

CITY COUNCIL MEETING
Tuesday, May 19, 2009

PLANNING COMMISSION PRESENT: Bob Craggs, Richard Glasgow, Peg Larsen, Bob Livingston, Brian Zeller
STAFF PRESENT: Jim Gilles, Matt Kline, Mark Nagel, John Parotti, Nick Vivian
OTHERS PRESENT: Al Bergevin, Dale Fretland, Peter Hilger, Sharon Lee, Caitlin Revoir, Chris White

1. **CALL TO ORDER** by Mayor Zeller at 7:02 p.m.

2. **PLEDGE OF ALLEGIENCE** was said.

2a.APPLICATION BY LAKELAND PLAZA LLC FOR AMENDMENT TO PUD FOR LAKELAND VILLAGE/360 ST. CROIX TRAIL SOUTH (Refer to Agenda Item 8 below)

A. Public Hearing on Application by Lakeland Plaza LLC

1) **Call to Order** at 7:03 p.m.

2) **Introduction of Application** – Nagel introduced application as another step toward the conclusion of the City's Development Agreement with Lakeland Village; this PUD amendment is simply a revised plat in terms of splitting out the lots; he will let Erickson speak towards it, and also let the City Attorney walk through the Resolution with them as well. Zeller reminded CC they had discussion about this back in January/February; held public hearing before, PC has reviewed this application before and CC approved; they are doing a minor amendment tonight – instead of it being a two lot subdivision, they are looking at the total of 5 lots subdivision to give the owners of the center greater flexibility.

Peter Hilger, Rylaur LLC. This is simply modifying the plat such that they can have dividable sellable lots; originally when this project was just a gleam in everyone's eye, they were advised they could not have separately platted parcels because of the difficulty on condominium-izing the septic system; since that time and since they have gone through this process and working with the City Attorney, they have determined they can in fact do that; there are mechanics available and so it becomes much easier to facilitate the development and financing of the properties if they have that inherent flexibility to sell someone their parcel as opposed to doing a land lease; that is all they are doing; nothing about the design or any other criteria of the site have been changed; just a matter of how they legally describe the parcels; from that standpoint, they don't have any issue with the resolution; it basically recounts everything that has been heretofore approved. City Attorney recalled CC originally approved this Planned Unit Development last fall; subsequent to approval, they had discussions with Hilger, Erickson, and with Erickson's business partner how this process would move forward and what in fact they wanted to do there because of discussions about construction of additional buildings; the City wanted to make certain they were aware that what they proposed at the time, and what the CC had approved, was essentially two lots; as they got further into discussions into fall and winter, it became apparent their tenants would not have one large land mass at the north and south, but have individually platted lots to the north and property to the south as one lot; they think this is a worthy change to the PUD; resolution they have before them to consider after any public comment is basically the resolution adopted back in August 2008; it recounts the fact that the PUD has been proposed, the application met with standard met, and that they are having this meeting given that if they approve this resolution, it will be because they determined that approval of the reconfigured lots is in the best interest of the City and best interest of this PUD; would say from where they are in this process, if they approve this resolution, they still have to finish up the Development Agreement and other agreements; completed about 75% of their work back in the fall before they started talking about these changes, so minor work to do that; that will come back before them at the next meeting for approval; also have a portion of Plaza Drive that remains to be vacated - the south portion of Plaza Drive; they will recall that in the summer they approved the vacation of the northern portion of Plaza Drive; only reason they didn't vacate the southern portion of Plaza Drive was because there was work being done in that right of way to the point they couldn't release that City property; they are at the point now where they can do that, and if all gets approved, they will move forward with the vacation of the rest of Plaza Drive at the next meeting and presumably they will be done at the next meeting; Erickson and his team can take their final plat to the County, receive any comments the County may have, and come back with the final plat that the mayor and clerk can sign off on; extensive process and certainly appreciate the work they have put into it; great to work with, and he thinks they have a proposal that works for the City and hopefully works for the developer too and puts the developer in a position to bring in the appropriate development that is in everyone's benefit.

3) **Public Comments** – none

Chris White, 311 Queenan Avenue South. Had a couple questions; it was her understanding that originally if future building took place, it would have to come before Public Hearing, PC, and CC; asked if it is still the understanding that once these lots are sold and someone wants to build, they will still have to go through that process; once they sell that land, there is the potential that someone could come forward wanting to build something, and yet they will still have empty spaces in the shopping center; is concern for her but also thinks it would be a concern for them; next, she is wondering if in installing this, originally the thought was that lot one was possibly senior housing which she thought everyone was really excited about; wondering if that has gone to the wayside; lot two was going to be business, and she recalls that lot three, once those buildings come down, was going to be additional parking; asked if there is going to be substantial parking now since it sounds like lot three will be building; thought originally had to be parking space in order to allot the proper amount of parking spaces. Zeller thought the parking would be accommodated as it was in the original PUD. City Attorney said parking would change if lot three is built on; still all part of the original PUD. Zeller reiterated that all would still part of the original PUD; would have to meet the requirements of the original PUD regarding setbacks, parking, etc. White continued if the TIF followed the land or stays with the shops. City Attorney answered the TIF follows the land so anyone who buys that would be a part of that. Nagel said it gets back to the point that the sooner they get a development the better it is.

4) **Written Comments –**

Dale Fretland, 466 Queenan Avenue South (on file at City Hall)

5) **Hearing Closed** at 7:12 p.m.

(see Agenda Item 5a for Discussion)

3. CONSENT AGENDA – Livingston pointed out regarding Agenda Item E there is an additional statement that Sandy at His & Hers had not submitted a formal request as of this printing; his understanding is that she has by email submitted a formal request to the City. Nagel said he will look for it tomorrow; did not get a copy of it. **M/S/P (Glasgow/Livingston) to approve the Consent Agenda Items A-E. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Consent Agenda passed unanimously.**

A. Minutes of the April 21, 2009 Regular city Council meeting

B. Treasurer's Report

C. Bills to be Approved

D. Washington Conservation District Grant/Well Abandonment

E. Farmer's Market at Lakeland Village Parking Lot

4. LAW ENFORCEMENT REPORT

Livingston reported the deputy was present before the meeting, and his comment at that time was that as the temperature warms up, so does the frequency of the calls; he was backed up two calls; he asked him a couple questions and received one very interesting answer – on their reports in the last two months, they have been seeing CVSA level 2/level 3 inspection; he made an erroneous assumption, and delighted to correct it; they have all seen the State Patrol commercial van that parks under the bridge and watches for trucks bypassing the weigh station; he thought it was County assistance, it is not; the County has its own scales, its own vehicle, and sends it out on County roads and writes tickets which all pays for paving/repaving of those roads; the City had about four last month and another 4-5 this month; thinks it is good and well worth getting straight on the record; other than that, there were a total of 65 incident call reports and 6 citations issued for the month of April; the other thing he noticed on the report were several 'fail to yield' to emergency vehicles on St. Croix Trail; those are being ticketed and deserve to be ticketed; very serious situation, and there is going to be more enforcement on that than there has been in the past in terms of response of the sheriff's vehicle. Glasgow said there are many illegal fires going on, and fines are quite heavy; wanted to warn residents to not burn brush or debris; certain regulations and they should adhere to them because he sees there are some fire reports; \$500 fine.

5. PETITIONS TO THE COUNCIL – (see 5b below)

Nagel asked that when Jim Stanton arrives if they could have discussion regarding the 2010 Fire Department Budget; if they could slide him in at some point - that would be good.

5a. APPLICATION BY LAKELAND PLAZA LLC FOR AMENDMENT TO PUD FOR LAKELAND VILLAGE/360 ST. CROIX TRAIL SOUTH (see Agenda Item 8 below)

B. Discussion and Consideration

Craggs noted the memorandum from Hilger references the old and new city attorney, but more specifically indicated that from Hilger's perspective, the City's position has changed; wondering if they would elaborate on that because he remembers having this discussion initially and not that familiar with the septic issues and what this actually means. Hilger thinks the CC previously indicated it would not be necessarily preferable to have the

Plaza site condominium-ized or planned into multiple lots and to just to keep all the lots as one; they took a look at it and as they know in the interest of disclosure and as the CC approved previously, their firm has worked with the group and they engaged a complex process of figuring out how to use easements and porosities as to make sure all of those properties have access to the septic; means by which they are doing that includes an association that each of the properties give power of, and there is a detailed formula for maintenance and upkeep of the system and issues as to what if that system fails; on the face, it is easy to say this is complicated and it is not their desire to have completed set up, but if it can be done and can be structured properly as it has been presented to him, it makes sense the way it has been constructed and thinks it is doable; just a question of how they do that and how that will be structured; thinks it works just fine and no issues with it. Zeller thinks part of the change, Mark's [Vierling] position on that, was several years ago and certainly in the last five years in their area now they are seeing more community systems; as they have seen that in other communities and residential developments, he thinks their comfort level was the idea of a shared system proving the point they were not comfortable with it. Craggs said in terms of what will be developed, is there an actual agreement then between all of the owners of the parcels in terms of the septic use and septic maintenance. City Attorney said it is more than that; doesn't know if they are actually condominium-izing the lots which is the process they go through to file with the County, but they are doing something like that where they will have a special plat they formed a stock corporation of; actually going to be associations which all these properties belong will have representatives that will serve on a board presumably, and they will manage effectively the common elements of that development which will be parking, utilities, shared infrastructure; they will be responsible through their private association for maintenance, upkeep, repair, replacement and those issues; in a sense, it is structured into an association which is charged with the obligation of taking care of all of those common elements. Craggs continued that the reason he is asking is from the City's prospective, do they have multiple entities they will ultimately be dealing with once the properties are sold to insure they are meeting their obligations relative to parking, septic, etc. City Attorney said the Planned Unit Development Agreement and Sub Division Agreement will be recorded against all of these properties; the answer to his question is yes – eventually thinks that the plan may be the developer sells off those lots, but anyone buying a lot buys the lot subject to the requirements of the Development Agreement and with the restrictions and obligations they have put after they negotiate as part of the agreement; while they will likely be dealing with different individuals, they can and will require as part of this agreement that there be an association and that they have the right to deal directly with that association to insure that association is meeting the obligation by the representative of the City; the City's interaction is with the association as opposed to one individual property owner; thinks the association membership and voting rights are based on square footage owned, so the Plaza will always have a dominate representation and set of obligations through its participation in that association; primarily the owner of the Plaza is going to be the one the City is dealing with in making sure that everything is going according to plan on the site. Where Craggs was going is would that be incorporated into the Development Agreement. City Attorney said absolutely. Craggs' last question had to do with the resolution since they didn't have an opportunity to look at this ahead of time; he mentioned the same resolution they previously approved and would like to know changes that were made. City Attorney said throughout he changed Planned Unit Develop to *amended* Planned Development; the first page recites the fact that the Planned Unit Development had been submitted and that it met the City's requirements and everything remains the same on the first page; at the top of the second page, City Council considered recommendation, Planning Commission voted to approve the PUD as presented at its August 19, 2008 meeting, and the next there is WHEREAS on his new revision that says *WHEREAS the applicant now desires to reconfigure the lots designations previously approved by the CC, WHEREAS as the applicant requested the City's approval of the reconfigured lot lines presented by Peter Hilger of Rylaur Consulting on behalf of the applicants, WHEREAS the City Council has on May 19, 2009 regular meeting at a public hearing to consider the request on the applicant's amendment to be approved PUD requested, WHEREAS the City Council has considered the applicant's request and determined the request to be consistent with the original fee and the application approved with the City, WHEREAS the CC has further determined the PUD application to be in the best interests of the City of Lakeland.* City Attorney provided another couple of changes; he would note that on page 3 under the *BE IT FURTHER RESOLVED* language, first bulleted parcel B and second bullet parcel C identified and the third bulleted parcels A, B, and D – didn't catch that when he revised this resolution but they are lots instead of parcels so the first bullet should be lots 1 and 3, instead of parcel B – the second bullet should be *lots 1 and 2* as opposed to parcel C – and the first bullet should be *lots 2 and 3* as opposed to parcels A, B, and D; will make those changes and get this back to the City Clerk once she returns from her vacation; aside from that, there have been no changes to resolution and it remains the same resolution, the base resolution, they approved previously.

M/S/P (Livingston/Larsen) to approve Resolution 2009-12, a Resolution approving an amended Planned Unit Development (PUD) and Subdivision Plat for Lakeland Village at 360 St. Croix Trail South. By roll call, Livingston, Larsen, Glasgow, Craggs, and Zeller voted aye. Resolution 2009-12 adopted.

David Erickson, Lakeland Plaza. Erickson thanked the CC; first of all just to answer a couple of questions, they certainly agree – they aren't trying to cannibalize the Plaza, but they have had some mild interest – says *mild* because he knows how the grapevine is – of some professional space that wouldn't belong in the Plaza and the daycare/senior housing interest is still very much there; anxious about that, but that business has slowed down as well as the rest of the economy; the other thing, he believes it has been 10 years since they were here originally with Vierling; believes there is technology available now that would allow a possible onsite drainfield for some of those bigger lots where they wouldn't necessarily go into the big system depending on the use; nothing eminent on any out lot sales, but gives them the flexibility to try to get something done sooner than later; appreciates the City's consideration.

5b PETITIONS TO COUNCIL – (see Agenda Item 5 above)

Jim Stanton, Lower St. Croix Valley Fire District. Present for the Fire Protection District for three reasons tonight - first one is that last Wednesday they finalized the 2008 Financial Report for which they will receive a hard copy; in that report, they were able to let them know they had a surplus last year which has not happened for a while for them; they use that surplus to fund their Capital Replacement Funds which fund equipment, things that get used up; use surplus to be able to put in zero funding for those areas so they can bring their budget for this year which they are presenting tonight and finalized last week, the 2010 Proposed Budget; came at a 1.6% increase aggregate; what that means for Lakeland is a 2.07% increase, and that amounts to \$1,967 for 2010; under the Joint Powers Agreement, they don't need the cities to vote on the increase; anything under 5% aggregate they can present and inform them, anything over that would need to be voted on; that is what they are presenting tonight - where they are at and open to questions, comments. Zeller asked Stanton, being Lakeland's direct representative, if he feels that a 5% cap is appropriate or something that needs working; obviously asking that because they are in such a tight budget year. Stanton's take on it, and he also has Burl Haar with him who has worked for a number of years with the District finances; they have worked very hard to get actual figures; they are really there now; have moving target because they don't know how many runs they will have, and their costs are based on that; they could have a large fire like in North Hudson which they are all called to, and it can be a huge cost; over the years, they were always behind the 8 ball and were pulling monies out of these capital replacement funds and not using them because they felt they needed to keep the budget down; if he had anything to say about it, the 5%, he thinks it is pretty good where they are at right now; they have replacement of the vehicles where they increase their capital replacement of the vehicles 5% every year and are on a plan to replace the vehicles on a regular basis rather than let them get to the point where they are worth nothing and then trying to come up with the funds; working from a finance standpoint, it is working well - they are able to get monies for equipment and replace; fund is based on 5%, and at this point in time, 5% works well for them; can change fast with a couple of bad equipment problems or whatever; can be in the red fast; been blessed; that is his opinion being in an educated position on the board. Larsen said being the recipient of the Fire Department's services recently, she wanted to commend the members of the Lower St. Croix Valley Fire Department men and women; they are excellent; timing was fantastic, their caring for their house burning – even moving personal pictures so they had some things left; can't say enough good things; she would triple their budget, but knows the mayor and CC would not allow her to do that; in all seriousness, the men and women are just terrific. Zeller's understanding is they may have a new recruit; Tom Larsen was out with the garden hose watering the roof. Larsen said he was, with no shoes on. Stanton said there is another part of her house fire he should inform them of – the man who was in charge that night had just gotten back from training and was able to put what he was trained to do into action a day later; their training budget is huge, and so they were glad to see it is used right away. Larsen was going to mention Robbie Corey; he was cool-headed and everything went as smoothly as possible; really did an excellent job; hopes to move back in her home whenever. Craggs asked breathe of surplus – how much was it this past year. Stanton said \$20,000. Craggs asked when they said they use that to minimize the percent interest – in terms of the capital replacement fund, a couple of years ago he remembers talking about this with them and also with Niedzwiecki and asked if they are comfortable now that it is indeed being done in a systematic way; they talked about wanting to get it implemented and do it frequently enough that they were comfortable so they are leveling any type of emergency situation. Stanton thinks it is working quite well; they blew a tire last year and it ended up costing \$11,000; without that fund there, that can skew their budget overnight; really helps that way; even have a tire and battery replacement fund because it is quite costly for these vehicles when you replace a tire or a battery; can say that Haar and the finance committee really worked hard to try to get as clear a picture as they can even though they have variables; nothing happened this year that shot their budget out of whack; really comfortable with it because he thinks they have been working on it to get it to the point where they were comfortable with it. Craggs hopes they run a surplus this year, too. Stanton said first and second items are their year-end report, and they will get the hard copy on that, and then the 2010 proposed budget; third thing is the Fireman's Retirement Fund which is called the Relief Association; has been funded by their investments and also the State provides a portion of what each of us as homeowners pay for fire insurance; small portion that goes to every Fire Relief Association in the State; governed very strictly by the State and have to have funds available; this year because of

the downturn in the stock market, they are underfunded; as of today, they received some figures they can bring to the cities and are asking all five cities to come to a meeting on June 18, 2009 at the Fire Department at 7:00 p.m.; they will have a PowerPoint and their professionals there and will be able to provide them all the information they will need to go forward with this funding; mandated by the State that each city is required to fund this Relief Association, and because in the past they have been able to make it work themselves, they have not had to come to the five cities; each municipality without a joint powers has line items for their relief association already; they have to come to the cities to ask for that and will be a change in their budget which will probably result in a line item every year for the relief association and will fluctuate according to State guidelines every year; they want as many representatives from each city there because it will be a lot of information; they worked hard on it, gone to a number of classes with the State and financiers and hope they can bring as much information and answer as many questions as possible as to what is going on so in the future they will all know what the relief association is and how important it is; retains their top notch people to stay on the Department because there is an incentive; can tell them they are still way on the low end of that amount they give their firefighters for retirement in the area they are in; something they can look at and can up that in the future and get consistent contributions from the cities. Zeller said if he understands correctly, in the past it has been funded by their investments and State aid, but due to the lower return on the investments, it is not meeting State guidelines; asked Stanton why he thinks it would be beyond a 1-2 year event. Stanton said it is a formula used; State gives it out and they plug all the numbers in, the amount of firefighter's years of service; if all those members who are fully funded retired at one time, what would happen if all of that is figured in there, they are not meeting those guidelines; cities are, by State Statute, responsible for funding. Zeller thinks the first step is to get educated on it; would assume the second step would be for Nagel to spend more time on it and advise the CC on how to proceed. Stanton said all five cities are in the same boat on it so they may all work together on it too as to how to do it. Administrator said in staff report he anticipated this and if they wanted to set a work session for June 18, 2009.

M/S/P (Zeller/Livingston) to schedule a special meeting for the City of Lakeland and the other four cities of the Joint Powers Agreement to review and obtain additional information toward funding mandated relief association retirement funds on Thursday, June 18, 2009, at 7:00 p.m. at the Lower St. Croix Valley Fire Department. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion approved unanimously.

6. CROCKER PARK

Matt Kline, Public Works.

- Twins Grant/Crocker Park

As they may have heard, they have received the Twins Grant for the dugouts and removal of electric line and pole at Crocker Park; formal acceptance will need to take place tonight, but with that in mind, there are a few developments that have occurred; City has contacted Xcel who actually took the line down for free. Gilles noted it is Xcel's pole. Kline continued the proposal had it at a cost of \$2,500; he talked with Stephanie Johnson from the Twins Grant Foundation trying to figure out what to do with the \$2,500, and she advised they can either use it towards their contribution or can use it towards something else in the dugouts; actually got an estimate for concrete pad on the bottom of the dugouts, but is up to them; if they use in-kind contribution, that costs them \$2,500, split in half it would be about \$1,250 they save and don't have to pay out. Zeller asked if the entire \$2,500 would be applied toward their in-kind or be half of the \$2,500; asked what the City's in-kind was for the entire project. Kline said their in-kind is half; total project cost is \$10,800; his mistake – the in-kind contribution would only be \$1,250; their in-kind would be \$2,500 because that was technically volunteer work; the City's contribution would go down to \$2,900. Zeller quite confident their Parks Director and resident baseball expert probably have an opinion, but he would make an uneducated comment that he would just as soon decrease the City's cash requirement; interesting idea with the concrete, but then is thinking of kids running around with spikes on concrete. Livingston not going into the financial part, but concrete is very positive and very good; eliminates slipping in muddy conditions; protects and saves equipment tremendously in sloppy conditions, and there is nothing like spring in Minnesota to get sloppy conditions; if that is possible, or they could do at another time possibly with volunteers, it would be good. Craggs came up with \$8,600 - \$4,800, \$1,900, and \$2,200 (proposed concrete). Kline said there are a few other things on the grant too. Craggs question for Livingston would be alternative to concrete is they are talking basically gravel; his own experience as a kid was that was adequate; asked Livingston how he feels about gravel. Livingston said it needs renewal, and unless you put a significant layer in there, it doesn't do a lot to prevent splashing and things like that; there is matting material but none that he has seen that is appropriate for the use. Zeller said thinks installation, whether it is gravel or concrete, would still come down to how it was installed and if drainage was accounted for. City Engineer said dugout areas are high traffic areas and where kids dig with their feet is where the water pools and can be a problem. Kline said there will be roofs on the dugouts too. Craggs asked if one option would be to accept the grant as it has been agreed to, and Kline can make determination on whether they use it for in-kind or whether or not they choose to go forward with some other option. Zeller thinks that appropriate step to take.

M/S/P (Craggs/Livingston) to accept the Twins Grant from the Twins Community Fund for dugouts/improvements at Crocker Park which includes a requested matching grant of \$5,400. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed unanimously.

- Beach Project Update

Kline continued with Beach Update on the Great River Greening Project they were going to do 50-50 matching grant with them; there were a few issues needing review before they started the process; met with Molly Shodeen (DNR) and Todd Rexine, Ecological Designer at Great River Greening; Shodeen wholeheartedly said to go for it since there is black plastic showing everywhere; said they would need permit from the DNR and probably from the Army Corp of Engineers; her permit process is 30-60 days, and they could actually fit in the project at the same time so would roughly come in at the same time (no timeline on Army Corp of Engineers permit, but Gilles thought about 30-60 days for that also); if they want to move forward with that, they should let him know and he will get Todd Rexine on the permits.

M/S/P (Zeller/Larsen) to enter into a contract with Great River Greening for the Lakeland Beach renovation authorizing Staff to apply for all necessary permits and let for bid. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed unanimously. [Washington Conservation District Grant/Well Abandonment approved in Consent Agenda.]

Glasgow has some comments on the parks and asked if appropriate to do now; had occasion to go on motorcycle and drive by all the parks; noticed that Humphrey's is under construction quite drastically, and also that Cully and Crocker have no signage, he made motion that they close the parks due to liability reasons until they can get signage up to alleviate some of the liabilities; they have no signs at any of their parks. Livingston made point of order that a motion was made, and seconded the motion for discussion. Craggs would disagree; there are signs up and there have been signs up; there are signs that address issues such as when the park closes, no alcoholic beverages, and as the CC discussed signs have been ordered and are expected to be received within the next week and a half that address some of the comments made in the fall; those comments had to do with including in the signs no snowmobiling, no guns, and no drugs; that particular request has been addressed; would argue that the City's liability is greater without those signs. Glasgow was told the signs were here, but this has been an 8-9 month process and they have no signs in the park; there is no sign at Crocker. Craggs said that is not true; he drove by before the meeting today. Glasgow said unless they went up between 2 p.m. and tonight, there is no signs down there, park opening and closing, no signs that say to reserve this field, call this number; Humphrey's is not an issue at all – Humphrey's is a danger to residents right now; they need to put signs up there because if you go up there, someone is going to get hurt; there is construction equipment, mounds of dirt, and everything else – parking lot torn up, paths torn up – they need to close Humphrey's. Administrator said only comment was that signs were ordered and should be here before the end of the month and they will put the new ones up; reason it took longer was they did that in concert as part of cooperation with Afton and Lake St. Croix Beach because they were ordering signs at the same time with Parotti; they saved a bit of cash and maybe it took a little longer, but most of these cooperative agreements take a little bit longer; liability-wise, he can check with the League tomorrow morning, but his feeling is they do have signs up – they just don't include all the things that the new signs will and they will simply replace them when they do. Zeller would like to comment on the ongoing construction; thinks it appropriate they are closed or roped off or sectioned off. Administrator said it would be a good idea to rope it off with some yellow tape; he went down there this evening; people walk around that and pretty much the parking lot is all torn out; will get that roped off tomorrow for sure. City Attorney said construction equipment and dangerous conditions are concerns they need to address; if they have the parks signed, he would suspect it is not as much of a concern, but if other issues such as construction, they should seriously consider taping it off. Craggs would agree with Glasgow; did drive by Humphrey's and saw children playing in the dirt and needs to be roped off for that reason. Chris White, PC, made comment on behalf of the League; as far as Humphrey's, if it is under construction her guess would be the contract states they will follow all safety and OSHA regulations that includes anytime you have heavy equipment or holes or whatever, it is the contractor's responsibility to make sure that is set up with safety whether it is with tape or barricades but with that said, it is also the City's responsibility to make sure that the contractor is properly handling it; now that a formal complaint has been issued, it is really important as far as being insured that they would take care of it immediately; as far as signage, she believes Josh [League] was out there not so long ago and went through things, and if they are following his recommendations, they are fine because they really don't have the type of parks that have safety issues where they need specific safety signs; once they have a recommendation made, they have themselves open to liability. Zeller hears consensus from CC and Staff they would like to secure that area as long as construction is taking place. Glasgow said there is no sign for opening and closing; parks close at 10 p.m. and they have no signs; nothing down at Crocker and knows the County Sheriff said they can't really do a lot to people in parks without the signage up there. Gilles referred to signs at Quinmore that has been up there for 10 years; the one at Cully Park is over on the pole on the east side of the parking lot and has been there for 10 years. Glasgow's major point of contention is he was told a week ago that signs were here and they could be installed any moment; when he drove by he was discouraged once again; he started talking about signs last year before the parks closed and they were going to have them up before the parks opened; they are open and they don't have any signs; now he finds out they are just on order now; that is his major point; he withdrew his motion. Livingston withdrew his second. Glasgow made new motion that they close Humphrey's, or at least put signage up at Humphrey's immediately, to

insure safety of residents. Craggs seconded for discussion purposes and asked the maker of the motion if he would modify it to suggest they would basically work with the contractor to insure the construction area is secure. Glasgow agreed. Zeller called question.

M/S/P (Glasgow/Craggs) to work with the contractor doing work at Humphrey's Park to insure the construction area is secure. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Motion passed.

7. LAKELAND CITIZENS' SURVEY RESULTS

Kline was given the opportunity to do a survey of Lakeland residents for his final graduate class; provided a few details of the survey and some of the results; survey was distributed via the newsletter; very cost effective method since he had zero dollars in his budget; one limitation was that there was limited space for questions; most of the surveys that he reviewed were probably about 120 questions long; it identified public opinion regarding City services, policies, and issues; last survey from what Wallberg had told him was completed 20 years ago; questions were specific to current issues and policy considerations within the City; 66 responses were received out of 691 households for a 9.6% return which is actually very good for a survey of this type; one of the unique parts of the survey was that 92% of respondents had lived in Lakeland for over 11 years; 87% of the respondents rated the quality of life in Lakeland as excellent/good that is actually a couple percentage points higher than Lake St. Croix Beach who just did a survey in 2007 and higher than Stillwater's that was done in 2006; primary source of City information was the City Newsletter by far; City services were primarily rated good; tax increase for City services received more support than they thought it would; question was would they support a tax increase if the City services were kept the same as present; thinks people are for a tax increase if they are going to keep the City services the same; obviously if you are going to decrease City services they would want to see a decrease in taxes. Nagel said that in some respects the better they can lead specific increases to what those services are for the more reasonable in terms of support. Kline thinks Nagel right, snowplowing was rated at 73% - thinks residents would be happy to see the increase that might happen with snowplowing. Livingston noted regarding street maintenance and construction he thinks any city or town he has ever lived in, one pothole per many square miles is enough to set off negative responses. Kline said obviously the people who just had their street repaired answered good, but the person who is driving over a pothole answered negatively. Zeller doesn't look at that as a negative; looks at as positive; if their single biggest budget expense is streets, for him he sees it as positive it supports the difficult decision that the CC made at the time to spend more money on the streets; hopefully they can do another survey somewhere in the near future and see improvement in that number. Kline continued current street reconstruction and code enforcement policies were preferred by a majority of respondents; there was no real support for bonding or assessments and changing the code enforcement from hiring someone rather than their current method was not a priority. Zeller thought that also one of the most valuable pieces of information that came out of this; to see the overwhelming support is something they struggled with relative to streets – do they want to bond in an effort to be more efficient in the way they spend their money – do they want to look at some type of an assessment program, or an utility fund; overwhelmingly, people are opposed to that. Nagel thinks what people are really saying is that the current method of continuing to build that street improvement fund every year, again tying the taxes to the actual use of fund, is probably the way to go. Kline said 56% of respondents have visited a City park within the last year with an average of 8 visits per respondent, and they favored future park improvements; recommendations – many residents who need and want more information but seem to be uninformed on certain issues; there were a couple of comments how a TIF actually works, how they grade their streets, why their road wasn't done when other roads were done sooner; couple questions on code enforcement; his recommendation they actually try to get more information out to residents possibly with the newsletter or some other way since the newsletter was a primary information source; another theory he had was that possibly in the newsletter or somewhere, and they could use City staff even, to use their expertise; example would be having Gilles explain the grading system and how that works for the street reconstruction project or have David Drown do a TIF explanation in one of their newsletters, preferable in layman's terms obviously; next recommendation would be this survey created a baseline for measuring future improvements and declines to City services so they can now set future benchmarks for improvement; should see an improvement in parks next time they do the survey and another recommendation they do future surveys; finally, on future funding sources, he has no recommendations for that – no magic box; a good thing was that raising taxes was slightly agreeable as long as they kept up their services section; obviously assessments and bonding were unfavorable, and at the rate they are going they need to find other funding sources which obviously the grants they have been getting are helping. Zeller said the newsletter is clearly at this time important as many people read it; surprised on the comments he receives on it; used to have more detail on their CC meetings and didn't have the mayor's corner; thinks they went to the mayor's corner and scaled back the detail of their meetings; wonders if they scaled back the detail on their meetings just a little too much. Kline made comment that Lake St. Croix Beach is having the same issue on how much they put in about the minutes; if they put in bare minimum, they can also come in and look at the minutes; if they increase to less than the full minutes or the bare minimum, it would be the clerk's judgment on what actually goes in. Zeller thinks the mayor's corner is painful for him to write; struggles with that. Administrator said if they went to a quarterly system, it would be about \$4,000; they spend somewhere between \$10-12,000 to send it out to everyone; pretty expensive deal and they

couldn't add just one page but would have to add two obviously, front and back; interesting in a sense when they finally get some resolution to what is going to happen to LGA, they will have a whole list of things they will be able to discuss in more copious detail as to how they want to handle it. Zeller said their newsletter cost is offset by advertising. Administrator said they still have some cost; would only add they had about a half dozen people who actually put their names on their survey which specific problems they wanted the City to follow up on; has all those and they will make contact with them and follow up; one person actually wanted a phone call to explain TIF to them, so he will be happy to go out with a drawing board and show them exactly how it works. Craggs speaking of who filled out the survey, asked if they had addresses of those who filled out the survey; reason for asking is if he had a sense of where residents were located. Kline said it was anonymous; they dropped it off in the drop box and he doesn't think any of the envelopes that came back were kept. Craggs said thinking about the road issues and street issues a reason why he asking. Gilles said one of the things they have to remember is their newsletter goes to part of Lake St. Croix Beach and Lakeland Shores also; they do know at least one was from Lakeland Shores, so they have to take that into account also. Zeller said Lakeland has one of the highest voter turnouts and not surprised to see response rate but would still like to hear from more people; asked if at the time of an Election they could pass out a survey. Administrator doesn't know they could pass it out at the time of an Election. Craggs said one of the things he is sure Livingston would support is to allow the website interface whereby they could fill out surveys; something that promotes response rates and can be done very easily. Zeller said recording CC meeting works, many people watch it; new technology that would allow them to have the agenda on their website and they could click on that and screen just that part of the meeting, they are not up-to-date on their website that would be permitted to; he would sure like to see that component and thinks it would be very valuable if there was a particular item of interest rather than maybe catching it on Cable, a person could just click on the item, screen that from the meeting, and be done with it. Nagel found it interesting that in comparison with other cities the residents really value that newsletter; one of the things they discussed as Staff in terms of budget cutbacks, that was an area they thought may be cut; may have to think again; talked to other cities and brought it up at an administrators meeting is it isn't unusual to have the newsletter have that kind of percentage read; most of the time they have recreation programs in there, basic information is in there, and the rest of it; not so sure it isn't so much as they don't have computers – it is just easier to cut it out and put it up; thinks the one thing the survey told them was how valuable that newsletter is; tight budget and going to be interesting to consider that; again it is telling Staff that when budget time gets better maybe they should consider expanding it - certainly not cutting it back to a quarterly basis even though they could save money. It was Larsen's understanding at one point in time that people were waiting to sponsor it; asked if there still a waiting list and should they put out a call for sponsors. Nagel thought that a good thought to line up more sponsors and maybe what they should do; thought to tackle that issue when they saw the budget number and how much they can save; their response might be no they don't want to do that, they want to keep it monthly and in effect increase two pages and find more sponsors. Zeller said they are getting a little off task but there is the business association in Afton; they are somewhat limited in what they can do with the newsletter because they a local unit of government whereas if there was a chamber who took that lead, they could effectively advertise in their newsletter which would cover a broader area; maybe there is another community struggling with this issue and maybe on a larger scale they could look at somehow a collaborative effort that would reach more people and be more cost effective. Livingston said one thing is the newsletter is the prime – one of the reasons with the permit is they don't promote the website they have; certainly on the website they have needs update; some people he has talked to don't know the City has a website; may excuse the results that they don't promote the website and really don't have something useful to promote. Administrator wasn't suggesting it something they shouldn't approve; frankly flabbergasted by the fact of how many people read that newsletter in a sense and how much of source of information it is; when talking about budget cutbacks and everyone is doing the same thing, he knows a number of cities have cut back to doing it every two months versus every month or doing it on a quarterly basis; doesn't know what their numbers were but the fact that over 8% of the people in survey read it suggests to him maybe it isn't such a good idea if they are getting most of their information from there, not that they couldn't get it from the website. Livingston said there is no policy necessary on that; does think regardless of the new technology that they use that for at least the next number of years the most popular thing is going to be a piece of paper that they can refer to quickly, put on their refrigerator, and recycle; computers are wonderful to go find out something or to go look at some video that they have an interest in, but just to find out when the parks are open or to find out who the plumbing contractors are or whatever, the newsletter is immediate. Glasgow disagreed; it is only rated because of the mayor's corner; need to expand the mayor's corner. Kline said the other day he heard that everyone thought paper would go by the wayside; actually paper has increased in usage with the age of computers because everyone prints it out and reads it that way.

Sharon Lee, 730 Quixote. Asked any idea how many people in Lakeland have computers; knows they are in an age where that is common, but they also have an aging population in sections; asked if the residents have computers and something they should be putting in a survey the next time; if only 25% of their residents have computers, maybe they shouldn't be putting a huge amount into the website or vice versa. Administrator said that is a question that is actually on the 2010 census so they will finally have that data; has never been on it before. Glasgow can figure through Comcast by getting figures of those subscribed; also DSL but Comcast primary down here and would be easy to figure out; would

guess 80%. Kline asked if okay with the CC he would recommend too that the results get published in the newsletter; couple comments asking the results be published. Craggs extended thanks to Kline for his efforts on behalf of the CC.

8. APPLICATION BY LAKELAND PLAZA LLC FOR AMENDMENT TO PUD FOR LAKELAND VILLAGE/360 ST. CROIX TRAIL SOUTH - (see Agenda Item 5a above)

9. GREAT RIVER GREENING GRANT CONTRACT/QUIXOTE AVENUE NORTH RAINGARDENS

Nagel referred to agreement and page 4 that is really the only change here; had Great River Greening split out their costs – the rain garden design they are paying for, the site preparation is the City's, and based on the bid, it is more expensive than they originally thought; can say the whole project will end up costing \$7,750 more; talked to Niedzwiecki about it and they have some ideas in terms of how they will maneuver the dollars to get this done; thinks everyone will agree that they were looking at some of the other proposals at \$250-325,000, hopefully this will make a dent in it; schedule is still supposedly for June 4, but he would like a little flexibility; does want to get back to the neighborhood and give them an opportunity to look at the plans one more time; actual plans haven't changed since they met back in October/November, but would still like to get to the residents and give them a chance to go back over this; the only reason he hasn't to date is because it is over budget and he certainly didn't want to get them back together again, get their hopes up, and then not go ahead with the project; if the CC approves the project this evening, then he would probably meet with the neighborhood in the next couple of weeks after Memorial Day and probably reschedule that for June 24 or in that area to actually do the work; would need flexibility from them to allow him to sign a change order from the contractor; won't cost them anything more, but will give him more time to do it; right now the contract calls for it to be done by May 29. Zeller's first comment was about Great River Greening; said before he is not thrilled with this design; supported it and voted in favor of it; wouldn't support phase 2 or phase 3 that may be required; having said that they are about to enter into another agreement down at the beach with Great River Greening; from his observation, it seems like they received the grant but then the project seems to grow in scope almost to the point where they are seeing the agreement benefit is a total wash; almost seems like they are creating work for themselves and charging that back again the project; asked if he is wrong. Nagel thinks in this case he is probably is; thinks they have spent a lot of extra time in putting together this particular project with the City; some of the problems have been with regard to surveying and staking; would certainly not disagree that it has taken on a life of its own over the last 5-6 months, but the feeling is that this really has a good chance of working the way it is; only other option to really relieve the drainage problems over there is something that will be enormously priced in that respect, but he respects CC thoughts that if this is over budget too much, they will go back to the drawing board and see what they can do. Zeller thinks they are too far down the road and owe it to those residents that are dealing with this issue to do something; thinks there was an expectation created a while back that this work would occur years ago; not comfortable delaying it and why he did vote in favor of it but still has his concerns. Larsen asked if this was the only group they considered. Nagel said actually they considered doing it on their own, and it was the original thought when he got there almost 1.5 years ago when they looked at a number of different options and they all were in the range of \$120-300,000 range; they decided to try some new technology and put together a grant application with Great River Greening on the direction of the WMO; as everyone knows they have had a number of different iterations as they have gone through the design on this; met with the residents a couple of times and took into account their thoughts and their wishes as well too; hopefully they can come up with the design in all honesty that will at least alleviate much of the problem down there; has been more than candid and honest in saying they may need a phase 2 or phase 3 for additional rain gardens just to see how it works; doesn't want anyone to get the impression that one of those 100 year rainfalls will be able to handle all of that, but for normal rainfalls, it should really alleviate the situation down there considerably; thinks they have been pretty candid with the residents down there in that respect, but would still like to get back to them because he hasn't really met with them since last November as they have been fine tuning this and waiting for bids and because they decided to include it with the present street project that hopefully saved a few bucks on that; this is more than he expected, but to be honest, he wants to insure they get it done right and hopefully it works. Larsen feels the same as the mayor does and feels like it keeps going up and up; agrees with Nagel they want to do it right, but she is uncomfortable with this. Livingston is also uncomfortable; has been wrestling with this now because he used to live across the street from the issue; they did a rain garden here at City Hall as a demonstration and he thinks successful demonstration; questions with all of the work that goes into that area compared to a relatively flat area, he really questions from no scientific knowledge whatsoever, just from his gut, whether rain gardens are going to solve the problem; has seen nothing and he has done some reading on rain gardens and pros and cons and sees nothing that gets rid of the feeling in the pit of his stomach this is going to work well; it is a lot of money not to work well. Zeller said being the City's representative on the WMO, they have definitely implemented them in a lot of plans, Stillwater is probably the best example recently; they do work and they can work in a higher rain situation; thinks this is a challenge because they have water coming off of the upper street as well as Quixote itself so there is really not enough land to accommodate one rain garden to handle the entire street; trying to get them on the higher side of Quixote so they know they will still have water issues on the lower portion of Quixote, but their hope is they have dealt with the bulk of the water on the high side; he just doesn't like the

cost; was always curious what it would cost to take the road out; it is a relatively short section of road to take it out and regrade and put one rain garden at the end of Quixote; always has seemed logical to him, but he is not an engineer and why with all due respect Staff has spent much time on it and why he voted to move it forward, even though he had some concerns. Larsen curious what Gilles answer to the mayor's statement would be. Gilles said as far as taking the road out and putting the rain garden down at the end, there is not enough room with water main, septic systems, and everything else that is down at the end right now; they are pretty constricted in that area; lot of land there, but it is being used for something else. Glasgow asked Nagel how they are going to monitor this to see if it works. Nagel said they will obviously know fairly quickly if it works; the residents will tell them for sure, but they will be down there making sure it works well; they can put a ballpark, a percentage effective. Zeller said Great River Greening will keep an eye on the project as well as the WMO and is sure at that level, will be curious to see how effective it is; certainly isn't their only water issue; designed to handle a significant rainfall. Nagel won't try to convince Glasgow that it is the perfect solution; thinks he has stated it at least three times tonight that they have to get the 5-6 inch rainfall at once in 24 hours, it won't handle it and not designed to; not even sure the \$300,000 solution will be perfect in the event of a large rainfall; talking about something that is 10 times less than they originally looked at; is it going to work, honestly he is not an engineer and can't tell them if it will; has seen rain gardens that work well in different situations; when they went at this before, and they have looked at the results of the previous study on this, everybody said to go back and figure out something else that is less expensive than this so they did; they got \$10,000 toward it, he wishes it was \$7,500 less expensive; they would not be discussing it and would just do it; second thing is, in order to get away with a little less expense, they will have to be innovative and not perfect; really can't answer the question as to whether it is going to work perfectly or not; agrees with Glasgow that they ought to make sure they take a look and make sure it works well; might have to tweak it and may need an additional garden down at the bottom but as Gilles mentioned, they are dealing with a lot of restrictions in the area and he thinks the perfect solution is a lot more expensive; shares their concern and as he said before, if they don't want to do this they will have to go back to the drawing board for awhile to stay within the \$20,000 as best as they can knowing full well that whatever it is it will be less than the perfect solution. Zeller's biggest problem is this discussion has been taking place for a long time; they directed Staff to spend their time and energy on it and they have done that; he may not like it, but they need to do something; doing something is better than doing nothing at this point; they are learning every time they try something; they have another resident where they have been working on their water issue problems for a year – just feels they need to try something, even though he is not excited about it; just feels they owe it to the people. Nagel thinks the options here are basically to just not do the contract, send it back and ask them to whittle it down to \$20,000, or they can go with what they have here; did talk to Niedzwiecki and they should be in good shape to be able to handle the \$25,000 payment and of course what they are putting into the project themselves in terms of engineering and oversight on it to insure it is built right. Livingston presumes they will be hanging out to dry in regard to budgets; concerned about two things, (1) this is almost a 40% increase in cost, (2) when they say a 2 or 3 phase is needed - so they have any idea of cost of those. Larsen would like to know if Nagel writtles it down what would be excluded; would like for him to explore the possibility of both rain gardens at the same time. Craggs stated they want to do this but they have to reduce their costs; seems to him they should be able to provide the training and come out on an annual basis; questioned the City Engineer that since they don't meet again until June 16, they would have to push that back and schedule something in July because they need about 30 days to figure that out; asked the contractor's thought on that. Gilles said Tower Asphalt is contractor, but the sub doing the grading is Miller and if they get out of town, they will probably recharge the mobilization fee; by that time, he would say they will be out of town. Glasgow asked when they get into the area when it's the best time to plant. Nagel thought they would be okay; they did the outside rain garden on the hottest day of the year; when they talked about the road, they said if you plant early in the spring or early in the fall, you don't do it in the hot summer. Zeller said they probably have zero ability to irrigate the CSAH 18 landscaping; would say they have some ability to irrigate this on a short term basis. Gilles said there is a hydrant right across the street. Nagel said there is a middle ground; if he can get this cost down to \$20,000, are they all comfortable with that; can go to him tomorrow and sit down and get him down to \$20,000. Zeller being honest and willing to say cost not to exceed and authorize him to give him a little bit of breathing room and would say \$24-25,000. Nagel said that is fine and that way he can schedule it and move it toward June 24. Livingston said the second idea was a good one, and that is to ask them as they don't need a super hard bid. Zeller said the last comment he would make is he attended a workshop and through this new tax increase the citizens of Minnesota approved, there is anywhere between \$80-160M for land and conservation allocated annually for the next 25 years; where is the DNR and Friends of the St. Croix River with some of that money. Larsen said she sat through that conference committee and that funding is by the year and has to be renewed each year; it is not a 25 year fund but they can apply for it; DNR did get significant dollars for amortization. Zeller said at the workshop they represented that quarter cent sales tax at the County level is where that money is coming from; they indicated it was a 25 year commitment. Larsen said it is a 25 year commitment, but they made it very clear at the end of the conference committee they have to come back for each project; one year approval; they may be approved for 25 years, but it has to be reapproved. Zeller said it speaks directly to the concern they are reading about with the pollution in the River and the phosphorus levels in the runoff; maybe in the future there will be other grant programs available to them.

M/S/P (Zeller/Craggs) to authorize Staff to enter into the Great River Greening Grant Contract/Quixote Avenue North rain gardens, at a cost not to exceed \$24,000. Craggs asked to clarify this essentially means their share needs to be reduced between the \$27,750 and \$24,000. Nagel said what he suspects they want him to do is to get their cost share down at least to \$27,750. Zeller wants that savings of \$3,750 realized by the City. Larsen wanted to reiterate that the training should be part of their package and should not be an additional charge; if they can't do that, then the Metropolitan Mosquito Control Board or some of the other groups would come out and do training at no charge; basically saying that should not be a negotiating point, the \$250; thinks that should be completely off the table and start from there. Nagel confirmed basically they want him to get it down to \$14,250. **Craggs, Glasgow, Larsen and Zeller voted aye. Livingston nay. Motion passed.**

10. CITY STAFF REPORTS

- Administrator

Gravel Tax Update. Nagel noted they have a copy of the letter from Washington County that essentially outlines the proposal; they would loan the City approximately \$40,000 and they would be responsible for making the distribution to the municipalities that didn't receive the full distribution; County made this loan for a period of 6 years at 1.75%; annual installments of \$6,678.22; basically the money is loaned to the City and would be distributed directly to them within 30 days of execution of the loan agreement, so they will be making one lump sum payment to West Lakeland Township; settlement agreement would be drafted by them and be entered into by the City, West Lakeland Township, and Washington County; doesn't think there is anything different than what they discussed a couple weeks ago; need some direction in terms of response to them. Larsen had a question for the City Attorney; the one statement on the letter is that the County does not accept any blame upon them; asked if that has any legal repercussions if they go forward with this. City Attorney said no it doesn't; kind of agreement to be expected. Larsen had another question, is Chairman Kyllö in tune with this; if they were going to get \$40,000, is sure they would think that wonderful. Zeller said they have communicated; he was asking for an update and he effectively asked him back what they board discussed relative to years 7 -10 and they aren't really interested in discussing future revenue share program that he introduced to the tune of they are willing to drop the discussion about 7, 8, 9, and 10; they will still have a discussion about that next year in a bid that is fair for Lakeland to explore that; the fact that the material is stockpiled, weighed, and processed in Lakeland and now in the future they will receive zero revenue for that isn't fair; would suggest they would pursue that at the Legislative level but they dropped the issue; the City Attorney, the Administrator, and he have correspondence where he indicates it is critical that when they enter this agreement that they sign off and effectively indemnify Lakeland from any and all other claims relative to this issue; they will make sure that language is in there and, of course, they won't accept responsibility or blame either. City Attorney thinks it is important for the CC to understand where the parties were at before the good work of the mayor and administrator have done; effectively they have taken the position they aren't entitled to anymore than their six years, but they asked for more than that; they have also taken the position that statutorily they are not entitled to charge the City any interest, and they asked for a significant interest calculation; thinks six years at 1.75% is a good deal for the City and fair for all parties; their goal all along has been to come up with resolution that ties all parties in and then redistributed the funds to all the communities that have been disbanded by the mid-distribution in the past; they recommend the proposal before them and thinks it probably the best resolution they will see forthcoming. Administrator said all they need this evening is just general direction to himself and the City Attorney to draft a note to them indicating they should draft their settlement agreement, leave specific things in there, plus the fact they won't let them indemnify the City against any of the other municipalities coming back to them; obviously no vote on their part until they actually get the settlement agreement and see the contents. Craggs asked what the basis was for 1.75%. Administrator said at the time it didn't make a lot of sense but it is tied to treasury; they wanted more. Glasgow wanted to commend the Mayor as he has spent many hours on this and he does that constantly for the City's benefit; they do appreciate it.

Set Council June Work Session on Budget. Fortunately it has been alluded to already; they don't have any resolution on the LGA, so thinks what he will do at this point is wait the next 5-7 days until the governor makes a decision. Larsen's understanding is he will probably announce July 1; will have to check that, but it is when the State Budget comes past. Nagel said in deference to that, and they already have another meeting on June 18 that will have some impact on the City budget, thinks he will wait until June and set one then and see where the LGA lands; if they know before then he may send them an email and have the Mayor set a special meeting. Livingston would like a status report, even if very informal, on where they are with recodification; was looking back on stuff and in August 2007, 21 months ago, this CC approved hiring a vendor; 21 months ago and in that 21 months, this CC has not seen one comma of any work that has been done; can't take that long; what is going on with it and when are they going to get it done. Administrator said in the update last time they are done; the final questions have been answered by the City Attorney and Wallberg from their attorney in terms of the differences they have versus State Law and the rest of it; would say in the next 30 days they will have the final and will set the meeting to go over it; thinks the last of it is done unless they have more questions for whatever reason. Mayor not trying to defend anyone here but told Livingston behind the scenes in regular communication, he has his couple hot buttons, this is his hot button; he is asking that question and Nagel sends him the update and he regularly requests where

are they in regard to the recodification; in no one person's defense, he has heard the City Attorney say that Wallberg is doing a very commendable job and that she is working long and hard; it's not the answer and he is unhappy about it and doesn't think anyone is happy about it but that is his hot button; Livingston should know he is pushing as hard as anyone is pushing and he knows Staff is working on it; as excited as Livingston is about the ribbon cutting on CSAH 18, he is excited about the ribbon cutting on the recodification.

- City Attorney

Hubbard litigation is set for argument before the Supreme Court on June 10; scheduled much more quickly than he anticipated; about a month ago, they received a letter from a gentleman by the name of Scott [Lasik] who lives in Excelsior; was apparently parked on one of the City streets illegally and cited by the Washington County Sheriff's Department; vehicle was towed because he had two different plates on the vehicle; [Lasik] paid a heavy fee for the towing and to get his vehicle back and then sent a letter to the City of Lakeland and to Washington County Sheriff's Department that said if he is not reimbursed, he is going to file legal action against them; of course that was relayed to Nagel and Wallberg who said they contract those services out, the sheriff knew nothing about this and they forwarded to the sheriff; lo and behold [Mr. Lasik] did not get an answer to his satisfaction and has filed action in Conciliation Court of Washington County for recovery of about \$2,500 naming the City of Lakeland and the Washington County Sheriff's Department as defendants; they have a hearing scheduled for Thursday at 1 p.m.; the Mayor will attend; he sent a letter to Judge Greg Galler who will be hearing the case which effectively says (1) the City is not a real party of interest to this action and that they contract those services out; that they didn't direct the citation, and they don't have control over the Sheriff's Department and they weren't even aware of the entire circumstance until notified by [Lasik]; (2) defense the City is going to raise, and he shares this with them in open session because he thinks it important for everyone to know what they will be talking about on Thursday, is legal defense says neither the City or employees can be sued for discretionary acts; City and officials have the authority and right to make decisions in their capacity and not as officers and employees of the City; even if they did have some control over the Sheriff's Department and what they deal with, the City is excluded from liability; nuisance and they have to deal with it; will provide update after the fact if further action is required. Zeller said there is a number of things that came across his desk in the last month that really shock him about proposed legislation; couple issues where precedent settling and didn't directly impact Lakeland but precedent they needed to make other community leaders, other administrators, and the County aware of and need to get involved; that is a job in and of itself; think their CC needs to, in one of their work sessions, one of their representatives noted maybe they need to be more proactive; thinks the City and its neighboring communities need to be more proactive; thinks there was a 'blind' faith that maybe their associations with the League and through Metro Cities were alerting them to that; so many alerts and updates that they can't possibly stay current unless it is their primary task; following these two or three issues in particular, there were updates sometimes twice a day; talking about different litigation and different precedence and they could come out of any one of these a winner from the legal standpoint, but if they change the rules or change the legislation next year, it is all for nothing; thinks that is a reality they really have to take a good hard look at and not just Lakeland but their neighboring communities as well; they talk about how they can work together cost effectively, it would be cost prohibitive for Lakeland to hire a lobbyist if you will or a representative to be at the Capitol looking out for them but maybe if they spend some time and coordinated that effort, they could look at that. Administrator said one thing they can do, the Metro Cities and League are always willing to come out to CC to do that; one of his emails suggested that what they ought to do is take a look at their legislative platform as a group beforehand and then have the League or Metro Cities come out to meet with them as well; should schedule a meeting during the session and they are perfectly willing to do that; they update them at the local government administrator's meeting but primarily those are big picture issues like property tax levies and they don't get into the nitty-gritty; thinks Larsen can tell them that is why they have people to watch out for them because the big picture stuff they all see. Zeller talking about innocuous paragraphs that are buried in bills; when it was brought to his attention and he started bringing it to other people's attention, it was the first people had heard of it; they have to do something, even if they establish a chain of communication so that when someone is or does become aware of an issue they can send that out to people, and if an area of concern for them, they can at least start contacting people; only takes 5-15 emails to their representatives for them to know that this is a problem and an issue but can't tell them how many times when on the first email he gets the response that this has been through four committees and no one has spoken against it for which he replied, 'do you suppose because it is buried in the middle of a bill and nobody is aware of it;' they might start making phone calls and start sending emails, and as soon as they get 5-10 communications, all of a sudden it is on radar screen; that is on the reaction side they need to be proactive. Livingston said that Jim Schug should have come to one of the Alliance meetings and suggested that the Alliance cities expand, get together, and come up with a priority list for legislation and that for various, lobbyists including the League lobbyists; if they pass those through the County in additional to whatever else they are doing that and multiple lobbyists could know the agenda of a group of cities; certainly wouldn't go anywhere toward getting their own lobbyist, but somewhere they will get a little help. Larsen a little prejudice because this is what she does; some of the emails he got word from her because things popped out of nowhere that were not on the radar screen of the League or other people because they are doing the big picture and they will have profound effects on cities especially of their size; thinks it something worth discussing at a workshop as to how

they want to handle it but there are definitely some of these things are so deeply buried into a bill that unless you have somebody specifically in there, you don't know about it; there are ways to do it on the computer – you can bring it up yourself and put in key words and they will find out what bills have those words in it; time consuming; listening in the House is where you find out a lot of it; Administrative Fee Bill went through the 9-10 hours of the night; unless their agenda matched 2-3 other cities that they all went together and they knew it was a major thing for different areas they cover, it is really not going to be on their radar screen. Zeller mentioned it because he thinks City Attorney's firm represents so many communities and different municipalities; maybe an area of service that could be investigated. City Attorney said that is certainly something they considered in the past; he thinks one of the major advantages of exploring how they deal with those is establishing an agenda communication like Zeller has planned; if you can't make up a key difference by just adding agenda, the fact they are in touch regularly with their representatives, senators, key people that are making these decisions they will have some significant influence there; that is probably the area that they can best influence if they have the knowledge there is legislation of a type they are interested in. Zeller said even the chain of communication they have to be careful how they do it; establishing the line, literally online emails and phone numbers, but then you have to be careful how that can spiral out of control too when everyone is hitting reply all and conversations are going all over the place. Zeller said in the interest of moving forward, if they can keep as an agenda item that maybe they should talk about in the next six months at a workshop.

- City Clerk – absent

- City Engineer

Parotti just had a couple updates for them, one on the local Surface Water Management Plan that they authorized distribution at their last meeting has been distributed; comments are due back to the City no later than July 3; he will report back to them at the July meeting that gives him time for the Administrator and he to sit down, review comments, and come back with recommendation for them in July; second update is on the 2009 Streets Project; project is moving along on schedule; they have had favorable weather generally speaking since they started the project; the pavement on the streets has been ground up and they are working on some of the grading on the east side of Quality on two cul-de-sacs that go up the hill preparing the curb configuration; last thing the contractor said is they could be starting the curb as early as tomorrow afternoon; they will have to wait and see as their verbal schedule updates have been ahead of themselves just a bit; either way they have been pleased with the progress; there has been some private easement utility locations, storm sewer is in, and they will definitely notify them first thing in the morning about the signs being requested for Humphrey's Park; they will get them out right away and work with Gilles on also getting equipment, etc. flagged off as requested earlier in the meeting.

- Public Works Director

2008 Streets Payment. Has a bill from the County for \$504,000; Niedzwiecki and he will work on this over the next month and get it broken out into the bills the right way; bill will be paid this month with regular bills; basically takes care of Washington County CSAH 18 Project, the 2008 Streets Project, the Plaza Project, water main moving and Lakeland Village. Administrator said they have gone over with Niedzwiecki on the payments and the rest; he will have that as part of his May Treasurer's Report as to how the funds were redistributed; wanted to make sure of course as they have a number of investments and CD's now they moved out because of economic circumstances, but Niedzwiecki has that under control and handled.

MDH Drinking Water Summary. Minnesota Department of Health put the City on quarterly monitoring; over the years they have been tested for contaminant, 1998, 2001, 2002, and it has always been .0 and less than 0.2; February 2009 came out to 0.5, about .5 drop out of an eye dropper into an Olympic size pool; when they do these tests, it's hard to be accurate every time but they want to make sure they put a baseline in so the reason they are on quarterly monitoring; just had their last quarter monitor and it was back to less than 0.2; thinks more an anomaly than anything, but wanted to make them aware of it; this constituent is from a cleaner – products such as glue, paint, industrial degreasers, and aerosol sprays; in 1996 it was banned due to ozone, so not used anymore. Larsen suggested private wells should have their wells tested on a regular basis. Gilles agreed, but it is not cheap; should have it tested at least for bacteria minimal and maybe nitrates; County used to do that but with budget cuts, they may be not doing it at present.

Public Works – Additional Shop Space. They have a chance to get some more space down at the Public Works garage because the person who was leasing it is no longer there; bailed out on them; they asked him to go back and do some negotiating; they did come back and say if they pay an annual fee they will go down to \$1,000/month; do not want to get rid of that small section and want to keep it with that area over there because in their CUP you are not supposed to be in the back after a certain time of day and they want access to that area; was \$1,200 to start with, they wanted him to go back with \$800 and they came back for \$1,000; actually less than price per square foot they are paying now. Craggs just wanted clarification; either remaining space in the entire building or nothing. Gilles said there is a little common area that would give them another drive through; they do not want to separate that from the other common space; if the City doesn't take it they want to have someone else have access through the door into that area; double doors – can't drive a big vehicle through there but like the Star Tribune did is back their truck in there, had all their paper and would roll inside where they wouldn't be able to do that without that door. Zeller would be in favor of expanding into that small space; with

all the unknowns, he doesn't want to handicap them either because they have been doing an incredible job and other communities have been approaching them asking if they could help them with their snowplowing needs, but they don't know they have those contracts yet; could probably get one of those communities without too much of a problem, but if they start getting into a third community, they would really need the space; really thinks they should hold off a little bit rather than say yes or no, he feels like they should wait a little bit; doesn't know if their position will change. Gilles said maybe things will change for them too. Livingston doesn't think in this market they will be able to rent it. Zeller thinks they could; cheap space given what it is; hears consensus to keep in communication and do nothing now.

- Treasurer's Report

Nagel said Niedzwiecki is under the weather - hurt a tendon and off his feet; talked to him this afternoon and they have his report; said it was pretty quiet month as far as that goes; they will see distribution of the funds for CSAH 18 and TIF next month. Zeller brought up asking Niedzwiecki at their last meeting to receive information from the Treasurer in their packet prior to the meeting; he envisioned when they asked for that it was what they used to receive on their desk; Niedzwiecki took it to a whole other level; asked if they need to be at that level or are they okay if Patty emails them the bills to be paid prior to the CC meeting; she can provide that for their packets probably easier than what Niedzwiecki talking about; asked Administrator to communicate to Niedzwiecki that he doesn't need to do that and communicate with Patty that if she will get the bills to him to approve in their packet prior to CC, that is all they need; don't need to go to that other level.

11. COUNCIL MEMBER REPORT/Craggs

As they previously discussed relative to the Parks, Nagel, Gilles and he had a meeting last week to discuss a handful of issues besides the signs and some of the other projects; per the workshop they had as a CC on Clean Up Day, they talked about a couple specific issues that were to be addressed, first of all was the revision of the CIP, so they did talk about the request by CC and that is being revised; talked about format in terms of having dollars by year so it is easier to follow; they talked about it and will direct to have that done – underway but not completed; the other issue they haven't discussed this evening is coordination with the Public Works Department relative to maintenance; since they had a 'spirited discussion' at the workshop, he followed up and will talk to Tom with the Public Works, Gilles, and himself; they think they have things pretty well resolved in terms of communication and protocol; thinks Nagel, Gilles, and he are comfortable with where they are at.

12. COUNCIL MEMBER REPORT/Glasgow

Had Cable Meeting with Comcast representative here and went through Franchise Agreement; major contention is distribution; they can't seem to figure out how many subscribers are in each city; Lakeland Shores had 342 available homes and it is a little over 102 homes; she will rework those figures and what that means to residents of Lakeland is that Lakeland Shores can be getting some of their Cable money; will try to straighten that out; she could straighten that all out, they could go out on a map and tell her exactly which ones which means in order to correct it in their billing department they have to cancel everybody's account and reinstitute it so they get a partial bill one month – she asked they just let her rework it and give them the figures and they will get as close as they can; rest of Franchise Agreement went pretty smoothly; lot of issues and she was fairly knowledgeable with those issues; he was satisfied at the end of the meeting if they can get the distribution correct finally after all of these years; she will also give them the Cable routes where they have the Cable line so they can identify houses; Lakeland is pretty lucky as they have about everybody on board on Cable, but Lakeland Shores has houses where Cable accessible; Afton is disaster; no Alliance Meeting this month due to the holiday, so suspending Alliance; would encourage more CC members to come down to the meeting; knows the Mayor and Livingston attend quite regularly, but that is where they will see their representatives; will start showing up again and that is where they can really get some tough questions for them and let them know what their agenda is; had a Yellow Ribbon meeting again; Lakeland is very close to becoming a Yellow Ribbon City; have the paperwork and Livingston and he will fill it out; almost a shoe in but the work that Livingston and he have done on the Yellow Ribbon committee they will be a Yellow Ribbon community fairly fast; have a website up now, yellowribbonnetwork.com; not fully functional but they are doing posting now so will be a lot of fun once they get that up and going; Saturday, along with the Yellow Ribbon, there was homecoming at Home and Field for some of the 34th CAB; was down there taking pictures and talking with the families; if they want to have their hearts touched, they should look at these guys getting off the bus from Iraq and see their families and young kids and signs; something to experience; another group coming home this Friday; doesn't know times yet, but if anyone is interested, they should get in touch with him; did tabletop disaster with Alliance and Livingston will report.

13. COUNCIL MEMBER REPORT/Larsen – no report

14. COUNCIL MEMBER REPORT/Livingston

The County went to a great deal of effort to customize essentially the Hugo Tornado and turn it into an exercise for the Lower St. Croix Valley; as they went through it, it brought up issues in terms of emergency preparedness from a

standpoint of who is in charge, standpoint of where – not the fire hall – where their incident command center should be in the area, what cities can do and what they cannot do by law do together; that is basically the mayors can't pool their power; very interesting exercise and many people there from the Sheriff's office who had been part of the Hugo Tornado recovery and it was extraordinarily well worth it; has to say that he was disappointed in the low turnout especially as several cities had no one there; it is a very important issue, and if they don't take it seriously, then it will become a very important issue with many people running around not knowing what they are doing if they have a disaster; they need to do more as a broader community and as the City of Lakeland to make sure they understand how to declare emergency, who can declare an emergency, what does that trigger, when does the County get involved, whole variety of questions that do have answers but those answers came to null; one thing he suggested they look at is something in this City called a red book; one is down at the Water Utility and one is at City Hall and it is a book of contacts, a book of procedures; that way of doing things works, but it is very easy for it to get out of date; today, the entire County disaster plan is contained in a file; they were talking about technology earlier as far as the City's concern for communication, but there is no reason why this City and other cities should not be able over the next year or so to update their preparedness and distribute so there is more than just one copy locked up at City Hall; that is just not acceptable in today's climate especially after what everybody learned in Hugo, the mistakes made, and heroism there as far as city officials – thinks they have to take it more seriously. Larsen had thanked the LSCVF Department earlier but also wants to thank the Sheriff's Department because they were there very quickly for their fire and for those who have given their prayers and thoughts that have helped tremendously; they have an excellent Sheriff's and Fire Department down here that is certainly not to be taken for granted. Livingston said the deputy who took his job extraordinarily seriously and did it well refused for permission for anyone to get beyond certain lines which is highly appropriate. Larsen did not know that they did that because obviously she was watching her house burn.

15. MAYOR'S REPORT

There was a concerned citizen that oddly enough did not contact anyone at the City but contacted Pioneer Press indicating they thought they saw asbestos on the beach; he received a call from the reporter looking for comment and rather than taking chances, Gilles had it tested as a preventative measure and there is no asbestos; had first meeting of I-94 Corridor Commission; everyone is on board, the funding is in place; just trying to coordinate the effort and move that forward; COPS Grant – authorized the Sheriff's Department to apply for the grant; don't know yet if they received it; contacted the mayor of St. Mary's Point and they had spirited exchange, but he does want to thank him because he did go back and ask some additional questions and he is willing to have the discussion and is appreciative that he returned his phone call and said he was willing to participate in the discussion; raised some good points and that is discussion the five cities will have to have before they accept the grant should it be awarded to them. Larsen wanted to thank Lake Elmo, Bayport, and Hudson too as they were present at her home fire as mutual aid. Craggs asked as far as the COPS Grant is concerned – asked if next step more discussion or just trying to get a sense of where things are at. Zeller said the application was submitted by the Sheriff's Department; Nagel and he met with the Sheriff and two other representatives from the department; they provided them with detailed information about the grant and bucks associated with it; really in holding pattern to see if they are awarded the grant, but before CC takes action on accepting it, they will need to have more discussion and probably the discussion will have been both at the local or Lakeland level as well as probably the Alliance would be appropriate format because if all five communities don't approve it, it doesn't move forward; maybe that is the discussion they have at first, and then they can bring back to CC to make a decision from there.

16. ADJOURN – M/S/P (Larsen/Craggs) to adjourn the meeting at 9:15 p.m. Craggs, Glasgow, Larsen, Livingston, and Zeller voted aye. Passed unanimously.

Brian Zeller, Mayor

Kate Piscitello, Recording Secretary