

LILYDALE CITY COUNCIL MEETING MINUTES
January 12, 2026

Present: Mayor Lyle Hanzal, Councilmembers Jay Budge, Deborah Cornell, Mary Kleinberg and Bill Kleinman; Mary Tollefson, city administrator; Kathy Mutch, administrative assistant

Also Present: Kori Land, city attorney; Captain Wayne Wegener; Jennifer Koehler, Barr Engineering; Beth Baumann, Executive Director, Northern Dakota County Cable Communications Commission (NDC4); and Julie Seykora

Mayor Hanzal called the meeting to order at 4:30 p.m. and thanked Councilmember Kleinman for running the December meeting.

The Pledge of Allegiance was recited.

Agenda: Moved by Councilmember Budge and seconded by Councilmember Cornell to approve the agenda as presented. Motion carried 5-0.

Consent Agenda – Mayor Hanzal presented the consent agenda.

- a. Approve Minutes from December 8, 2025 City Council Meeting
- b. Approve December Building Permit Report
- c. Approve December Financial Reports
- d. Approve Liability Coverage Waiver
- e. Resolution 2026-01 Declaring Surplus Property and Authorizing its Disposal
- f. Approve Independent Contractor Agreement with Vicki Albu

City administrator Tollefson noted the January employee payroll total listed on the Disbursement report should be \$7,986.28, not \$7,586.28.

Moved by Councilmember Budge and seconded by Councilmember Cornell to approve the consent agenda items 5a through 5f with a \$400 correction as noted to 5c. Financial Reports. Motion carried 5-0.

Public Comments - Councilmember Cornell asked Captain Wegener if Immigration and Customs Enforcement (ICE) has entered any local businesses. Captain Wegener said he had not heard of any instances. He explained police officers are authorized to enforce state law and city ordinances. Captain read a statement posted by Chief McCarthy on the City of Mendota Heights.

Council directed city administrator Tollefson to post a link to Chief McCarthy's statement on the City of Lilydale's website.

Public Hearing – None

Regular Agenda

Engineer Report – Jennifer Koehler updated the council on 2026 engineering priorities, including the City’s reapplication for a state stormwater permit, which is expected to begin in late 2026 and continue into 2027. Staff will work to finalize the Bluff Runoff Management Plan based on Minnesota Department of Transportation and council feedback. Due to licensing changes, the City will switch stormwater modeling software. Remaining work related to the Riverwood private sewer repair will be coordinated to ensure irrigation repairs are complete and vegetation is established.

Memorandum of Understanding with NDC4 – Beth Baumann, Executive Director of NDC4, introduced herself and reviewed services available to member cities, including a new podcast training service. She reported on NDC4’s financial status, noting a continued decline in cable subscribers as residents move to streaming services. NDC4 is requesting member cities approve a Memorandum of Understanding to reduce the franchise fee share from 6.5% for 2026 to 5% (paid in 2027) and to reduce franchise fees to zero for 2027–2030. Baumann also noted that negotiations for a new agreement with Comcast will begin in 2028.

Moved by Councilmember Cornell and seconded by Councilmember Budge to approve the Memorandum of Understanding with NDC4 Modifying the Allocation of Cable Franchise Fee Revenues. Motion carried 5-0.

Resolution 2026-02 Annual Designations and Appointments – Moved by Councilmember Kleinberg and seconded by Councilmember Kleinman to approve Resolution 2026-02, Annual Designations and Appointments. Motion carried 5-0.

Approve 2026 Schedule of City Council Meeting Dates – Moved by Councilmember Budge and seconded by Councilmember Kleinberg to approve the 2026 Schedule of City Council Meeting Dates. Motion carried 5-0.

Mayor Comments – Mayor Hanzal stated he has a meeting scheduled with Representative Clardy.

City Administrator Announcements – City Administrator Tollefson informed the Council that the lift station locks had been damaged and will be replaced, and that the City payroll will change from bi-monthly to bi-weekly in 2026.

Council Comments – Councilmember Kleinman asked the Council their views on joining other local officials in signing a letter expressing concerns about the state budget deficit and its impacts. Mayor Hanzal stated that, if there are specific concerns, he would prefer sending individual letters to state representatives and legislators. Mayor Hanzal will forward the referenced letter to the City Administrator for distribution to the Council, and further discussion may be placed on the February agenda.

Adjournment – Mayor Hanzal adjourned the meeting at 5:45 p.m.

Respectfully submitted:

Mary Tollefson, City Clerk