

LILYDALE CITY COUNCIL MEETING
June 13, 2022

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, attorney; Police Captain Wayne Wegener; Jennifer Koehler, Barr Engineering; Shannon Sweeney, David Drown Associates and Mike Andrejka, building official

Agenda – **Moved by Councilmember Hanzal and seconded by Councilmember Kleinman to approve the agenda, as presented. Motion carried 4-0.**

Public Hearing – Mayor Peterson opened the Public Hearing on the proposed establishment of Tax Increment District No. 1-3 and Tax Increment Financing Plan. Shannon Sweeney of David Drown Associates summarized Bigos’ request for tax increment financing for redevelopment of the River Bluffs Center to construct a 126-unit market rate rental housing project. The TIF assistance is for added costs associated with demolition, rock excavation, site preparation, utility cost and parking.

Sweeney stated adopting the tax increment plan does not obligate the city to provide assistance to Bigos. Approval of an agreement and tax increment note would be considered at a future council meeting when the agreement addressing zoning and construction related issues and the final plat would be considered.

No public comments were made and Mayor Peterson closed the public hearing at 4:37 p.m.

Councilmember Pampusch arrived.

Public Comments – None.

May 9, 2022 City Council Meeting Minutes – **Moved by Councilmember Diehl and seconded by Councilmember Hanzal to approve the minutes of the May 9, 2022 City Council Meeting, as presented. Motion carried 5-0.**

Building Official Report – Mike Andrejka issued nine permits and closed six permits in May 2022. Andrejka stated he met with the general contractor on beginning site work. Andrejka spoke with Mendota Heights and Lilydale city engineers about permit requirements. He explained the process for the sanitary permit could take a couple of months. City engineer Jennifer Koehler noted there were some outstanding items such as the easement to connect to the Mendota Heights sanitary sewer.

Andrejka explained an intent to demolition permit would precede the site work permit. The Minnesota Pollution Control Agency and the Minnesota Department of Health would become involved if hazardous material is found. Andrejka is unsure of the city’s role in the demolition as he does not supervise demolition. Attorney Nason stated the city’s building code does not reference

demolition. Andrejka stated he believes the Department of Natural Resources should be involved because of the bluffs.

Jen Koehler has not seen an erosion control plan responding to Councilmember Pampusch's question on who is responsible for the bluff and how erosion is controlled during demolition and construction.

Mayor Peterson inquired on when construction would begin. Adam Neumann, Bigos noted building permits would be submitted in early September with construction tentative to begin October 17, 2022. In the ensuing discussion it was agreed that abatement and demolition could proceed before the permits provided the developer complies with all state laws and provided plans and copies of all documentation are provided to the city engineer.

Attorney Nason stated the final plat would be submitted for approval when the development contract was submitted; in July or some other date. The city and the county would review the draft plat and submit comments to Bigos who would then finalize the final plat.

Andrejka recommended Bigos be asked to submit all documents related to demolition to the city engineer and the city also receive a copy. Attorney Nason concurred.

Police Report – Captain Wegener reported 69 incidents during the month of May, 2022 with five cases opened. Two cases were connected to a stolen vehicle. Wegener acknowledged posting official “no trespass” signs and adding fencing around the River Bluffs Center construction site would allow the police to legally enforce violations. Mary Schultz has sent the appropriate statute to the contractor. The signs could be posted at any time.

Engineer Report – Jennifer Koehler reported on the sanitary lift station project. Most of the work is complete with three incomplete items waiting for materials to come in. The known items are installation of MCES meter vault access ladder, installation of hinged grating on the meter vault sump and installation of handrail at the top of the retaining wall. A walk-through inspection was done on June 8 and the city administrator will be organizing a lift station tour on July 11 prior to the city council meeting. Two pay applications were submitted for review and approval and one more pay application for the remaining work is anticipated.

Moved by Councilmember Pampusch and seconded by Councilmember Diehl to approve Pay Application #2 in the amount of \$323,301.95 and Pay Application #3 in the amount of \$100,082.99 to Minger Construction Companies, Inc. Motion carried 5-0.

Municipal Sanitary Sewer Fees – Metropolitan Council Environment Services (MCES) projected sanitary sewer fees for the city of Lilydale will increase by 46% in 2023. Koehler spoke with a representative on the factors contributing to the increase. MCES' wastewater budget is increasing by 5% and the flow volume by the city increased by greater than 35% while regional flows were down. Koehler reminded the council of the improvements made during the past year; repair of the private water main, Lexington Riverside roof project and replacement of Manhole 25 as part of the lift station replacement project.

While there is not a process to contest the increase, Koehler and city administrator Schultz will speak to the MCES finance director on the city's circumstances related to sanitary sewer flows to the MCES system. Koehler will continue to monitor for any reduction in flows following the lift station replacement project.

Trail Connection Feasibility Study – An update on the feasibility study was given. The feasibility study has been completed. No action was required. Koehler explained some details need to be worked out with the Minnesota Department of Transportation and the city of Mendota Heights.

Attorney's Report – Attorney Nason is meeting with the developer to talk through all PUD requirements and is hopeful to receive information on the timeline.

A handout on the Lilydale recodification project timeline was provided to council members.

Resolution 2022-08 – Moved by Councilmember Diehl and seconded by Councilmember Hanzal to approve Resolution 2022-08 Approving the Creation of Tax Increment Financing District No. 1-3 Within Municipal Development District No. 1 and Adoption of the Tax Increment Financing Plan Relating Thereto. Motion carried 5-0.

Proposed Production Agreement – Motion by Councilmember Hanzal, second by Councilmember Pampusch to approve the Proposed Production Agreement with Town Square Television. Motion carried 5-0.

Clerk's Report – Mary Schultz reported the May deposits and disbursements were mainly routine. COVID funds of \$46,318.51 and will be applied to the Minger pay applications. Additional COVID funds of \$40,000 will be received sometime this summer.

Moved by Councilmember Diehl and seconded by Councilmember Hanzal to approve the May 2022 financial reports. Motion carried 5-0.

Mayor's Report - None

Resignation – Councilmember Pampusch announced tonight was her last meeting since she is moving out of Lilydale. She stated she has enjoyed working on the council over the past 16 years.

Councilmember Diehl offered a resolution commending Councilmember Pampusch's extraordinary contributions to the city and people of Lilydale.

Moved by Councilmember Diehl and seconded by Mayor Peterson to approve Resolution 2022-09, Commending Councilmember Anita Pampusch. Motion carried 5-0.

Adjournment – Moved by Councilmember Diehl and seconded by Councilmember Hanzal to adjourn. Motion carried 5-0. The meeting adjourned at 5:54 p.m.

Respectfully submitted:

Final copy reviewed by:

Mary Schultz, City Clerk

Warren Peterson, Mayor

Date