

**LILYDALE CITY COUNCIL MEETING**  
**September 9, 2024**

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

**Also Present:** Kori Land, LeVander, Gillen & Miller; Jennifer Koehler, Barr Engineering; Laurie Tostrud, I.S.D. 197 Educational Foundation; and Julie Seykora

Mayor Diehl called the meeting to order at 4:46 p.m. The Pledge of Allegiance was recited.

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

**August 12, 2024 City Council Meeting Minutes** – Councilmember Kleinman pointed out that NDC4 should be referred to as NDC4/Town Square under the NDC4 report. **Moved by Mayor Diehl and seconded by Councilmember Kleinberg to approve the August 12, 2024 City Council Meeting Minutes, as revised. Motion carried 5-0.**

**Public Comments** – None.

**Building Official Report** – Sixty-four permits were opened and 11 closed in August 2024.

**Police Report** – Mayor Diehl stated Captain Wegener and Police Chief McCarthy are both attending a training session.

Captain Wegener is available for emergency preparedness training for natural disasters the first two weeks in October. Councilmembers preferred not scheduling the training on the same day as a council meeting. City administrator Tollefson will coordinate the training day with Captain Wegener and councilmembers.

**City Attorney** – No report.

**City Engineer Report** – Jennifer Koehler and Mary Tollefson are meeting with Minnesota Department of Transportation to finalize the bluff runoff management plan. Koehler indicated she would like to schedule a workshop with council members to talk through the runoff management plan and decide how to proceed before the November city council meeting.

Councilmember Hanzal asked if there was any update on the Highway 13 closure. Koehler was not aware of any change to the November date.

**August Financial Report** – The financial reports for August were presented. **Moved by Mayor Diehl and seconded by Councilmember Hanzal to approve the August 2024 financial reports. Motion carried 5-0.**

**History Committee** – Councilmember Kleinman reported Vicki Albu, Mary Tollefson and he met on August 12. The next meeting, September 12 at 6:30 p.m. at city hall, will include the full committee. At this inaugural meeting committee members will be assigned different projects.

**Charitable Gambling Permit Application** – Laurie Tostrud, I.S.D. 197 Educational Foundation, a nonprofit organization, is requesting an exempt gambling permit to conduct bingo and raffles at the Pool & Yacht Club on November 24-26, 2024. Ms. Tostrud shared this is the third year for this fundraiser.

**Moved by Councilmember Kleinman, seconded by Councilmember Cornell to approve an exempt gambling permit for I.S.D. 197 Educational Foundation to conduct bingo and raffles at the Pool & Yacht Club on November 24-26, 2024. Motion carried 5-0.**

**Copier Lease Agreement** – The lease agreement with Metro Sales has expired and a new 36-month equipment lease agreement was presented for consideration and approval.

**Moved by Councilmember Hanzal and seconded by Councilmember Kleinberg to approve the Equipment Lease Agreement with Metro Sales, Inc. and for the mayor and city administrator to sign the agreement. Motion carried 5-0.**

**Resolution 2024-16, Delegating Authority to Pay Certain Claims to the City Administrator -**

Attorney Land explained the proposed resolution allows the city administrator to pay claims in the amount of \$1,500 or less without requiring preapproval of the council. Land *explained that this is not needed for monthly* payments approved through agreements and contracts such as the copier, police and fire. This does not apply to monthly payments approved through agreements and contracts, such as the copier, police and fire. The resolution validates *the way in which the city has historically handled these matters.*

Councilmember Cornell inquired on the amount of the credit card limit (\$500) and asked if it should be increased. It was noted the current limit is covered by a credit card policy which could be revised.

Councilmember Kleinman suggested the delegated authority amount be increased to \$3,000.

**Moved by Councilmember Hanzal and seconded by Councilmember Kleinman to adopt Resolution 2024-16, Delegating Authority for Paying Certain Claims up to \$3,000 to the City Administrator. Motion carried 5-0.**

**Resolution 2024-17, Approving Preliminary 2025 Budget and Proposed Tax Levy**– The finance committee and the city administrator prepared the 2025 general fund budget for consideration. Following a thorough review of expenses, the committee recognized a significant amount of time was spent by the city administrator on sanitary and storm sewer-related business. The committee recommended reallocating *to the sewer fund budget* \$21,068 in wages and 25% of the audit fee (\$2,000) to better reflect the cost of utility services. Mayor Diehl stated he would like to work on the city’s sewer fee schedule, and understand better the impact and later decide on a more comprehensive approach to sanitary and sewer fees, *so action on this aspect of the proposed budget was deferred.*

**Moved by Mayor Diehl and seconded by Councilmember Hanzal to approve Resolution 2024-17, Approving the Preliminary 2025 Budget and Proposed Tax Levy Payable in 2025 pursuant to the changes to increase the budget and levy by \$23,068; Setting Meeting Regarding Final Property Tax Levy and Adoption of Budget. Motion carried 5-0.**

**Website Agreement** – The city used GovOffice, now called Catalis, for its website. This subscription was previously renewed on an annual basis and has changed to a four-year agreement. **Moved by Councilmember Hanzal and seconded by Councilmember Kleinman to approve the Agreement with Catalis and for the mayor and city administrator to sign the agreement. Motion carried 5-0.**

**Council Comments** – Councilmember Hanzal asked if the city has the new Minnesota flag. City administrator Tollefson confirmed the city had purchased the new flag and would replace it when the old flag was worn. A deadline to transition to the new flag was not known. Councilmember Cornell requested that the old flag be retired and replaced with the new flag immediately. **Moved by Councilmember Hanzal and seconded by Councilmember Cornell to retire the old Minnesota flag and replace it with the new Minnesota flag. Motion carried 4-1 (Nays – Kleinman)**

Councilmember Cornell stated Jodie Miller will be providing the memorandum of understanding for franchise fees at the cable commission’s meeting later this week.

**Mayor’s Report** – Mayor Diehl confirmed two upcoming meetings: 1) emergency preparedness training on natural disasters with Captain Wegener before October 17, and 2) a runoff management plan meeting with Jennifer Koehler after October 10. Mayor Diehl shared councilmembers will receive invitations to the Lilia celebration on October 2.

**Temporary Certificate of Occupancy** – City administrator Tollefson noted Bigos has requested an extension of the temporary certificate of occupancy. Following a brief discussion council consensus was to issue an extension after receipt of documentation that the scenic overlook furniture and the sign have been ordered.

**Adjournment** – The meeting adjourned at 6:00 p.m.

Respectfully submitted:

---

Mary Tollefson, City Clerk