



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, OCTOBER 12, 2021
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. The clerk took attendance for Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh. Staff in attendance were City Manager Ellen Hiniker, Community Development Director Anne Kane, Public Works Director/City Engineer Paul Kauppi, Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Troy Gilchrist.

PLEDGE OF ALLEGIENCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on September 28, 2021

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to approve the Minutes of the September 28, 2021 City Council meeting as presented.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

City Manager Hiniker removed the Land Use Consent item 6A1 at the request of the applicant.

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

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Toastmasters Proclamation

Mayor Emerson read and presented the Toastmasters Proclamation to the group, which established October as Toastmasters Month in White Bear Lake, MN. Linda Schmidt received the proclamation on behalf of Toastmasters.

B. Fire Department swearing in new members; retirement of Steven Engstran

Fire Chief Peterson recognized the retirement of Steven Engstran for 30 years of service as a Firefighter, EMT, Lieutenant and Captain and presented him with an engraved axe. Mayor Emerson presented him with the bear plaque in honor of his retirement from the City.

Fire Chief Peterson presented Firefighter, Paramedic Rob Weidman with a Medal of Valor for saving an elderly woman from a smoke-filled, burning home while attending to a medical call in the vicinity.

Fire Chief Peterson recognized the promotion of three Captains position as full-time Firefighters. Family members pinned the Captain's badges on Jeremy Andert, Dylan Berglund and Matt Stallings.

Chief Peterson called up PT Firefighter/EMT Megan Bates of nine months, Captain Dylan Berglund of two years, Firefighter/Paramedic Brad Beuscher of three years (was on a call), FT Firefighter/Paramedic Mitchell Brown of three months, PT Firefighter/Paramedic Tanner Cook of one year, PT Firefighter/EMT Rebecca Florhaug of eight years, PT Firefighter/Paramedic Drew Gadbois of one year, PT Firefighter/Paramedic Jeremy Mach of nine months, FT Firefighter/Paramedic Jake Mellor of one year, Firefighter/EMT Ray Satnik of nine months, PT Firefighter/Paramedic Ryan Snyder nine months, PT Lieutenant/Firefighter/EMT Steve Vobr of nine years.

City Clerk Coustry administered the oath of office to the group.

C. WOLD Architects – Preliminary Design of Public Safety Building Project

City Manager Hiniker reviewed the timeline for the Public Safety Building Project, which was first identified by the City Council as a priority in 2017. Ms. Hiniker stated, the total cost of this project is projected to be \$12.5 million including demolition, site work, construction of the fire apparatus bay, addition of the garage for squads, deferred maintenance and some interior improvements.

With the preliminary design completed, Ms. Hiniker said the next step is to consider approving the final design and preparation of the construction documents. At its next meeting, the City Council will consider setting a public hearing regarding the General Obligation Capital Improvement Bonds needed to fund this project. She explained that Council will also discuss the construction manager, and general contractor working with WOLD, and a third party commissioning agent for optimization of energy and mechanical systems. Construction specifications would be expected in January / February at which time Council would consider advertising for bids. Final bids would be presented to the Council in March / April and the City Council would decide whether to proceed with the project, and if awarded, construction would take approximately 12-16 months.

Finance Director Kindsvater reviewed a preliminary schedule of events for the General Obligation Bond issuance in which the Council would consider setting the public hearing at the next meeting. During October and November, the Finance Department would prepare a Capital Improvement Plan specific to this bond. November 23rd would be the date of the Public Hearing for the bonds and the Capital Improvement Plan at which time Council would consider approval for issuance of the bond by at least a 3/5 vote. Ms. Kindsvater explained that after approving the bond issuances, there is a 30-day window for a reverse referendum ending on December 23rd. Ms. Kindsvater said, the bond process would pick up again in April assuming Council awards the construction project based on the bids it receives.

Councilmember Walsh expressed concern for the timing of this schedule as it related to making a plea to the Legislature to fund the project, or a portion of the project in their bonding process.

He explained that facilities like this around the state with regional significance have received state bonding funds in the past.

Councilmember Edberg noted inflation in the construction trades and cautioned against the impact of delayed funding on the construction schedule. Councilmember Walsh noted that state bonds would not be released until August or September.

Councilmember Edberg asked City Manager Hiniker to provide a written report of the strategies for optimizing operational costs, reduce energy costs, etc.

Councilmember Jones expressed desire to seek external funding, however, he did not want to lose momentum for tackling this project.

It was moved by Councilmember **Engstran** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12856** approving a contract with WOLD Architects for final design and preparation of construction specifications for the Public Safety Building project.

Motion carried unanimously.

5. PUBLIC HEARINGS

- A. Resolution establishing the Downtown Area Special Service District Levy for the years 2022 and 2023

Community Development Director Kane reported that following a McComb Study of the Downtown in 1992, Main Street, Inc. formed and created a taxing district. She said, on June 1, 2021, the Main Street Board of Directors approved a petition seeking renewal of the special tax levy totaling not more than \$45,000 a year to promote and beautify the downtown district for a two year period – 2022 and 2023.

Ms. Kane explained that State Statute provides for a veto or over-ride petition by owners representing at least 35% of the building square footage in the district to over-ride the resolution. Ms. Kane stated that no such petition has been received, however, opponents have 45 days from adoption of this resolution to file a petition to invalidate the resolution. If no over-ride is achieved, the resolution becomes effective on November 25, 2021.

Ms. Kane reported that this Special Service District was one of the first established within the state of Minnesota and has been renewed 14 times since its initial establishment. She noted a strong partnership with Main Street in which the City collects the taxes and reimburses eligible expenses, and forwarded a recommendation to approve the resolution authorizing the 2022 and 2023 Special Service District Levy.

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to adopt **Resolution No. 12857** establishing the Downtown Area Special Service District Levy for the years 2022 and 2023.

Mayor Emerson opened the public hearing at 7:42 p.m.

Bruce Bushey stated this is his first year as President of Main Street, Inc. He thanked the City for its guidance during the past couple of difficult years for businesses.

Councilmember Biehn thanked Mr. Bushey for ushering this through, which contributes to a fabulous downtown.

As no other members of the public came forward to speak, Mayor Emerson closed the public hearing at 7:43 p.m.

Motion carried unanimously.

6. LAND USE

A. Consent

B. Non-consent

1. Consideration of a Planning Commission split decision of a request by Daniel Anderson for three variances at 1481 Birch Lake Boulevard North (Case No. 21-18-V)

Community Development Director Kane reported, the homeowners would like to build a pool on their property, but because of the shape of the lot and the distance of the home from the front property line, the only viable location for a pool is on the west side of the property. To construct the in-ground pool in this location, she explained, the applicants are requesting a three (3) foot variance from the 20 foot side yard setback, a five (5) foot variance from the required 51.16 foot front yard setback and a two (2) foot variance from the four foot height limit for a fence in the front yard.

Rod Kreuser of 1469 Birch Lake Boulevard North stated that he supported a 4-foot viewing variance from the edge of the Anderson's home when it was first built. He just asked if the pool could be moved to another location so that it would not affect their view of the lake.

Daniel Anderson of 1481 Birch Lake Boulevard North stated he worked with staff to find the best location for the pool and stated that there are utilities which made alternate locations difficult.

After considerable discussion, it was moved by Councilmember **Jones** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12858** approving three variances at 1481 Birch Lake Boulevard North (Case No. 21-18-V) with a condition that no slide be installed.

Motion carried unanimously.

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

- A. Second Reading – A City-Initiated text amendment to Zoning Code Section 1302.120, Subd.3.e, to allow special home occupations to be renewed through the administrative variance process. (Case No. 21-4-Z)

Community Development Director Kane reported that this proposed text amendment is intended to simplify the City's entitlement process for those who operate home-based businesses and need

to secure special home occupation permits. She stated, this change would allow a special home occupation to be renewed through the administrative variance process. The initial special home occupation permit and first renewal after one year would be approved under the same public process currently in place. Each subsequent three-year renewal would be processed by staff. Ms. Kane highlighted benefits as simplifying the process, shortening the turn-around time from two months to one month, and reducing the cost for the applicant (\$85 vs. \$160).

It was moved by Councilmember **Walsh** seconded by Councilmember **Biehn**, to adopt **Ordinance No. 21-10-2051** a City-Initiated text amendment to Zoning Code Section 1302.120, Subd.3.e, to allow special home occupations to be renewed through the administrative variance process. (Case No. 21-4-Z).

Motion carried unanimously.

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to adopt **Resolution No. 12859** establishing the Title and Summary Approval of Ordinance No. 21-10-2051.

Motion carried unanimously.

9. NEW BUSINESS

A. Resolution of Municipal Consent for Whitaker Street Intersection improvements

City Manager Hiniker revisited Municipal Consent procedures per Minnesota Statute 161.164 in which MnDOT provided a design layout for proposed intersection improvements at Whitaker Street and Highway 61 N. Because MnDOT's design proposes to remove highway access to Alleycat's and assume public right-of-way in order to construct a stormwater treatment pond, the affected jurisdiction is required to provide Municipal Consent for the project.

In following with the process, Ms. Hiniker stated, Council took comment on the proposed improvements during the Public Hearing at the September 28, 2021 City Council meeting. However, while still awaiting the release of final notice of the Federal Government's conclusions following the three year environmental review process for the Rush Line corridor project, Council delayed action until this evening. Ms. Hiniker said, the final environmental decision has now been released, in which the Federal Transit Authority concluded there to be no significant environmental impacts along the corridor.

Ms. Hiniker forwarded staff's recommendation to approve Municipal Consent of the right-of-way acquisition for proposed stormwater management and the proposed Trunk Highway 61 access change – driveway closure north of Whitaker Street intersection.

Councilmember Walsh inquired as to the land acquisition, and Ms. Hiniker stated that this Municipal Consent is for acquisition of public right-of-way. She added that acquisition of private property is not part of this approval tonight. Ms. Hiniker added that MnDOT's plans are completed only at 15% engineering, so they have not yet initiated acquisition of private property, which would be negotiated between MnDOT and private property owners.

Councilmember Walsh said, but for the Rush Line, we would not be talking about this project, and but for this alignment issue, Mr. Eitel would not be facing this lopsided negotiation with the State Government for part of his land. Although this piece of land is small, Mr. Walsh took issue with this alignment as it will eventually lead to the acquisition of private property.

Councilmember Jones wanted the Council to ensure the sign is protected, or replaced to the best of the ability of the City, noting the sign's footings could be on public land currently. He said there are still two other access points to address the proposed closure. Mr. Jones mentioned that Mr. Eitel leases 16 parking spots from the City for \$1.00/year for which no property tax is paid currently, so if these parking spots are lost, they were not his from the beginning.

Councilmember Jones asked the State for design consideration such that the impact to the parking be minimal for the businesses in the shopping mall. He emphasized that this intersection improvement has been on the City's wish list for 40 years and costs \$1.5 million with or without the Rush Line. Councilmember Jones encouraged the No Rush Line protestors to go do their thing, but said that if the Rush Line happens, his job is to make sure the City gets the best deal possible. He believes this intersection is an improvement and also expressed passion for Goose Lake and the need for stormwater treatment at that location.

Similar to Councilmember Jones, Councilmember Edberg asked the State to inflict as little impact on the business owners as possible especially with regard to signage and parking as they flush out the remaining 85% of this design. He expressed desire to exercise whatever tools available in order to favor the business owners at this location and noted the City's past and ongoing support of these business owners through the provision of virtually free parking spots.

Councilmember Biehn said Whitaker and Highway 61 has a critical need for access control and described action he took with his vehicle in order to protect a pedestrian from being hit at that crossing. He agreed with Council and supported whatever steps the City can take to ensure as little impact as possible on these businesses through the completion of this project.

Councilmember Walsh agreed that this intersection is dangerous and needs to be fixed, however, he argued that the price of this intersection is a bus line with 89 buses a day and all that comes with the Rush Line BRT. He relayed MnDOT's consistent past position on the Whitaker intersection in which pedestrians can cross safely at two other nearby signalized locations. He suggested removing this site as a pedestrian crossing altogether to improve safety. He rejected the view that the City of White Bear Lake could not do anything to slow down or stop the Rush Line Project. He mentioned that decisions still have to be made by the Metropolitan Council and the Federal Government and he believed they will listen to the City, especially if other cities like Gem Lake and Vadnais Heights concur.

Councilmember Edberg recapped that either Council provides Municipal Consent, or MnDOT uses remedies under State Statute to gain Municipal Consent. He asked MnDOT whether this signalized intersection would be built if the Rush Line does not get approved. MnDOT's representative Ms. Phlaum said that this project would be funded by Ramsey County, but they would have no reason to build it, if not for the Rush Line. Councilmember Edberg restated, the Rush Line Project is not under the City's control, but if it is going to happen, he wanted this intersection improved. If it doesn't happen, he said, Council can have more discussion about fixing this intersection.

Councilmember Engstran said, the intersection is hazardous and the access should be closed as he has witnessed too many vehicles locking up their breaks here. He did not agree with the layout design and mentioned either removal of the crossing, or a pedestrian bridge over the Highway. He was dismayed that the only way the State will address this dangerous intersection is if somebody dies there, or a bus needs to go through.

Councilmember Biehn believes the City has influence, but no control over the Rush Line Project and cited a few examples of City's influence to date. He said, we cannot pretend the City can stop the Rush Line, which is one of 18 Metropolitan Council bus rapid transit, light rail projects, seven of which are already in place and several more coming – the Rush Line is set for 2026. He explained that there are many decisions yet to be finalized and as more research is done, they can adjust the number of buses. He added, Ms. Vento is the City's representative on the Metropolitan Council and he believed she would not do anything to negatively impact the Bruce Vento Trail - her late husband's legacy. Councilmember Biehn mentioned that there are people who support this project who lack the platform to express themselves over a very loud group who has organized against it.

Councilmember Jones again encouraged the No Rush Line group in their efforts, stating that the City is not the governing body over this project. He asked where any of the protestors were last Tuesday when Ramsey County voted to hand over \$40 million and give the project to the Metropolitan Council. Councilmember Jones reported receipt of many respectful emails with valid points, some of which he agreed and others not, but he cautioned the group not to let hatred represent them.

Councilmember Walsh countered by stating he believes the majority of the Rush Line debate has been positive and mentioned continuing the discussion at the second meeting in November.

It was moved by Councilmember **Jones** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12860** providing Municipal Consent for Whitaker Street Intersection improvements.

Motion carried 3:2. Councilmembers Walsh and Engstran Nay.

B. Resolution authorizing the City Manager to enter into a contract with TRANE for Energy Performance Project

City Manager Hiniker referenced Thomas Huberty's presentation providing a detailed investment grade energy performance audit at the Sports Center and city-wide lighting analysis from the last City Council meeting. Ms. Hiniker reviewed funding sources for these projects, which when combined under a single contract, have a return on investment of 8.7 years. As shown in the staff spreadsheet she said, \$372,000 of the proposed \$713,685 in total project costs had already been accounted for in the City's Capital Improvement Plan (CIP) and estimated costs have already been incorporated in the City's long range financial plan.

Ms. Hiniker explained, the difference between the \$372,000 in capital projects already identified in the City's CIP and total project costs (including service, maintenance and verification) of \$763,356 as proposed by Trane, is \$391,356. She mentioned that the Council reviewed the proposed budget for 2022 American Rescue Fund (ARPA) expenditures, which included \$360,000 for these energy related improvements. She said, the remaining \$31,356

would be taken from the Park Improvement Fund. Ms. Hiniker noted, this does not account for the racquetball roof or furnace, which are end-of-life building maintenance projects.

Ms. Hiniker stated that in addition to these staff recommended projects, estimates for cost savings were identified for the addition of rooftop solar on the Sports Center racquetball roof. Ms. Hiniker stated that a \$802,500 investment in solar could be paid for with bond revenues, issued as part of the larger 2022 capital bond issuance for the Public Safety Building project and be paid for with resulting energy savings rather than tax increases.

Ms. Hiniker forwarded staff recommendation to enter into a performance contract with Trane Technologies for energy improvements and renewable investments conditioned on legal counsel review of the final contract.

Ms. Hiniker confirmed for Councilmember Walsh, that the City would own the solar panels rather than lease them.

Councilmember Edberg inquired as to the cost of bonding. Finance Director Kindsvater estimated a return of 2.5%. Councilmember Edberg mentioned borrowing from residents versus borrowing from the bond market. He stated, this would provide a level of engagement, education and familiarity for the community. He asked staff to research mechanisms available to the City for this type of financing.

In response to Councilmember Jones, Mr. Huberty explained that solar panels would be warrantied for 25 years, but likely last 30 or more, although they would lose their effectiveness later in life. Mr. Kauppi also stated that solar panel replacement would be timed with roof replacement for the Sports Center.

Councilmember Walsh mentioned that solar panels can become covered in snow and then they do not work. Mr. Huberty mentioned that the way solar panels are designed today, snow will remove itself within one or two days.

Councilmember Edberg thanked Mr. Huberty and his company and asked, "what's next?" for the City to consider. Mr. Huberty mentioned that the Public Safety renovation project offers opportunity to drive the long-term value or savings by leveraging new technologies, like solar-PV, solar-thermal and geo-thermal that could provide some long-term savings for the City. He also mentioned an opportunity with the downtown redesign could offer operational efficiencies from a maintenance and safety / security standpoint.

Ms. Hiniker mentioned that upon seeking a general contractor or third party commissioning for the Public Safety Building Project, this is an opportunity for the City Council to select a company whose focus is on energy and mechanical building efficiencies.

It was moved by Councilmember **Walsh** seconded by Councilmember **Jones**, to adopt **Resolution No. 12861** authorizing the City Manager to enter into a contract with TRANE for Energy Performance Project.

Councilmember Walsh made a motion to amend the resolution by removing the solar project, stating solar is stupid because it is unreliable, ends up costing other non-solar users more for panels, and there is not enough metal in the market to produce the panels.

Councilmember Jones seconded the motion for purposes of discussion. He asked for facts on paper to support Councilmember Walsh's claims and said he would be interested in learning the differential in tax payers paying less for City's solar versus an increase in their own bills.

Mayor Emerson called for the vote on the amended resolution: 1:4. Motion defeated.

Mayor Emerson called for the vote on the original motion. Motion carried 4:1, Councilmember Walsh nay.

C. Resolution authorizing purchase of all-inclusive playground equipment and grant acceptance for Lakewood Hills Playground

Public Works Director Kauppi reminded Council of the Lion's Club donation of \$300,000 toward purchase and construction of an all-inclusive playground equipment. He explained that the Lions Club applied for and received \$117,000 grant, which allows the equipment to be purchased while the Lions Club continues to raise funds for this project, approximately \$250,000 more. Mr. Kauppi mentioned seeking opportunities with local contractors to provide earth work and play surface subgrade for the project. He also mentioned the group hopes to receive grant funds from the International Lions Club, and will be launching a community fundraising effort this winter in hopes of acquiring the capital necessary to complete the project, estimated now at \$550,000.

It was moved by Councilmember **Engstran** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12862** authorizing purchase of all-inclusive playground equipment and grant acceptance for Lakewood Hills Playground.

Motion carried unanimously.

D. Resolution establishing 2022 Group Life, Health and Dental Insurance for Employees

Finance Director Kindsvater reported that all regular employees have the option to receive group health and life insurance coverage. Ms. Kindsvater stated that the City conducts an RFP for insurance services every five years. Ms. Kindsvater mentioned that in 2021 the City was invited to join the LOGIS insurance consortium, however, the rates with the larger group were actually higher and the benefits not as good as what the City was getting on its own.

Ms. Kindsvater forwarded the Employee Insurance Committee recommendation to accept Medica health insurance, with a 9% increase in premiums, HealthPartners Dental with a 4% increase in premiums and continuation of Life and Disability coverages with little to no increases.

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to adopt **Resolution No. 12863** establishing 2022 Group Life, Health and Dental Insurance for Employees.

Motion carried unanimously.

Councilmember Jones relayed thanks to the Employee Insurance Committee for their time in reviewing this information.

10. CONSENT

- A. Acceptance of Minutes: July Environmental Advisory Commission, August Park Advisory Commission, September Planning Commission
- B. Resolution approving lease amendment with AT&T for equipment modification at 3495 Century Avenue Reservoir Sites. **Resolution No. 12864**
- C. Resolution ordering preparation of a feasibility report for the 2021 pavement rehabilitation project, City Project No. 22-01. **Resolution No. 12865**

It was moved by Councilmember **Jones** seconded by Councilmember **Edberg**, to adopt the consent agenda as presented.

Motion carried unanimously.

11. DISCUSSION

Nothing scheduled.


12. COMMUNICATIONS FROM THE CITY MANAGER

- City Manager interviews are set for Wednesday, Oct. 20, 2021

13. ADJOURNMENT

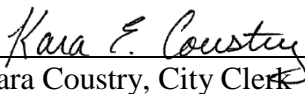
There being no further business before the Council, it was moved by Councilmember **Engstran** seconded by Councilmember **Jones** to adjourn the regular meeting at **9:52** p.m.

Motion carried unanimously.



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk