

LILYDALE CITY COUNCIL MEETING
February 8, 2021

Present – Mayor Warren Peterson and Councilmembers John Diehl, Lyle Hanzal, Bill Kleinman and Anita Pampusch; Mary Schultz, City Clerk and Kathy Mutch, administrative assistant

Also Present – Bridget Nason, city attorney; Police Captain Wayne Wegener, Mendota Heights Police Department; Bryan Oakley, Barr Engineering and Jim Langseth, Barr Engineering; (via phone) and Shannon Sweeney, David Drown & Associates (via video conference)

The city council meeting was called to order at 4:30 p.m.

Agenda – A request was made by Councilmember Diehl to include a COVID update and his memo to Planning Commission Chair Friedmann. **Moved by Councilmember Diehl and seconded by Councilmember Hanzal to approve the agenda as amended. Motion carried 5-0.**

Public Comments – No comments.

January 11, 2021 City Council Meeting Minutes – Mayor Peterson asked for wording on the drop shaft lining project resolution be amended to delete “at a construction cost of \$25,000”. The project has not been bid and the construction cost at this time is unknown. **Moved by Councilmember Pampusch and seconded by Councilmember Hanzal to approve the minutes of the January 11, 2021 city council meeting as amended. Motion carried 5-0.**

Building Office Report – Building report showed eight permits were issued and one closed in January.

Police Report – Captain Wegener reminded council members to email questions to him as they come up. Wegener indicated a notice of potential violence against cities from the Minnesota League of Cities is not specific to any city in Minnesota. Mendota Heights regularly reviews and monitors updates from the FBI and Homeland Security. The city would be alerted to anything specific.

Captain Wegener does not anticipate a request from the Minneapolis Police Department for assistance during the upcoming murder trial. Mendota Heights supports the SAFE bill that gives law enforcement agencies funding and provide officers to other jurisdictions when needed. The Mendota Heights Police Department has the discretion to decide whether to send officers and the small size of the Mendota Heights police department limits sending officer support to large scale events.

Engineer Report –

Sewer System - Bryan Oakley updated the council on the design progress for the Lilydale Lift Station Project acknowledging work has started moving. He has received good comments from the Minnesota Department of Transportation and Dakota County on the initial layout of the lift station. The layout of the trail is not a major issue and he is confident requested changes can be worked through. Additional survey work may be required and could result in delayed bidding.

The proposed fill in the drainage ditch may be in the Mississippi River 100-year flood plain. The layout is being reviewed and may be revised in order for no fill to be added to the flood plain.

MS4 Permit – Jim Langseth reported Mary Schultz has been working with him on the MS4 permit application. Every five years the state has cities renew the permit for discharging stormwater. He asked if councilmembers would like to review the permit application or if it could be submitted when ready. Mayor Peterson asked if

anyone had objections allowing submission as requested. No objections were expressed by councilmembers.

Moved by Mayor Peterson and seconded by Councilmember Diehl to authorize City Administrator Mary Schultz and Jim Langseth, Barr Engineering to sign and submit the MS4 permit application. Motion carried 5-0.

Tax Increment Financing Proposal – Shannon Sweeney, David Drown & Associates, presented an overview of tax increment financing and explained the request from Opus Development Company for a 143-unit senior housing project in Lilydale on the former River Bluffs property. The developer is asking the city to create a district around their redevelopment project and is requesting 90% of available tax increment over a 20-year term for Pay-As-You-Go Tax Increment Financing.

An extensive discussion followed and Mayor Peterson questioned councilmembers regarding support for this funding request.

Councilmember Diehl stated in his view the property would be better developed with a less dense residential use; too much building for the space. The council has worked hard to make this a manageable size to meet Opus' economic needs. The request for the city to now subsidize this project does not have his support. He would support TIF financing for a different use such as to have the Thompson Lightning site included.

Councilmembers Kleinman and Hanzal also stated their preference for a different use of the property and shared concern with the intended redevelopment.

Mayor Peterson reminded councilmembers the property is a challenging piece of property for commercial development and has been vacant for 3 or 4 years and was for sale for 6 to 7 years. A meeting with Opus is set for Friday on the building design and Opus should be notified of the city's response to the TIF financing request before the meeting.

Moved by Councilmember Diehl and seconded by Councilmember Hanzal to inform Opus Development the City Council of Lilydale would support tax increment financing in an amount not to exceed the cost to bring utilities to the Thompson Lightning site. Motion carried: Ayes 3 (Diehl, Hanzal, Kleinman) to 2 Nays (Pampusch, Peterson).

COVID Vaccination – Councilmember Diehl continues his efforts to set up a COVID vaccination clinic in Lilydale. He has contacted the county, public health and clinics. The clinic could be held at Lilydale Senior Living, Lexington Riverside and/or City Hall. Supplies are hard to obtain and he believes 400-500 doses would be needed.

Comprehensive Plan – Councilmember Diehl reviewed his memorandum to Jerry Friedmann, Planning Commission chair on the Transportation Plan implementation as related to the Comprehensive Plan. His memorandum notes initiatives to be followed in the Transportation Plan and implementation actions to be taken.

Moved by Councilmember Diehl and seconded by Councilmember Kleinman to:

- (1) Direct the city administrator to work with the cities of Mendota and Mendota Heights to examine the possibility of conducting a corridor study and enhancement plan for the shared Highway 13 corridor through these three cities for autos, bikes and pedestrians.**
- (2) Direct the City Administrator to share our plan with the Metro Transit to develop a bus stop and related facilities near the intersection of Highway 13 and Interstate 35E.**

(3) Direct the city attorney who is working on several ordinances to include airspace notification in the project. Motion carried 5-0.

Clerk's Report – Clerk Schultz reported the majority of deposits were final quarter 2020 sanitary and stormwater payments and the final tax receipt for 2020. Disbursements included three bond payments.

Moved by Councilmember Diehl and seconded by Councilmember Hanzal to approve the Clerk's Report for January 2021 as presented. Motion carried 5-0.

Mayor's Report – None.

Closed Session – Moved by Mayor Peterson and seconded by Councilmember Diehl to close the meeting at 6:31 p.m. pursuant to Minn. Stat. §13D.05, Subd. 3 for the purpose of evaluating the performance of City Administrator Mary Schultz and Administrative Assistant Kathy Mutch. The closed meeting will be held here in Council Chambers. Once the closed meeting is completed, the City Council will reconvene the open meeting portion of tonight's City Council meeting. Motion carried 5-0.

Motion by Councilmember Diehl and seconded by Councilmember Hanzal to adjourn the closed meeting. Motion carried 5-0. The closed meeting ended at 6:39 p.m. and the open meeting reconvened immediately thereafter.

Mayor Peterson summarized that during the closed session the Council discussed employee performance. Based on the review the council consensus was that the clerk's and administrative assistant's performance reviews were positive. Mayor Peterson stated the employees are doing an excellent job and their work is appreciated.

Motion by Councilmember Kleinman, second by Councilmember Pampusch to amend the salary amount to \$78,000 from \$75,000 for Mary Schultz and an hourly increase for Kathy Mutch to \$22.00/hr. instead of \$21.00/hr. effective January 1, 2021. Motion carried 5-0.

Motion by Councilmember Kleinman seconded by Councilmember Pampusch that Mary Schultz is given discretion to close the City's office on the Friday after Thanksgiving and on December 24. Motion carried 5-0.

Adjournment – Moved by Councilmember Diehl and seconded by Councilmember Hanzal to adjourn. Motion carried 5-0. The meeting adjourned at 6:42 p.m.

Respectfully submitted:

Final copy reviewed by:

Mary Schultz, City Clerk

Warren Peterson, Mayor

Date