he saw any problem with them incorporating some language there if it was \$680,000 or \$670,000, whatever the CC is comfortable with. Drown thinks that is okay; would prefer they not necessary ask Briggs and Morgan to change the language of the resolutions, but if they wanted to establish an understanding of CC that they wouldn't move forward if the dollar amount went above a certain level; agrees with concern. Administrator said the only thing he would add is the only reason it would go up is because if he recalls from the work session, he is having Staff put together their numbers in terms of time so they will be reimbursed for that; Gilles is also looking at the numbers to make sure they are correct as well too; if it goes up, it will only go up because they will be recovering their costs and anything else. Zeller's only concern is with the language approximately relative to the interest costs; if something extreme were to happen in that market, he would want to be back revisiting the issue. Administrator asked if he would be comfortable if it went over 5% they should be back to CC. Zeller comfortable with the statement he made and the comment Drown made; doesn't know that they need to pin it down that much, but just a general understanding that if costs escalate quickly, they would like to come back and talk about it. Drown said a similar item can be found on the second paragraph where they formally designate the mayor as the entity to accept the group's offer; what that basically means is when pricing takes place on September 1, there will be a proposal to buy the City bonds at a certain interest rate. Zeller asked where they are approximately on current interest rate, 4.75%. Drown has a feeling if they were to do the deal today, he would expect an interest rate of 4.35/4.40% or something like that; leads him to page 3 they will find a blank on the second paragraph talking about an interest rate on the note that can't exceed a certain threshold; if they were to put in what he thinks today's rates are, he would say they are 4.35%; when they price the bond, if the interest rates have risen a bit and they end up getting a proposal at 4.50%, the mayor wouldn't be able to move forward without getting this group together; intention is to provide margin for market movement; his suggestion is they look at a limit somewhere in range of 4.75% and maybe as high as 5%, if interest rates were to move up in the

marketplace; only reason that rate would be up, and would the CC abandon the project and not borrow the money if market rates change in the next couple weeks, probably not; at that point in time they would still have a better alternative in his judgment in this program; need to provide a little margin there; suggestion is rate 4.75% and no lower than that; if they want to provide a larger cushion, they should put 5% in there but that is one decision they have to make this evening; that blank does need to be filled in. Livingston would like to see it under 5%; starts to want to possibly take a look at the financial situation in the country against a bond percentage; at iffy stage in banking. Larsen would agree and would like to see the 4.75%; asked Drown if they put 4.75% in there and it zips up higher, do they have to get everybody together; would be comfortable with something closer to 5% just to make sure they did not have to do that because she does agree with Livingston they will possibly see some strange things on banking and the market right now; wouldn't go over 5. Craggs' question is what would be the difference as far as an annual payment; 4.35% as opposed to 5%. Drown thinks they were talking about the City's levy on the average being \$28,000/year; difference if they were to see that move up to 5% would be \$3,000/year as a dollar impact over the 20 year period of time. Craggs would be comfortable putting 5% in. Zeller thinks they have consensus at 5%. Drown said beyond that, this loan or note from this organization has call protection on it just like normal bonds do; date of call is February 2016 which is about 8 years from now and fairly normal call provision; if rates low enough here, thinks very unlikely rates will drop so doesn't make sense to refinance this; doesn't have a problem with that call provision; thinks the only major item is this resolution as skinny as it is because there is a companion document called an Assistance Agreement that isn't drafted yet but is referred to in this document a few times; what is contained in the Assistance Agreement is all things in a bond resolution, all the technical details that are incorporated in this side agreement; doesn't have a copy of that for them. Zeller said for what it is worth, the difference between 4.35% and 4.75% on a 20 year with a \$660,000 principal balance is \$1,700/year. Drown asked if that full principal amount; theirs is half of that so he was on the high side; thinks that what he finds noteworthy in this resolution is that by passing it, it is really the CC's commitment for borrowing their money in this program; constraints would be dollar amount can change dramatically from \$660,000; interest rate would have to be less than 5%; if things change from that and they see them coming, they may be able to tell the CC to have a special meeting to keep them on track; his recommendation would be to approve. Administrator would add subject to City Attorney reviewing the Assistance Agreement and asked when Drown will have that. Drown said they could get a draft out in a day or so. Niedzwiecki would like Drown to speak to retaining of the bond and how that works; when the payments start, etc. Drown said this whole project is driven in part in cooperation with the owners of the Plaza shopping center; as they heard earlier in the agenda finding some of the improvements in the shopping center, the logical time to do street work adjacent to the center is when the center is being constructed and CSAH 18 is being constructed; all of that is kind of going on at the same time; the City has approved TIF District for the shopping center, a fairly lengthy agreement that was drafted between the City and the shopping center; that agreement provides for the City's willingness to finance all the increments of roads and water mains around the shopping center and to basically share costs with the shopping center team; in general terms, the shopping center team will pay half of the costs of all of these improvements as a special assessment; it is a special charge that will be levied on their property and they will pay over time; the other half of the project will be the City's responsibility to pay for; hope is the redevelopment of the shopping center and other development in that area will generate tax increments; more property taxes will be paid by the businesses at that location, much of which will be taxed as increment; City has a revenue sharing agreement with the shopping center that they get a certain percentage to reimburse the cost of redeveloping the shopping center, the City gets to keep a certain percentage of that increment basically to cover the City's half of roadway and water improvement; initially the amount of increment generated by the redevelopment of this center will be a fairly small number; in the early years, the City will be financially responsible for making some of the earlier payments on the bond issue; as time goes on, in particular if they see more development within the boundaries of the TIF District, there will be more taxes paid and tax increments coming to the City, and some of that can be applied to reduce what the City has to make as payments on this bond; increments will cover an increasingly larger share; hope in the long run is that the shopping center is very successful, it's able to see other development on its property over there, and increments will fully cover the payments the City has to make on its bond issue and even allow them to recover some of the payments they made in the early years; how that works is probably dependent upon how quickly the shopping center is successful; the faster they succeed, the greater the likelihood the City will reduce payments on this bond issue; in general terms, that's the diameter to how this is supposed to work. Niedzwiecki said most likely scenario is they will have a shortfall in the first year or two, or maybe even three, and just wants to make sure they all have the same understanding as to how that shortfall is going to be covered until the TIF payments are sufficient enough; his understanding is that they will not specifically reject increasing their budget to cover that; that they will be shifting funds from other sources within their budget. Zeller asked if the shortfall itself was funded in the bonding amount itself; believes the first year deferment on assessment is included in this. Drown said with the shopping center folks, the first year their assessment payment is delayed so they won't have to make their first assessment payment until 2010; with the City's share, they didn't do any delaying; this fall they will be raising budget to cover the general payments on this bond; thinks first payment delayed until August. Administrator said what they would do is cover that in their 303+ whatever they approve next year for 2009 would come out of the Street Improvement line item and they would do a smaller project as a

result to cover that first year; the other hook here of course is if they don't pay their assessments, they don't forward the tax increment either; there is that protection as well in later years; for example, if they decided they weren't going to pay the assessment, they would use their tax increment part of that to pay for the City portion of improvements. Zeller asked that Administrator and Treasurer look at alternative ways they could fund that shortfall; getting back to them at their work session. Administrator forgets what the number is, and really not that great. Niedzwiecki said \$23,000. Zeller thought there passionate discussion among the CC members not to reduce their Streets spending. Administrator said their Streets spending this year will be going up from about \$303,000 and then a 4.8% increase; when you add that in that is another \$1,600 – they would do a Street project in the neighborhood of \$300,000 anyway, and the rest of that could cover the shortfall if they had to. Niedzwiecki has one idea about where they could go in a different way of doing it; most important point is they are not planning to increase their General Fund Tax Levy, they are planning to reduce the amount they have available for Streets Improvement with the idea that hopefully in two/three years they get those tax increments. Administrator said \$23,000 should narrow over the next couple years. Zeller said to be clear, he believes that gathers the intent of the current CC, but they can't bind future CC. Craggs wanted to go back to the approximately \$660,000 because he wasn't sure what was being recommended and how they were going to approach the resolution; were they going to leave the language as is. Zeller said they have to leave the language as is; can't move forward without passing something, and they don't have it pinned down yet; have general understanding that if something significant happens, they will be back talking about it. Administrator said if they recall they raised it from \$635,000 to \$660,000, so it can add in administrative staff things they brought up to be reimbursed. Zeller said detail of the \$635,000 now \$660,000 was in their packets from their workshop last Tuesday. Administrator said administrative expenses will be a little more than they see there, and Gilles is detailing out to make sure they have the right numbers and have everything covered.

**M/S/P (Zeller/Livingston) to approve Resolution 2008-28, a resolution authorizing the issue of approximately \$660,000 general obligation improvement notes, interest rate not to exceed 5%, subject to the review in formatting by City Attorney as well as the Attorney's review of the Assistance Agreement that will be provided by Drown, Drown Associates, within the next week.** Craggs thinks they should at least understand the significance of this prior to voting; they are going into debt for 20 years, and as has been the City's custom, they have been very prudent in terms of making these kinds of decisions; this is similar in terms of the amount of debt associated with the rehab of the fire hall; thinks very good decision; thinks it will help the common good for the City of Lakeland and they have done it in a very prudent way; just important to state there is no guarantee that the tax increments will cover this, so they are obligating basically the City's residents in terms of paying for this. Livingston believes there has been an unprecedented amount of instruction to the CC by experts, meetings, etc., and certainly he is aware of them as a Council person the risk involved in this. Zeller said this is a complicated procedure and certainly something the City has never ventured into before; hundreds of thousands of other municipalities have done it, and it's been a very successful tool to disburse and reimburse redevelopment into the community and that is the reason they are doing it; grown comfortable with it over time, but it is a complicated procedure/undertaking they have gone through; encourages anyone who has questions about it to come forward and ask at any time. Larsen thanked all the Staff who made it possible for them to understand how complicated this is. Administrator said they have been looking at this for over a year and looking at some additional scenarios and thinks as they talked about it, they always talked the worst case scenario; if everything fell apart, how much would the bond take and could they afford it; might take a dent out of their Street Improvement project for a little bit, but they can rest pretty comfortably assured with a \$53-55,000 payment they will have \$318-319,000 if everything failed and they had to make bonding themselves; they can make those bond payments, so they are pretty safe there; the second thing being - that realignment needed to take place anyway; it makes sense to realign 5<sup>th</sup>, it made sense to do that 3<sup>rd</sup> Street improvement, and it makes sense to put the water underneath CSAH 18; spent much time going through it and he agrees with all the CC members, it is certainly a risk; just wants everyone to understand they have looked at the worse case scenarios. Zeller said \$.60 of every tax dollar is coming from sources outside the City; effectively, they are getting the State, County, and even the School District to participate on these improvements in their community. Zeller called question. **Craggs, Larsen, Livingston, and Zeller voted aye. Glasgow absent. Resolution 2008-28 adopted.**

#### **4. PUBLIC SAFETY REPORT**

For the month of June, there were 107 calls for service, with 14 citations issued. Deputy Wick was present previously and left couple of words, and Administrator will have to talk with Gilles about a no parking sign at the end of Quinnell Avenue, so that Wick is able to enforce that area down there; parking on the side of the road there, and in a couple cases some complaints; will try to take care of that in the next day or so; other than that he said it was a very quiet July 4, and as Larsen said, it was noisier around graduation than around July 4; nothing really stood out here in terms of complaints. Livingston was on the River July 4 and he just wanted to comment that the Washington and St. Croix County water patrols were out in force enforcing the alcohol laws, life preserver laws, etc. vigorously; wanted to comment and commend them for their efforts.

#### **5. PETITIONS TO THE COUNCIL – none**

## **6. METROPOLITAN MOSQUITO CONTROL DISTRICT**

Kirk Johnson, Metropolitan Mosquito Control District. Generally appreciates the opportunity to be here to speak with them today; any opportunity their agency has to educate and inform citizens goes quite a long way toward improving their program and toward achieving one of their primary goals which is to reduce the incidence of mosquito borne illness; at the Mosquito Control District, he is a vector ecologist, so his responsibilities revolve around controlling the types of mosquitoes that can transmit mosquito-borne diseases and thereby reduce the likelihood that citizens living in the 7-county Metro area will be affected with these different direct viruses; understands they are making some improvements toward their storm water management system; much of what he knows of storm water management is related directly to West Nile virus; in the six years that West Nile virus has circulated in Minnesota, their agency has had to gain a great deal of understanding on an entirely new topic, not new to their agency but new to North America; much of what they learned is that a number of the different mosquitoes can transmit West Nile virus are often associated with storm water management systems; has to speak a little bit about West Nile virus because that sets up the information he can provide on storm water management; West Nile virus is a virus that circulates naturally among mosquitoes and birds; certain species of mosquitoes and actually many different species of birds; that is the natural cycle; in a perfect world for the virus, the virus would never exit that cycle; it would just transmit between the certain mosquito species and birds; unfortunately, as the summer wears on and the virus is amplified, the amount of virus present increases and does spill out of that cycle; the virus will infect virtually any animal that infected mosquitoes come in contact with; that virus doesn't impact most animals; it does cause severe illness in horses and in people unfortunately; their program before West Nile virus arrived was centered on reducing mosquito numbers of the types of mosquitoes that cause great nuisance to people; these are primarily flood water types of mosquitoes; mosquitoes that lay their eggs right at the waterline in a wetland or sometimes in artificial containers like tires, buckets, and rain barrels, and then when rain falls, those eggs are flooded by the rising water level and that is when they hatch; there is another major group of mosquitoes that actually lay their eggs directly on the water surface in a raft; those eggs begin to hatch within hours of the deposition and those are the types of mosquitoes they find oftentimes associated with storm water management systems; they also unfortunately are the mosquitoes that transmit West Nile Virus here locally; to put West Nile in perspective, in the six years they have had West Nile transmission in Minnesota, they have seen 440 citizens of the State diagnosed with the West Nile Virus illness; that is a fairly small number compared to most of the other states in the nation; something he thinks 14 families who have lost a member would not discredit; causes an extremely severe illness; 2/3 of the cases are classified as West Nile Fever and that is an illness with symptoms from speaking with a number of people who have suffered from West Nile Fever, he understands it is the absolute worst flu-like illness that any of them have experienced; oftentimes will persist for several days, even a week, with horrendous headaches, muscle aches, great sensitivity to light and sound; vomiting, fever, just a horrible illness to have to undergo for up to a week; more severe forms, however, lead to encephalitis and meningitis and there is a case fatality rate of about 4%; that 4% comes from the 1/3 of the patients who suffer the very severe illnesses; in reality, roughly 12% of the people who develop either meningitis or encephalitis will succumb to this illness; definitely something they don't take lightly at their agency. Zeller asked if Johnson had any idea the number of deaths by region or by state from this. Johnson said that rate of approximately 4% of diagnosed infections holds pretty true from state to state; they have seen enough cases in all regions of the country that tends to be the case; have had 14 here in the State of Minnesota. Johnson understands they are developing and designing some rain gardens; in most cases when rain gardens are functioning properly there is really not a mosquito production issue at all; in some circumstances they have seen this with some of the older rain gardens around the Metropolitan area now that they can be clogged with sediments, organics, clay sediment will clog that pour space that is designed into the rain garden, but in the rain gardens the water is intended to infiltrate in a matter of usually 2-3 days or less; mosquitoes need at least five days to go from egg to adult and in most cases it is a little longer and if the weather is cooler, it can be as long as two weeks; in the rain gardens they have identified as mosquito producers versus rain gardens that have become clogged, they are generally the flood water types of mosquitoes, mosquitoes not necessarily as of great concern for West Nile transmission; however, in many other storm water management designs, there is an intention to retain some amounts of water as a settling basin for pollutants; due to EPA requirements to reduce sediment as storm water considered a point source for pollution; these designs are absolutely wonderful mechanisms for reducing sediment load but because of the design, they also retain large amounts of water and this is the type of water that is just an ideal setting for these types of mosquitoes that will lay their eggs right on the water surface, the types of mosquitoes they have locally that transmit West Nile virus; tend to design these features in developed area; these are the areas where they all live; they don't see these storm water structures in the more rural parts of America, they see them in the urban and suburban environments and small towns across the country; they are actually producing the types of mosquitoes that are involved in circulation of this virus right in their front yards; that greatly increases the risk for transmission of West Nile viruses in areas; once that cycle begins, when the mosquitoes are present, birds are present, and the virus is introduced to the area, it takes off and continues to grow through the summer and other mosquitoes that aren't capable of transmitting the virus to people will move into the area and become infected when feeding on the birds that are part of this natural cycle; they will take another blood meal maybe a week or two weeks

later when they are ready to lay another batch of eggs, and sometimes a person is the most convenient source for that blood meal; that is how West Nile Virus is transmitted. Livingston said coming in tonight, he passed the new giant pit in Lakeland at the corner of Upper 5<sup>th</sup> and CSAH 18 that he believes is going to be a storm water pond; asked if that what Johnson talking about. Johnson said this is potentially the type of structure development that can produce mosquitoes; some of the larger storm water retention and detention ponds have enough open water so that there is some wave action and that prevents mosquitoes from developing there; in some of the smaller storm water ponds and shallower ponds where vegetation can grow and create a stagnant pool of water, they will see mosquitoes in those types of habitats; also oftentimes associated with storm management ponds, retention and detention these days, a number of the developers prefer a system that allows for an overflow for these historically high amounts of rainfall; call risers that are basically like an overflow spillway in their tub/sink where there is a system that allows for that extra water to pour out of the site and back into another part of the storm water system; many of those actually have a trap to catch any sediment so they always have water at the base of those structures. Administrator said they are seeing a lot of green film on ponds that would seem to suggest to him the water is still enough for mosquito habitat; asked if they are spraying for that whenever they see that, or more important, what has it been like here in Lakeland. Johnson said they have a fairly extensive system of maps where they map wetlands and surface waters of all types including storm water management systems and they have also spent a great deal of time over the last couple of years locating, quantifying, classifying a number of these different storm water management structures he has been talking about including culverts, pond water regulators, risers, areas where storm water management is causing erosion that is causing pools of water; they are documenting all of those they can find; they conduct surveillance to determine if mosquitoes are using those sites and then when they do identify those sites that do produce mosquitoes they do visit them repeatedly; from his understanding from what exists today in Lakeland, they don't see a lot of mosquitoes from the current storm water management system and that is the case is many areas; they are seeing changes occurring rapidly with road construction; many of the developers, contractors that are involved in road construction have their favorite storm water management designs; many include these designs that do produce mosquitoes; constantly on the lookout in the storm water system. Zeller said all the communities, as part of their Comprehensive Plans, are submitting a storm water management plan; asked if that something worth providing him and having him take a quick look at it to see if he has any recommendations or suggestions. Johnson said absolutely; that is one of the reasons that this type of exchange is valuable to them as well as to our City; any information that they can get in a cooperative effort and provide in a cooperative effort and any control services and public education services they can provide cooperatively can go along with their efforts to deter mosquitoes; have interaction with watershed districts, the Metropolitan Council, the counties, the cities, the states all have different responsibilities in managing storm water; have GIS specialist who is involved in a local GIS board who is currently working on a project to document the entire seven county Metro storm water management system as well as bringing in the rest of the State; large network. Larsen said people hear him talk about coming in and spraying or doing work; was surprised to find out how very safe the chemicals are and how much they have been tested and improved over the years; asked if Johnson could say a few words about the types of chemicals they use and how it affects their environment. Johnson said the days of hooking a tank to the truck and driving down street after street and spraying out a fog are long gone; the fogging they do to kill adult mosquitoes is a supplemental part of their program; bulk of the control work they do is in aquatic habitats and they are not using chemicals to controls those mosquitoes; they are using biological and hormonal control methods; they use a product called Bti; there are many Bt products that are approved for organic gardening and this is a cousin of those same bacteria; product that kills mosquitoes and a few miges and black flies and doesn't cause an impact at all to the other aquatic organisms so is very safe and extremely effective product to use. Craggs referred back to the Administrator's question, what is the frequency by which they would come out and spray; if they are asked that by a citizen, would they see him out here in the summer or one of his staff. Johnson said it's really an ongoing effort; they have people out everyday doing some larvae control and some adult mosquito control; they do spend a number of days here in Lakeland and what they have found is that the storm water management system to date has not been a great producer of mosquitoes; the other mosquitoes they are dealing with in aquatic habitats are primarily associated with wetlands and there are a great number of wetlands here in town; although as they are seeing storm water management including more and more retention and detention ponds and those are the types of habitats that they include in their visits; every time it rains they target certain wetlands to control those floodwater mosquitoes and then during the warmer dry periods, those are excellent conditions for these other West Nile type vectors; they call them Qx species; in between those rainfall events, they have an aggressive approach to control those West Nile vector species; certainly citizens may see them in the City; always welcome to call and ask for certain services to be provided; typically they will respond to those calls and will send somebody out to assess the situation and provide the control efforts necessary to provide relief. Larsen asked if West Nile disease a new disease; never heard of it before and it seems within the last five years it is new to their area. Johnson said the West Nile virus is a virus that developed millions of years ago; native to Africa, East Europe, Western Asia and arrived in the United States in 1999; in a matter of four short years spread from coast to coast; was an amazing learning experience and took everybody by surprise; no one expected this virus to move this rapidly across the country; has impacted a number of states tremendously with thousands of illnesses in many states. Livingston

suggested this word needs to get out to more governments; have a group in the Lower Valley of 7 cities and three townships that meets once a month; would suggest that he would make a very excellent person on the agenda of that group; asked if he would mind coming back to the area speaking to a broader audience. Johnson said they welcome every opportunity to educate at all levels; in speaking directly to citizens at their front door all the way to units of local government; accepted his invitation. Livingston said one other administrative detail is there is a County emergency planning and services board; happens to be a member of it; presumes most counties have these; one of the functions is public education and materials are made available; there are grants to cities that are made available in terms of infectious disease and other items like toxins, household poisons, etc.; in past couple of years they have been targeting the elderly with information; thinks getting this information out either through press releases, which he presumes he does, but also perhaps working specifically with maybe the counties in the Metro area where he said this is happening, certainly he would be very interested in taking it to Washington County to get more people at the levels where they can address more citizens; he is looking at it at a broader basis than County. Johnson said they do work very closely with the county health departments, county environmental services departments, and also the Minnesota Department of Health; education is one of the best methods to reduce risk for mosquito borne diseases because there are a number of personal precautionary measures that can be taken to greatly reduce the likelihood of coming in contact with one of these viruses; again, they welcome any opportunity to piggyback their message on another effort; they say they are targeting some messages to elderly; West Nile virus is a message they constantly strive to drive home to that same age group because older citizens are at greater risk for developing the most severe forms of illness related to West Nile; perhaps they can speak to attempt to deliver their message along with some of the messages they are working on getting out. Livingston said this is 10-city pilot program right now, Afton being one of the cities down here; asked how many ponds they are putting in on this project, reconstruction and Plaza. Zeller said on the Plaza itself there are four and two on the road; they aren't all wet though. Livingston knows the big one out here is probably way too deep and too big, that's going to have waves on it; asked if there are, in Johnson's opinion any risk areas or risk design the ponds they are now putting in.

Dave Simons, SEH. Said for the most part the ponds as part of this project are not going to be infiltration ponds; intent is to make use of their sandy soils they have down here to infiltrate the water because as they might notice, they don't see a lot of standing water during the summertime down here because of the soil; what was being referred to here earlier is what they might call wet ponds or water quality ponds; typically those would be located at the downstream end of a conveyance system before the water goes into a water body; in this particular case, they are not discharging any water, for example to the St. Croix River, it's all being self contained on or adjacent to the site; would be surprised if they would have much standing water out here for any length of time unless they have ponds that need to be cleaned or something to that effect; this is not the kind of project where they would see large wet ponds with water standing for long periods of time. Livingston said what he got out of what Johnson was saying, and perhaps he is wrong as he knows absolutely nothing about infiltration systems or anything else, but what he understood was when they were pretty sloppy about their storm water management, waters and polluting them and they didn't get West Nile; now they are doing manmade artificial things to prevent that, a good deed in itself and if they don't watch full stages of development of those things and have people like Johnson available as consultants on projects, they could be doing as much harm in a different way as good it is in one way; in addition, they want to raise people's consciousness; this came as a shock to him and he thanks Johnson for that shot; wish they had it a year ago so it could become a formal part of being able to say the ponds they are putting in now are not likely to produce this; scares him a little bit; thinks that is part of his job and thinks he did it well. Johnson said just to reassure them, the feedback he has received from his staff who do spend quite a bit of time working in town mimics what the Simons has mentioned that they don't see standing water in this area for great lengths of time because of the sandy sub soils; would like to reiterate one more time that they are keenly aware of areas that do retain water and for those who are new, those associated with storm water management, they appreciate notification that they have been installed so they can get them into their system and react every time it is necessary to go to those locations to control mosquitoes and thereby reduce the likelihood they make it to adulthood and transmit disease. Larsen asked if they have a large body of water and it sits, do they stir it or is there something they can do to keep the mosquitoes from breeding there; knows they don't spray near any of the river ways; asked how they take care of that and is there anything they can do. Johnson said each situation is unique, but in general, if a body of water is open and the wind is allowed to create some surface action, any type of wave action at all, it is generally not a good habitat for mosquitoes; to clarify one more time about the treatment of these wetlands, the material they are applying is a dry granular; it is approved for fish bearing and non fish bearing waters; there are areas along the River they do treat with a granular material to kill the mosquitoes but generally not tied by surface water to the River, but through ground water flow; they are treating riparian wetlands; they are great habitats for nuisance mosquitoes. Craggs said to take heart to what he said and based on what the other CC members have said, it seems they should transmit the plans for the CSAH 18 project to him; asked if he would like a map of what is being designed so he will see these storm water detention pond locations. Zeller suggested they will send him the entire plan. Administrator referred to slide show Johnson had they didn't see; asked if he wanted to send to City Hall and they will get it out to everybody. Zeller also suggested sharing with neighboring communities.

7. FUTURE SURVEYING PROJECTS (*refer to Agenda Item 10 below*)

8. RESOLUTIONS RE – BONDING (*refer to Agenda Item 3a above*)

**9. PURCHASE OF USED 2005 ¾ TON, 4-WHEEL DRIVE PICKUP TRUCK FOR THE PUBLIC WORKS DEPARTMENT**

Zeller asked Livingston if he would chair the discussion, as he would like to abstain from discussion and the vote. Livingston said they had their meeting a couple of weeks ago; a proposal came forward from the Public Works Director and Administrator to purchase a used 2005 4-wheel drive pickup truck, believes a Ford, as an additional truck; must qualify that in saying the oldest truck in the fleet is a 1970 that is not in really good shape; while it would give them another truck, he really doesn't know for how long; price on it as was presented to them is higher advantageous for a very obvious reason, gas prices; this is a large engine truck and gets lousy gas mileage; they need this type of vehicle and need it outfitted with a v plow so they can do the smaller streets for snowplowing, do them more effectively; possibly if they do a deal with Lakeland Shores, doing many of their streets with this and therefore will be both a cost setter and revenue producing unit; recommendation is they authorize the purchase at a price of \$16,000; from what he has heard, it will be with the additional employee coming on because of the snowplowing and parks work, this will be a very good use of resources available to them; put forward as a recommendation to approve. Larsen wanted to clarify that the cost of the v plow is not in that \$16,000; that will be an additional \$4,000-5,500 estimated; truck they are currently using is questionable; did some research too and found the price for this truck with these miles is actually very good; would speak in favor of it knowing their Public Works department is growing, thinks this wise investment at this point in time. Craggs wanted to follow up on the clarification that Larsen made as it relates to the new plow; asked if they were then looking to purchase the truck only this evening or the plow also. Administrator said they are purchasing the truck this evening, and if they find a suitable plow at a good price, they will see it in August; wouldn't be any more than \$5,500. City Attorney said for purposes of record, noted that about 8:05 p.m., CC member Glasgow joined the meeting, so will have a five person vote as opposed to a four person vote; wanted on record there is a reason for that.

**M/S/P (Larsen/Craggs) to accept the recommendation of Staff to purchase a used 2005 ¾-ton Ford 4 wheel drive pickup for the Public Works Department at a cost of \$16,000, not including the v plow.** Niedzwiecki commented as the funds are available and intention is to pay for this in cash from the line item City Vehicles in the Long Term Improvement Fund; have been building that fund for this type of purchase over the last 4-5 years; currently have \$21,000 in the fund, plus they have \$4,000 that will become part of fund in 2008 at some point in time. **Glasgow, Craggs, Livingston, and Larsen voted aye. Zeller abstained. Motion passed.**

**10. 2009 STREET IMPROVEMENTS ENGINEERING ESTIMATES (*includes Agenda Item 7 above*)**

Dave Simons, SEH. Wanted to fill in for the City Engineer tonight; referred to result of request by Public Works Director Gilles to start looking ahead to the 2009 Project really for economic reasons; two reasons they wanted to bring this estimate forward at this time; first of all have surveyors in the area on a routine basis with the CSAH 18 project and they will have to do some surveying for the 2009 Streets Project; they can take advantage of the fact they are here in town and save some money in terms of travel time if they get started on that; would propose to use them when they have a break in their schedule and get the other survey work done for the Project; second reason they are bringing this forward at this time is it puts them in a real good position for the City to get bids on this project at a very economic time of the year which is essentially the winter; if they can get bids on this project this winter instead of waiting until spring or summer of next year, they know from history probably the months of January and February are the best months to take bids; if that holds true again this year, these would be a couple reasons to go forward with this and why the Public Works Director asked them to bring this forward to them for their consideration at this time; streets on the schedule to be done this year are 2<sup>nd</sup> Street North, both east and west of Quality Avenue (cul-de-sac streets), Upper 2<sup>nd</sup> Street North just across from Humphries Park on the east side of Quality, and then also includes design of assessable parking space and access trail to proposed play structure at Humphries Park; these streets would be essentially reclaimed similar to their other projects they have done; they are in quite poor at this point and there is also some drainage and erosion issues on 2<sup>nd</sup> Street North on the west side of Quality, if they are familiar with that area, has a low point where there always seems to be standing water in the winter time when the ground is frozen tends to be a big problem; pavement is breaking up in that area; they have had much maintenance costs trying to keep that area safe; streets on east side of Quality are relatively steep, have a steep grade, so proposing to look at the possibility of curb and gutter on those steeper areas to try to keep the water from eroding away along the edge of the road which it currently is doing; this project is in the City's long term improvement plan, total cost of project including construction and drainage improvements and engineering has programmed to \$225,379; this estimate for the design services would be part of that cost that is the City's capital improvements program, but does not include cost for playground equipment but the connection from the parking lot to play structure is what would be designed as part of this project. Zeller has more procedural question than anything; recently his phone has been

ringing on a couple drainage issues or erosion problems and residents, one of their contentions, is it is the result of a recent street project they did in front of their property; on the backside of a project, the money has been spent, the reports generated, the work was done; asked process to go back then and review the project is there are some trouble spots that popped up. Simons would recommend first of all the issue is forwarded on to the City Administrator, and he believes this is something that engineering or public works should take a look at; they would like to take a look at exactly what the issue is because it could be several different things coming into play; if there is some defect with the project, their projects do have a warranty, the contractor provides a warranty to the City, so if it is warranty work, they certainly want to get it taken care of while they still have a warranty; the other things that might come into play perhaps for example on some of their projects they seed next to the road and if that seeding doesn't take right away, they do sometimes get complaints on that because there could be erosion; that is something fairly common; just takes some time for that grass to get established so it holds the soil; several different answers potentially to that question but thinks procedurally probably what he would recommend is if there are complaints like that to forward that on to the City Administrator and he will forward so it gets to the appropriate staff member; if warranty issue, they will jump on it right away to make sure it gets taken care of while they still have the warranty in place. Administrator said one of the things they are willing to do is on page 2 they are going to start doing a project team meeting before they start the project; thinks one of the issues in the past has been what are the expectations, when is it scheduled, how is the cost going to allocated, so they have a better breakdown of the actual expenses; what they have here is \$21,000, but exactly how does that break out for surveying the rest of that; thinks one of the things in an effort to get them more information, Gilles, he, Larsen, and one other CC member (haven't really gone through the details of that) will sit down with SEH and walk through this and break it down so that they have more established lines of communications if some of these things happen; at the end which isn't on here obviously is they will have another project evaluation; thinks it good to give a performance appraisal so to speak to their engineers in terms of that; that's the time really to bring up some of these things they already see; one of the things they tend to do is have a street improvement project, they go out to do it, and they really don't see much or have much contact; in some cases in two months they will have two meetings and there really isn't much time to talk about it; thinks what they will do with this project teaming, they will try it this time around with at least Larsen, himself, Parotti, Simons, and Gilles and see if they can't get a little better communication not only just in sense where the dollars are going but so they have more information in terms if they get those kinds of phone calls who it goes to so they can react a little quicker; kind of what they are doing in a sense over on CSAH 18; there are weekly meetings; Gilles sent them an email on how things are going and he thinks that has been pretty helpful and if they need to go to the website, they can go to the website of the County and get more; frankly would like to see more of that on their street improvement projects; a weekly update, where they are, any problems they are going to see; thinks getting on top of it at the beginning and trying this project team approach which he has used in other communities seems to work pretty well in that sense. Zeller said one of those instances they did discuss and it is just occurring to him they are within their one year warranty period on that [Jeff and Theresa Hines]. Administrator said they have been out there working with Jeff and Theresa; thinks Parotti and Gilles out there this week or last; they have been very good about that; they told them there needed to be something done; they have the contractors here and a sensible time to do it is when the contractors are here which would be less expensive than having them come back and do that; will double check with Gilles to see where they are on that one. Zeller said relative to their fiscal policy, their fiscal review, does he see going out for 2009 work conflicting with anything he is doing. Administrator thinks what he has done just to be sure is taken a look at their schedule; engineering agreement they had from 1988 with no schedule of costs on there at all; now he has a schedule of costs and he checked based on what the League of Minnesota Cities has, and like their Attorney's fees, it tends to be a little less per hour than some of the other city engineer costs; needs to get that to them because they will need to approve; really don't have a suitable engineering contract at this point in time with all the caveats in there; City Attorney and he received a copy from Simons and they will go over it next week or so to see what they have there as well; doesn't see any problem with this in terms of 2009 project at all; would like to try this project team thing and get them more information; what he has seen so far here is in essence once they have it, they really don't see it until there is an end result; thinks there needs to be more communication along the way as far as that goes, plus thinks it would be helpful in talking to Gilles to have a presentation of the capital improvement plans so they see where everything is and where it is going; will do at a work session; hard to approve something when they don't see where it is all headed but they do have a capital improvement plan; as Larsen knows it is very well documented but they just need to get it in front of them; if Zeller would like to be part of that project team, that would be find with him. Craggs asked since they listed it on page 3 as an estimate proposing work on an hourly time and materials basis, wondering if there is a problem if they limit it and put a maximum 'not to exceed' number. Administrator thinks that will be fine and they will go back as a project team and split out the costs of preliminary surveys, what the design is going to be; if they have a cost of not to exceed \$24,950, that won't be a problem getting surveys done; if there is anything different they will come back to CC.

**M/S/P (Craggs/Larsen) to approve the engineering costs for 2009 Street Improvements engineering, up to \$24,950, per the memo dated 7/10/08 from SEH.** Niedzwiecki thinks one item they have capability with SEH account system to provide separate invoices including the maximum cost. Simons said that is no problem to do that. **Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Passed unanimously.**

## 11. CITY STAFF REPORTS

### - Administrator

Statewide transportation plan for the State of Minnesota is going to have an outreach meeting in Eagan Community Center July 22 from 1 to 4:30 if anyone is interested in what is happening in the Statewide transportation plan; group for spending the ½ cent sales tax is getting ready to have a representative; for certain, the mayors of Stillwater, Woodbury, Lake Elmo, Lakeland Shores, and a councilwoman from Oak Park Heights have applied for it; Zeller will be on the committee that selects the representative in a couple of weeks; received notice of planning commission for Washington County and doesn't know how they handle these; this one is for Horizon Wireless and at Tower Asphalt; conditional use permit and they are going to put up another cell tower out there at 135'; normally in many cities they just give it to the PC and they take a look at it and decide if they really have any input to decide; this one due July 22; doesn't know procedurally how they want to handle those - whether they in the past made comment at their planning advisory commission; whether those kinds of things should be forwarded to the PC to look at, comment, and get back to them or if it makes any difference. Zeller thinks generally speaking their procedure depends on the severity or the impact of the project proposed; in this particular case, his own personal feeling is there is minimal or no impact to Lakeland, so doesn't think they need to be too vocal or too involved. Administrator thinks in handling in the future maybe what they should do procedurally is just scan these, distribute, and get comments back and if they have time let the PC look at them as well too; sometimes what he finds in other communities is what you think wouldn't be an issue tends to be an issue at some point in time and people tend to ask why didn't they even look at it or discuss it whether or not it seems to have any seeming effect on it; doesn't want to put them in a situation where they haven't seen it and he hasn't forwarded. Zeller said Alliance does a good job of bringing issues that are significant to the forefront as well; thinks combination of scanning and forwarding one method and then continuance in the Alliance; does think on this one there is minimal impact to their community. Zeller said for what it's worth, he did talk to this Horizon gentleman several months ago; they currently have a policy where they do not have cell power on their water tower; thinks that is a mistake; these generate a nice little source of revenue; he indicated if they had a hard time finding a site that maybe Lakeland would revisit that restriction; would be the only reason they might be curious to see what the outcome is if they are declined for some reason and then maybe there is opportunity for Lakeland to look at a little bit of revenue by allowing that on their water tower; on Tower 2, their agreement with the landowner prohibits them from doing that, but on Tower 1 it does not. Craggs remembers having this discussion about the second water tower at the CC level and deciding at that time based on the arrangement associated with working with the landowner that they agreed, and thinks it is part of the formal agreement, not doing that on Tower 2. Zeller interrupted they did, they are prohibited on Tower 2, not on Tower 1. Craggs continued he was just suggesting there was some discussion and rationale behind that, and thinks they might want to revisit the history associated with Water Tower 1. Larsen said it seems to her when they put up Tower 1, there was issue with West Lakeland Township. Zeller said candidly it is fair to have a tower there that has the visual impact it has versus putting up a freestanding cell phone tower – makes sense in his mind. Administrator said revenue can run anywhere between \$11-21,000 annually. Zeller added that is per user. Administrator can recall when they built a water tower in Anoka they had 12 of them attached to it at about \$18,000/piece and pretty much paid their bond that way. Administrator said only other issue he had was in conjunction with Niedzwiecki is that they had a short budget report and they went over it on July 8; their thought is they will need to approve a preliminary levy obviously by September 14; asked if they wanted a separate meeting for that in August 5 from 4:30 to 6:00 to finish it out and approve it on the August 19 or are they comfortable enough with where they are headed to do it at 6 p.m. on August 19 and move it to CC; thinks normal feedback they have received is it is better than it was – can they make it any better; that is what they are attempting to do at this point over the next month; can be honest with them and say it will get a little better, not much better. Staff advised August 12 is just public hearing in regard to Plaza; PC is still meeting August 5 for their regular meeting. Administrator suggested 4:30 p.m. on August 5. Niedzwiecki would have problems meeting at 4:30. Staff thinking CC members would do well to be at the public hearing and that they might do it after that, on August 12. Zeller suggested doing the workshop at 5:30 on August 12. That is better for Niedzwiecki. Consensus to set for 5:30 on August 12 since they have to be there anyway. Administrator will see if he can get the CIP on there too. Craggs had question and thought for Administrator; over the last couple of months they have had a handful of noncompliance issues relative to some different zoning situations; was looking for some type of update and doesn't know what the appropriate forum is for that and obviously doesn't want to get bogged down in the details but there are a couple zoning non compliance issues that have been outstanding for multiple months. Administrator asked him which ones he had in mind. Zeller just wondering if Administrator could generate an update for him. Craggs said that is the reason he brought it up the way he did. Administrator asked if he was speaking to the Mau issue; asked him to email him with what he needs. Craggs just think important for closure for several of them on a couple of those issues so they understand where it sits; some of them have been outstanding for a significant period of time. Zeller thought Mau in his update. Administrator said he would be happy to update him again; if they have other non compliance issues, he should email him and update. Craggs said it is just for informational purposes since they are not addressing them at the meeting and it's not part of the Staff presentation, he would like to have something.

### - City Attorney

The only thing he would mention since the comment was just made relative to the Mau situation is that it is in litigation and pending; if the CC wants additional update, they can schedule a Closed Session at an upcoming meeting to discuss where it is in the process; would be happy to do that and also be happy to provide a written report although those things that do need to be confidential won't be disclosed in writing and will be discussed in Closed Session; if Craggs would like that to happen, they should communicate with Administrator and he will set that up. Zeller said why don't they say anything they are in litigation on; maybe they can go into Closed Session for an update because they are still with the DNR and Sierra Club; zoning issue resolved a while back over by the school; asked they put that on the agenda for August.

- Clerk

Just to remind them that elections are coming up and training is in full swing; City of Lakeland will have two CC seats and the Mayor's position open; at the end of August, she will send them an email as to when filing opens for those positions for the City. Zeller asked if they could place an article in the newsletter so that anyone who is interested in filing can do that.

- Engineer – no report

- Treasurer

Would like to do mid-year report that will take probably five minutes. Zeller said he has told Niedzwiecki any time he needs more than five minutes he wants him on the agenda, not just to sneak in a report; his information is critical so they have to make sure they are budgeting enough time for it; will give him 6.5 minutes tonight. Treasurer went down the list, General Fund \$405,000 of revenue, page 2 of current month has receipts at bottom of \$405,802 primarily General Property Taxes for the current year and then they collected some property taxes for prior years; also fiscal disparity tax levy; those are all coming in as expected; turning to page 9, they collected \$12,000 from prior years; what was for 2007, they collected \$11,354 of the \$12,369 that was delinquent so now they only have \$1,000 left in 2007; thinks that excellent; delinquency remaining .1%; back to page 3, Administration and Finance, there is a new line item there called City Administrator; talking over the last few months about reconfiguring their financials to have Administrator a separate item; moving down into General Government Other, the big item there are 2008 assessment fees from Washington County came in at \$8,884 combined with some of the tax levy reports and miscellaneous they are right on budget. Zeller asked regarding 43125 on page 5, Snow & Ice – Washington County contract annual budget \$31,550; assuming some of that is going to transfer to their new fund created for snow plowing [Washington County Contract \$11,574.20 YTD]. Niedzwiecki asked they look at the revenue budget and revenue items, looking at Snow and Ice levy current year, they levied for as part of the general fund budget \$34,500 which covered the Washington County Contract and the mobilization fee, so total net budget for Public Works is 0.00; made budget transfer into this fund both in terms of a revenue item, they will be splitting part of that General Fund and book it as Public Works and spend money out of that. Zeller asked if safe to assume that as he is doing this he is making journal entries so that when they are doing their audit there is a clear descriptive trail for someone to follow. Niedzwiecki said everything he has changed he has made it very clear in QuickBooks; they will also see a number in the revenue section under 31651 Snow & Ice Levy – prior years for \$60,266.77; came from line item in Long Term Improvement fund that they have been accumulating over the years; can be used to buy trucks and if they have excess it just stays in this fund; in future they will have a Trucks & Equipment fund; they no longer accumulate funds in the Snow & Ice Long Term Improvement fund; any accumulation of funds would be Public Works funds; when they do the final budget for this year and for the preliminary meeting, August 19, he wants to have the budget in the new format; looking at Public Safety on page 3, there is nothing for Police Protection yet; Fire Protection bills quarterly so current on that; probably the next time they get this report, account 43100 and 43101 will be out of there in Streets and Drainage; will be in public works fund in Streets section; Streets section will probably have some engineering in it; negative number in the garbage and clean up day; still waiting on invoices; have receipts and have had some invoices from Maroney but haven't received all invoices from all the vendors yet; last item he was going to point out is 50 other financing users (transfers out) of \$14,327.50; that is ½ of their Water Debt Service for ½ of the City subsidy; page 4, Special Parks they have spent some of the money for play equipment for Humphries, and he created a new account 45257 and they spent \$8,655 so far in that; page 5, Fire Station Debt Serv. routine – in June and at end of year they allocate ½ of debt service levy into that fund; Fire District does have authority to ask for funds more often but with structured cash flow they wait until all the cities claim both halves of their levy; water utility fund routine; water construction fund routine; water debt service fund they take as revenue; charge Debt Service Fund for fee for Special Assessment billings from Washington County; Building Inspection fund routine; Long Term Improvement fund City Administrator had opening balance of \$3,000 so that actually shows up; everything is just reallocated; item in Economic Development the Administrator provided detail of hours spent on Comp Plan so charged some of his time to Economic Development; in answer to Zeller, the Water Tower Construction Fund has its headings; multiyear project and they are still incurring some expenses; incurred \$1,351 for ongoing testing warranty; main construction 44101; spent \$565,869.80 – their budget was \$694,357 so came in under budget; engineering was a little tougher because they had a budget, spent budget and then they are now in the contingency section of engineering and testing; two places they can find how much money they make – one if the project life to date bottom line \$527,573; going back to page 1 - 605 Water Construction

fund balance 6/30/08 \$527,573; that is how much money they have in that fund; some of that is designated for the rehab of Tower 1 which is approximately \$300,000, but that money, because it is being funded by water revenue is obligated. Zeller understands and is not suggesting they would try to capture that money, saying they do have a bond out there and if this money isn't going to be spent they would pay the bond down. Niedzwiecki said they could do that; looked up when it is first callable probably 2011 but one other possibility would be to use these funds for the water share of 5<sup>th</sup> Street Realignment, the water main work - \$30-60,000; Gilles and he did talk about this once if they needed funds; thinks the first plan would be to just take it out of the regular water utility; have some options there. Livingston said they have talked several times over the last few years about attempting to separate out the City and the water utility; would still like to have that as a goal; joint powers deal. Zeller said to answer his question is not a simple answer; knows what he is saying; he would like to see an annual budget for the water department and he concurs; isn't something they really review or they are active in and thinks that is where he is going. Livingston said assuming a comment he made a year ago and the same answer; unacceptable – doesn't care if he is more involved in it, would just like to see a budget in the same format or as close as possible as they use for the City but separated so they take a look at it. Glasgow said one comment, Niedzwiecki is pretty passionate about the budget and they give him the time he needs, but thinks they need a 'not to exceed.' Craggs suggested having a work session on the Water Utility and Zeller had suggested that a couple times; to help formulate basically the budget in a form they can find user friendly; suggesting whatever he thinks appropriate but to him that would be the best way to address it. Zeller thinks they have the data; asked if Niedzwiecki would supply the data and then they are having a budget workshop so if they want to touch on it during that workshop that would be the time. Craggs said from his perspective to some extent it is a formatting issue; putting it in a form they can read and understand; consequently no criticism to the Treasurer because he is sure he is doing this per what is required, but seems to him would be clearer if they put in format that is comparable to their City budget.

## **12. COUNCIL MEMBER REPORT/Craggs**

In the Lakeland update just to provide a brief overview that the Administrator outlined numbers 3,4, and 5 talked about recent activities as it relates to the Parks; would encourage them to take a look at that; also in their packets was a letter that the Administrator drafted in response to the LMCIT review of the Parks as it relates to risk; whole series of issues raised and in conjunction with a lot of the issues they discussed in the past including signage; have been meeting every other week – the Administrator, himself, Gilles, and Klein and actively address the particular issues that were raised in the report as well as moving forward with the Humphries Park playground equipment installation that is scheduled for week of July 21; last Saturday, contractor basically provided some of the initial clearing and/or some of the groundwork that needs to be done, excavation work, so the equipment can be put in. Zeller said along with Parks, the question was raised about the five communities each contributing some money for trash pickup along the bike trail; haven't had an Alliance meeting yet where that has been addressed but assuming all the communities are on board with say \$500, who can logistically handle that; is that something they have staff or resources to facilitate – collecting the trash and getting rid of it. Glasgow suggested talking to Sentence to Serve before they spend the money. Administrator needs to get on the agenda first and see what they want to do; will email Kopesky. Zeller said when he polled the neighboring communities, they all acknowledged there is a problem with trash along the bike path and a willingness to participate in the cost but then they have a logistical issue of who is going to do it and where is it going to go; seemed pretty simple solution to fund it but haven't been able to get it any further than that. Administrator said what it will probably take is someone to collect the \$500 and then work with Sentence to Serve and go down and do it, or even hire Teens for Christ to go down and pick it up. Craggs said in conjunction with what they mentioned, they will basically have to fund the purchase of some type of trash and recycling receptacles; that is other piece of it; needs to be some funding from some source to do that and multiple types of containers won't be cheap. Zeller thought there was some discussion that a citizen had already donated trash receptacles that weren't being used by the school and donated to the school; in her review of it didn't appear they were being utilized so the question was is that something they could utilize for receptacles. Administrator said it has been tough dealing with the school issues this summer because there is no one really to deal with; that is something they can talk to them about. Livingston asked regarding Parks whether they have gotten any further on lights. Administrator said they have; looked at solar lights somewhere between \$3,000-3,500 but what they are looking at now is working with Xcel to position the light a little closer to the parking lot; in the plan and something they are going to do in conjunction with the Park project itself along with trying to get the paved path in there and everything else. Craggs said Gilles has been directed to obtain costs from Xcel; from their discussion, they thought that most cost effective.

## **13. COUNCIL MEMBER REPORT/Glasgow**

Along with Parks, has anything been done with lighting in Cully yet; knows they have a light that isn't used in Cully now that could be moved; noticed no complaints coming in on Cully and thinks due to Washington County once again; the guy who calls him constantly when there is someone in that lot hasn't called, and he has driven by late at night and there is no one in there; thinks strictly due to Washington County presence there and they have been very diligent in checking the Parks over. Administrator knows the Staff sees them almost every day. Craggs said because of the concerns raised, he

talked specifically this evening with Deputy Wick and he said over the summer he hasn't seen any problems down at the park in terms of activities he thought inappropriate. Glasgow said there was no Cable meeting this month; did have meeting with Senator Coleman's campaign staff and they are looking into the fire department taking calls up on I-94, so they will get involved in the issue hopefully.

**14. COUNCIL MEMBER REPORT/Larsen**

AARP Driver Safety Program offered by Jack Ross mentioned. Staff has been taking reservations for the *55 and Alive* insurance class and asked her if full. Wallberg said she has 26 people and he can take 30. Larsen reminded it is from 5:30 to 9:00 on July 28 and 30; by State Law you have to be given a 10% discount on your car insurance so if you take it you will benefit from it; had a couple meetings with Gilles about the roads.

15. COUNCIL MEMBER REPORT/Livingston – no report

16. MAYOR'S REPORT – no report

**17. ADJOURN – M/S/P (Glasgow/Livingston) to adjourn at 9:18 p.m. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed unanimously.**

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**Brian Zeller, Mayor**

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**Kate Piscitello, Recording Secretary**