



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, JUNE 9, 2020
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Jo Emerson called the meeting to order at 7:00 p.m. under MN Statute Section 13D.021, in which the City Council will be conducting its meetings during this emergency by electronic means until further notice. The clerk took roll call attendance for Councilmembers: Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh. Staff in attendance were City Manager Ellen Hiniker, Assistant City Manager Rick Juba, Community Development Director Anne Kane, Housing and Economic Development Coordinator Tracy Shimek, Public Works Director/City Engineer Paul Kauppi, Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Troy Gilchrist.

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on May 26, 2020

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to approve the Minutes of the Regular City Council Meeting on May 26, 2020.

- Walsh Aye
- Biehn Aye
- Jones Aye
- Edberg Aye
- Engstran Aye

Motion carried unanimously.

3. APPROVAL OF THE AGEND

Mayor Emerson added events of the past couple of weeks under Discussion.

Councilmember Walsh moved 10D to 9C.

It was moved by Councilmember **Walsh** seconded by Councilmember **Jones**, to approve the Agenda as amended.

- Walsh Aye
- Biehn Aye
- Jones Aye
- Edberg Aye
- Engstran Aye

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Brad Falteysek – 2019 Audit Report

Brad Falteysek, the City’s Auditor from Abdo, Eick & Meyers, presented the City’s Audit report whereby a clean, unmodified opinion was issued. As reported in prior years, Mr. Falteysek noted the City’s tax rate, tax per capita, debt per capita and debt service rates are much lower than the City’s peers.

In response to Councilmember Walsh, Mr. Falteysek assured Council the audit reviews the controls put in place to ensure checks and balances over the banking process.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A Consent

1. Consideration of a Planning Commission recommendation for approval of a request by Therese Faison for a Special Home Occupation Permit at 4445 Lincoln Avenue (Case No. 20-1-SHOP). **Resolution 12593**

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones** to adopt the Land Use Consent Agenda.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

B. Non-Consent

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

A. Resolution authorizing Century Hills Housing Revenue Conduit Debt

Finance Director Kindsvater provided the following report:

The Century Hills Partners Limited Partnership has owned a multifamily affordable rental housing project within the City for many years. The City Council adopted a resolution for preliminary approval of conduit debt issuance for the rehabilitation and equipment of the housing facility at the December 11, 2018 council meeting. To complete the process, the City issued revenue conduit bonds with an aggregate principal amount of \$6,000,000 on May 8, 2019 to provide short-term tax-exempt financing for the project.

The project did not move forward due to an increase in project costs. Century Hills Partners is now asking the City to issue additional conduit revenue bonds on a tax-exempt basis in an amount not to exceed \$250,000 for them to complete the project.

To begin the process of securing additional funding, the resolution presented tonight gives preliminary approval of the conduit bond issuance and allows Century Hills to amend their housing program application and submit a request to obtain additional bonding authority allocation from the State of Minnesota.

If the State of Minnesota grants the additional bonding authority, there will need to be a new public hearing regarding the project and another City Council resolution authorizing the issuance of conduit bonds in an amount not to exceed \$6,250,000 to refinance the short-term financing of the prior note with the additional project costs.

Just as a reminder regarding conduit debt issuances, the federal tax code allows for a tax exemption that must flow through cities in the form of conduit debt in order to give non-profit organizations a break on their interest rate. The reason behind the tax exemption is to promote non-profit activities.

Century Hills is not a non-profit agency; however, there is a provision in the tax code that permits this exemption for for-profit developers if they are doing something for the public good. In this case, providing affordable housing to low income renters is considered being for the public good.

It was moved by Councilmember **Jones**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12594** authorizing Century Hills Housing Revenue Conduit Debt.

Walsh Aye
 Biehn Aye
 Jones Aye
 Edberg Aye
 Engstran Aye

Motion carried unanimously.

B. Resolution accepting bids and awarding contract for the 2020 Sanitary Sewer Lining, City Project No. 20-07

Public Works Director/City Engineer Kauppi forwarded the Engineering Department's recommendation to line $\frac{3}{4}$ of a mile of sewer for the 2020 Sanitary Sewer Lining Projects. He explained that out of 124 total miles of sewer, 20 are non-concerning PVC and this year's recommended sewer lining projects will bring the City up to 15 miles lined since 1994.

Mr. Kauppi said this year a pressure grouting process will be used in Cottage Park due to its proximity to the lake and because the pipes are in great shape, but the joints have been infiltrated. He explained that a machine pushes a cement-like material under pressure through the joints, which hardens on contact with water. Mr. Kauppi said this process is very economical compared to a full lining of the pipe.

Mr. Kauppi reported that four (4) bids were received with Visu-Sewer, Inc. submitting the lowest, responsible base bid of \$67,776.25 plus bid alternates A1 and A2 in the amount of \$13,542.00 for a total contract of \$81,318.25. He forwarded staff's recommendation to accept the bid and award the 2020 Sanitary Sewer Lining Project to them.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12595** accepting bids and awarding contract for the 2020 Sanitary Sewer Lining, City Project No. 20-07.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

C. Resolution approving a gambling premises license for Ski Otters at Admiral D's

City Manager Hiniker reported the City received a gambling endorsement from Midwest Ski Otters in accordance with state statutes. She explained, the City's ordinance provides for up to three endorsed locations per organization, which if approved, Admiral D's would be the third location in addition to Cabin 61 and Hollihan's Pub. She reported that approval of the premises license is conditioned upon City's receipt of an application and license fee from Admiral D's.

Councilmember Walsh inquired as to any strife behind this expansion, to which Ms. Hiniker offered assurance this request falls within the guidelines of three premises, whereas others have asked for gambling in a fourth location.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12597** approving a gambling premises license for Ski Otters at Admiral D's.

Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously.

10. CONSENT

- A. Acceptance of Minutes: April Environmental Advisory Commission, April Park Commission, May Planning Commission
- B. Resolution certifying miscellaneous private property assessment for recovery of City expenses. **Resolution No. 12596**
- C. Resolution approving massage establishment licenses. **Resolution No. 12598**
- D. Resolution approving extension to compliance deadlines for a subsurface sewage treatment system. **Resolution No. 12599**

It was moved by Councilmember **Jones** seconded by Councilmember **Walsh**, to approve the Consent Agenda as amended.

11. DISCUSSION

A. Racial Equity

Rather than make a statement, Mayor Emerson preferred action to words and proposed a time-defined taskforce comprised of citizens to review what is working and what is not working in the City. She wanted to hear first-hand accounts of issues that people experience in hopes of identifying policy changes to facilitate racial equity.

City Manager Hiniker noted staff is eager to engage in this work. She forwarded emails to the Council from residents who asked for community-wide conversations to discuss racial equity issues such as implicit bias. Ms. Hiniker referenced other emails in support of the Police Department, as well as data requests for arrest and traffic statistics, and welcomed a public dialog regarding the Police Department and general city-wide practices. She expressed full confidence in the dedicated men and women serving in the Police Department, with a progressive and thoughtful Police Chief overseeing the department. She also acknowledged opportunities for growth and awareness in all areas of public service.

Ms. Hiniker recalled the 2017, year-long racial equity cohort, attended by the Mayor, Police Chief, Captains, a Sergeant, Code Enforcement and Management and through deep reflection have identified internal practices that the City continues to address. She mentioned the Police Chief provides yearly officer training and recently arranged for a city-wide training related to refugees and asylees.

Ms. Hiniker recognized the need for continued community awareness and conversation. She mentioned that the Rotary Club and Greater White Bear Lake Community Foundation are also having discussions about equity and inclusion work.

Mayor Emerson recommended the book, *A Good Time for the Truth: Race in Minnesota*, which is comprised of short essays about personal experiences that provide insight to the experiences of black, indigenous and other people of color in Minnesota.

Councilmember Biehn was interested in learning more about the bias awareness and crisis intervention training provided to our police officers. He suggested participating in, or gaining an overview of the training so he can better convey that experience to constituents. He mentioned in his 40-year law enforcement career, junior officers are not trained on how to intervene with a senior officer, which is what would have been needed in the George Floyd case.

Councilmember Edberg requested the following actions:

1. Council adopt a formal charge/scope of work for the committee, which includes resources, staff time and access to data.
2. Consider two public conversations with the community to help define that charge to avoid a white-dominant culture telling itself how to evaluate its work.
3. Systemic racism exists in all parts of society, not just police, he suggested a broader review of all department policies for racism and implicit bias.
4. Each should challenge your own commitment to learning, reflecting and engaging.

Councilmember Jones said racism is written into the constitution and while he finds value in community conversation, he does not believe it will change those who are racist. He cautioned about a knee jerk response and suggested polling the residents to find out what is broken, citing .005 % use of force response rate in White Bear Lake.

Mayor Emerson said she knows the City can do more and looks forward to working through identifying policy changes to make processes easier.

12. COMMUNICATIONS FROM THE CITY MANAGER

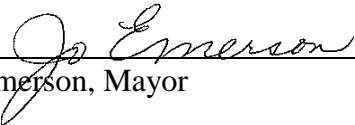
- Memorial Beach buoys were placed 100 feet from the swimming area, which created tension with boaters last year, and may again this year. The Ramsey County Sheriff's Department will be enforcing what staff feels is justified placement of buoys.
- Placement of picnic tables in expanded public downtown spaces has been well-received. Continued provision of temporary public spaces will be balanced with parking needs expressed by the businesses.
- ReGrow White Bear Lake campaign is growing. Lisa Beecroft created a website for local businesses that are open and providing services. Tracy Shimek and Ms. Beecroft will also be working on webinars for local businesses.
- All services are handled by appointment only system and operations continue to be monitored daily.

13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Jones** seconded by Councilmember **Engstran** to adjourn the regular meeting at 8:15 p.m.

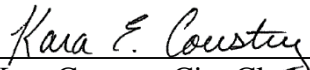
Walsh Aye
Biehn Aye
Jones Aye
Edberg Aye
Engstran Aye

Motion carried unanimously



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk