

MINUTES
CITY OF LEXINGTON
REGULAR COUNCIL MEETING
JUNE 4, 2020 – 7:00 P.M.
9180 LEXINGTON AVENUE
THIS MEETING WAS HELD VIA ZOOM

- 1. CALL TO ORDER:** – Mayor Murphy
 - A. Roll Call - Council Members: DeVries, Harris, Hughes and Winge

Mayor Murphy called to order the Regular City Council meeting for June 4, 2020 at 7:04 p.m. Councilmember's present: Devries, Harris, and Winge. Councilmember Hughes joined via telephone at 7:30 p.m. Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Chris Galiov, Finance Director; Travis Schmid, Public Works, Andy Berg, Abdo, Eick, and Myer; Mike Kaeding and Marie Dickover, Norhart Development.

- 2. CITIZENS FORUM**

No citizens requested to join the meeting by zoom to address items not on the agenda

- 3. APPROVAL OF AGENDA WITH CHANGES AND CORRECTIONS**

Councilmember Devries made a motion to approve the agenda as typewritten. Councilmember Winge seconded the motion. Roll call vote: Devries – yes; Harris – yes; Winge – yes; Mayor Murphy – yes. Motion carried 4-0.

- 4. ABDO, EICH & MEYERS 2019 ANNUAL FINANCIAL REPORT**

Andy Berg, Abdo, Eich & Meyers provided an overview of the 2019 Annual Financial report. Discussion ensued.

Councilmember Winge made a motion to accept the 2019 Annual Financial Report. Councilmember Harris seconded the motion. Roll call vote: Devries – yes; Harris – yes; Winge – yes; Mayor Murphy – yes. Motion carried 4-0.

- 5. INFORMATIONAL REPORTS:**

- A. Airport (Councilmember Devries) – *Councilmember Devries stated that the next meeting is in October*
- B. Cable Commission (Councilmember Winge) – *Councilmember Winge stated the next meeting is in July and has no update.*

City Administrator (Bill Petracek) – Petracek updated the City Council with discussion on the following items:

- 1. The fire auxiliary cancelling the 2020 Farmer's Market.*
- 2. The police chief search process*

3. *Jackson Ave./Liquor Store parking lot asphaltting project*
4. *Centennial Little League beginning practice in Memorial Park*
5. *Explanation of the pallet of bricks for the new sign on Lake Drive.*

6. LETTERS AND COMMUNICATIONS:

- A. Metropolitan Council – 2019 Annual Population Estimate
- B. Council Workshop meeting minutes – May 21, 2020
- C. Centennial Lakes Police Department Media Reports – 5-13 – 26, 2020

No discussion on Letters and Communications.

7. CONSENT ITEMS:

- A. Recommendation to Approve Council Minutes:
Council Meeting – May 21, 2020
- B. Recommendation to Approve Claims and Bills:
Check #'s 13676 through 13677
Check #'s 46309 through 46359
Check #'s 13214 through 13226
Check #'s 13230 through 13235
VOID #13108
- C. Recommendation to approve change of date for Minneapolis City Heat Charity Ride Event Permit from May 31, 2020 to July 26, 2020 (approved March 7, 2020)
- D. Recommendation to approve Interfund Transfer
- Transfer of the remaining balance of \$141,671.90 from Construction fund 418 – “Lake Drive Project”, to Debt Service Fund 592 – “15 Street – Various”, and closing the construction fund.

Councilmember Harris made a motion to approve the consent agenda items. Councilmember Hughes seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

8. ACTION ITEMS:

- A. Recommendation to approve Business License Renewals

Councilmember Devries made a motion to approve Business License Renewals. Councilmember Hughes seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- B. Recommendation to approve Solicitors/Peddlers License application for Aptive Environmental (all background checks were successfully completed).

Councilmember Harris questioned the Aptive Environmental request to solicit sales until 10:00 p.m. each day. She felt that 10:00 p.m. was too late to solicit business door-to-door, and only allow them to solicit business until 7:00 p.m.. Discussion ensued.

Councilmember Hughes made a motion to approve a Solicitors/Peddlers License application for Aptive Environmental allowing to solicit sales within a daily timeframe from 10:00 a.m. to 7:00 p.m. Councilmember Harris seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- C. Recommendation to Approve a Development and Subdivision Agreement by and between Lexington Lofts and the City of Lexington.

Attorney Glaser provided an overview to the scope of the development agreement for this phase of the Lexington Lofts construction. He explained that due to Covid-19 pandemic, banks have paused lending to construction projects and Norhart needs to break-up their financing and temporarily split the lot on the eastside of Griggs Ave. so they can build phase 1 and phase 2 on separate lots. He added that the reason is so bank A owns the lien on one lot and bank B owns the lien on the other lot. This temporary lot split will come in the next few weeks before the City Council. The intention is to rejoin the lots after the construction is complete and the financing transitions to permanent financing with one lending institution. Discussion ensued.

Councilmember Hughes asked Glaser if he has done this type of transaction in the past. Glaser stated he has on several occasions to help the developer get temporary financing. He stated that a temporary lot split was done with Ephesians to help them work through some financing issues. Discussion ensued.

Councilmember Devries made a motion to approve a Development and Subdivision Agreement by and between Lexington Lofts and the City of Lexington. Councilmember Harris seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- D. First Reading of Ordinance 20-06 – An Emergency Ordinance to Assist Businesses and Establishments during the COVID-19 Pandemic.

Attorney Glaser explained the emergency ordinance and the need to have this in place during the Governor's State of Emergency and Executive Orders pertaining to COVID-19. Discussion ensued. Attorney Glaser added that since it is an emergency ordinance, he recommends adopting it this evening following the first reading. Glaser proceeded to read the ordinance out loud.

Councilmember Devries made a motion to approve Ordinance 20-06 – An Emergency Ordinance to Assist Businesses and Establishments during the COVID-19 Pandemic. Councilmember Harris seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- E. Recommendation to approve a Bid from Tri-State Bobcat, Inc., Little Canada, MN. for a 2020 Bobcat T76 T4 Compact Track Loader in the amount of \$57,408.35

Petracek provided an overview of the need to purchase the new Bobcat. He explained that this is being purchased from a vendor that sells equipment from the State Bid. Travis Schmid explained the history of the skid load that the City currently owns. He also updated the City Council on the new sign on Lake Drive and when they will begin installing it. Discussion ensued.

Councilmember Hughes asked about the 0% financing that is available through Bobcat. Petracek stated that the City has budgeted enough funds to purchase the new vehicle with cash and did not recommend financing the Bobcat. Discussion ensued.

Councilmember Devries made a motion to approve a Bid from Tri-State Bobcat, Inc., Little Canada, MN. for a 2020 Bobcat T76 T4 Compact Track Loader in the amount of \$57,408.35. Councilmember Winge seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- F. Recommendation to Approve 2020 Management and Non-Union Employee Salary Increases.

Petracek provided an explanation to his recommendations for the 2020 wage adjustments for non-union and management employees. He explained that the union employees will receive a 2.5% increase June 1st on the final year of this CBA contract. Discussion ensued. The Council discussed increasing the finance director's wage to 3%.

Councilmember Harris made a motion to approve 2020 Management and Non-Union Employee Salary Increases retroactive to June 1st, 2020 with Chris Galiov receiving a 3% increase. Councilmember Hughes seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

- G. Recommendation to Approve 2020 Hazard Pay for Liquor Store Employees.

Petracek explained why he and the liquor store manager are recommending hazard pay for the liquor store employees during the Covid-19 pandemic. Discussion ensued. Councilmember Harris disagrees with providing hazard pay to the liquor store employees. Councilmember Winge agreed with providing hazard pay to the liquor store employees. Mayor Murphy stated that he gave his employees a bonus during this period of the Covid-19 pandemic. Discussion ensued.

Councilmember Hughes made a motion to approve 2020 Hazard Pay for Liquor Store Employees from March 13th through June 30th at a \$3/hour amount. Councilmember Winge seconded the motion. Roll call vote: Devries – yes; Harris – no; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 4-1.

H. Discuss City Administrator Annual Evaluation per contract

Petracek explained that the City Council has the option to do an evaluation of their city administrator each year per contract. He stated that in the past, former Mayor Mark Kurth had conducted only one formal evaluation, but subsequent evaluations were done informally at City Council meetings. Discussion ensued.

Mayor Murphy stated that he would not recommend doing a formal evaluation, but stated the city administrator is doing a good job. Hughes recommended a 3% wage adjustment. The Council discussed a 5% wage adjustment.

Councilmember Winge made a motion to provide a 5% wage adjustment to the city administrator's salary retroactive to June 1st, 2020. Councilmember Devries seconded the motion. Roll call vote: Devries – yes; Harris – yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.

9. MAYOR AND COUNCIL INPUT

Councilmember Harris questioned and was upset by a response to a text message she sent to the city administrator regarding the notification of businesses about the 10:00 p.m. curfew that was put in place in Lexington on Monday. Petracek apologized and explained his response. Discussion ensued.

10. ADJOURNMENT

Councilmember Hughes made motion to adjourn the meeting at 8:55 p.m. Councilmember Harris seconded the motion. Roll call vote: Devries – yes; Harris- yes; Hughes – yes; Winge – yes; Mayor Murphy – yes. Motion carried 5-0.