



MINUTES CITY COUNCIL MEETING

**September 2, 2025 - 6:00 PM
City Hall Council Chambers**

1. Call to order, moment of silence and flag pledge

Mayor Hellier called the meeting to order at 6:00 P.M.

2. Roll Call

Members Present: Mayor Hellier, Council Members Bermel, Lee, Wolter
Council Member Volk participated via Teams Meeting.

Staff Present: Justin Miller, City Administrator; Andrea McDowell Poehler, City Attorney;
Julie Stahl, Finance Director; Joe Masiarchin, Parks & Recreation Director; Allyn Kuennen,
Assistant City Administrator; Ann Orlofsky, City Clerk; Brad Paulson, Police Chief; Paul
Oehme, Public Works Director; Tina Goodroad, Community Development Director

3. Citizen Comments

None

4. Additional agenda information

5. Presentations/Introductions

a. Introduction of New Police Officers

Chief Brad Paulson introduced the New Police Officers.
Mayor Hellier conducted the Oath of our new Police Officers.

b. Parks & Recreation Quarterly Report

Park and Recreation Director Joe Masiarchin provided the quarterly update.

6. Consent Agenda

Motion was made by Lee, seconded by Bermel, to approve the following:
Roll call was taken on the motion. Ayes - Hellier, Bermel, Lee, Wolter, Volk (via teams)

a. Check Register Summary

b. Minutes of the 08/18/2025 City Council Meeting

c. Minutes of the 08/25/2025 Work Session

- d. Contract for Lift Station 3 Rehabilitation**
- e. Approve the Convention & Visitors Bureau 2026 Budget**
- f. Proposal for Professional Services with SRF Consulting for King Park Field #6 Improvements**
- g. Proposal for Professional Design Services with ISG for the Development of East Community Park Phase II**
- h. Facility Use Agreement Between the Lakeville Area Historical Society (LAHS) and City of Lakeville**
- i. Resolution Supporting Dakota County's Application for Funding Through the Minnesota Highway Freight Program for the Interstate 35 Transportation Safety and Community Access Improvements at Dakota County State Aid Highway 5/50**
- j. Resolution Accepting Donations to the Lakeville Parks & Recreation Department in the 3rd Quarter of 2025**
- k. Amendment to Title 7, Chapter 8 of the Lakeville City Code Concerning the Operation of Electric-Assisted Bicycles on City Trails and Paved Pathways within the City of Lakeville**
- l. Authorization to Enter Into Secondary Manufacturers Opioid Settlement**

7. Action Items

- a. Approve Preliminary 2026 Property Tax Levy and Budget**
Finance Director Julie Stahl presented the Preliminary 2026 Property Tax Levy of \$52,286,475 and the Preliminary Budget of \$175,000 of General Fund reserves.

The overall change in General Fund expenditures is a 6.7% increase from 2025. The proposed 2026 levy shown is a \$3.4 million (7%) increase over the 2025 levy. The Park Referendum, approved by voters in November 2021, accounts for 1.13% of the 7.03%

increase. Staff will continue to review expenditure budgets and other funding sources to reduce the tax levy before the budget is adopted on December 1, 2025.

City Council gave gratitude to all departments that worked hard to keep the budget reasonable.

Motion was made by Bermel, seconded by Wolter, to approve resolutions establishing the Preliminary 2026 Property Tax Levy and Preliminary 2026 Budget and set the Budget Public Hearing to be held on Monday, December 1, 2025, at 6:00 pm in the Council Chambers.

Roll call was taken on the motion. Ayes - Hellier, Bermel, Lee, Volk (via Teams Meeting), Wolter

- b. Public Hearing -Ordinance Annexing Land Owned by Compass Rail Lakeville, LLC and Metropolitan Airports Commission (MAC) located in Eureka Township**
Dan Schmittiel, from Compass Rail and Metropolitan Airports Commission (MAC) submitted a petition requesting an annexation of their 33.31 acres, located in Section 3 of Eureka Township, into the City of Lakeville. The properties abut the southern boundary of Lakeville immediately west of Highview Avenue. Compass Rail Lakeville LLC proposes to construct a railcar storage yard on the south parcel (PID 13-00500-01-013), while the MAC-owned property (north parcel) will remain undeveloped.

Community Development Director Tina Goodroad presented the staff report. Minnesota Statutes 414.033 provides for a property owner to petition the City to annex up to 120 acres of land that is contiguous to the City. The City was required to provide a 30-day notice to the affected Township and adjacent property owners prior to this public hearing. MN Statute 414.036 requires that the City provide reimbursement for all or part of the taxable property annexed. The attached ordinance provides for reimbursements of \$1,296.00 before December 31st for the first two years after the annexation.

Mayor Hellier opened the public hearing at 6:33 p.m.

Linda Ripley, a Eureka Township resident at 235th Street and Dodd, addressed the city council. She inquired if there were any requirements in place to help with the light filtering at this site.

Staff explained that all lighting is required to be downcast.

Motion was made by Bermel, seconded by Lee, to close the public hearing at 6:34 p.m. Roll call was taken on the motion. Ayes - Hellier, Bermel, Lee, Volk (via Teams Meeting), Wolter

Motion was made by Wolter, seconded by Lee, to adopt an ordinance annexing the Compass Rail Lakeville, LLC and MAC property located in Section 5 of Eureka Township pursuant to Minnesota Statutes 414.033 Subdivision 2 (3).

Roll call was taken on the motion. Ayes - Hellier, Bermel, Lee, Volk (via Teams Meeting), Wolter

- c. Tradition Development Comprehensive Plan and Zoning Map Amendments**

Community Development Director Tina Goodroad presented the staff report regarding an application submitted by Todd Stutz of Tradition Development for Comprehensive Plan MUSA staging and land use amendments and Zoning Map amendments. The request represents the first step toward a master plan for a new residential community in southwest Lakeville.

The proposal includes adjustments to the MUSA staging of 11 properties from Expansion Area B to Current MUSA and 10 properties from Urban Reserve to Current MUSA, along with Zoning Map amendments from C-3, General Commercial District to RM-3, Medium Density Residential District, and from RA, Rural/Agriculture District to RS-4, Single Family Residential District, RST-2, Single and Two-Family Residential District, and RM-3, Medium Density Residential District.

The Planning Commission held a public hearing on August 7, 2025, and received comments from eight speakers and one email submission. Comments focused on potential impacts to the school district, traffic on 210th Street (CSAH 70) and surrounding roadways, and concerns related to wetlands and the natural environment. The Planning Commission unanimously recommended approval of the Comprehensive Plan and Zoning Map amendments.

Beth Loudon, 12330 210th Street, stated that she was happy to hear the AUAR would be completed first. She is concerned about the drainage, trees, and wetland area.

Bob Erickson, 19081 Inndale Drive, mentioned he was concerned about the impact this development would have to the school district.

Larry Jones, 12450 210th Street West, expressed his concerns about the traffic issues.

Peter Thelen, 12119 Lucerne Trail, added his concern about traffic and the impact to the wildlife refuge.

Kerry Cole 12330 210th Street, is concerned about the traffic and the water table in the neighborhood.

Steve Hellevik, 12430 210th Street, expressed concerns about the traffic and asked that a road study be completed.

David Barnes, 210th street, is concerned about the traffic with a development.

Council members thanked residents for their comments and directed staff to note concerns as the twenty-year project advances.

Motion was made by Bermel, seconded by Wolter, to approve a resolution amending the 2040 Comprehensive Land Use Map and Staging Map, and adoption of findings of fact, and an ordinance amending the Zoning Map and adoption of findings of fact. Roll call was taken on the motion. Ayes - Hellevik, Bermel, Lee, Volk (via Teams Meeting), Wolter

8. Unfinished Business

None

9. New Business

None

10. Announcements

a. Next City Council Meeting, Monday, September 15, 2025

b. Next Work Session, Monday, September 22, 2025

11. Adjourn

Motion was made by Wolter, seconded by Lee, to adjourn at 7:36 P.M.

Roll call was taken on the motion. Ayes - Hellier, Bermel, Lee, Volk (via Teams Meeting),
Wolter

Respectfully Submitted,

Ann Orlofsky, City Clerk

Luke M. Heller, Mayor