



MINUTES
REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, JUNE 27, 2017
7:00 P.M. IN THE COUNCIL CHAMBERS

1. CALL TO ORDER AND ROLL CALL

Mayor Jo Emerson called the meeting to order at 7:04 p.m. Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh were present. Staff members present were City Manager Ellen Richter, Assistant City Manager Rick Juba, Community Development Director Anne Kane, Assistant City Engineer Jesse Farrell, City Clerk Kara Coustry and City Attorney Roger Jensen.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

It was moved by Councilmember **Edberg** seconded by Councilmember **Biehn**, to approve the Minutes of June 13, 2017, as presented.

The motion carried unanimously.

3. APPROVAL OF THE AGENDA

Mayor Emerson requested the following additions to the Meeting Agenda:

- 9D. Resolution Approving Extension of Conditional Use Permit for Mizu Restaurant
- 10D. Additional License Application

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

The motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Auditor Report – Brad Falteysek

Mayor Emerson welcomed Brad Falteysek, Abdo Eick & Meyers, the City's Auditors.

Mr. Falteysek provided a presentation related to the City's fiscal audit, and provided an unqualified opinion on the City's financial situation. He noted internal controls were reviewed, and are in accordance with federally accepted principles.

Mr. Falteysek stated General Fund revenues and expenditures were reviewed, there was a 5.1% increase over last year, which was within the 35-50% funding requirement over five years of General Fund activity. He added intergovernmental funding increased by approximately 25% over last year, due to activity related to a Safe and Sober Enforcement Grant and the County Crime Reduction Program. He noted, in terms of per capita expenditures, the City of White Bear Lake spends less than its "peer group" – 26 Minnesota cities with similar population ranges.

Mr. Falteysek reviewed the City's debt to assets ratio. He added other communities in the City's peer group have issued bonds to support projects, but White Bear Lake has not done that.

Councilmember Walsh requested clarification regarding the water fund deficit as it relates to the City's litigation fees. Finance Director Rambow stated the litigation fees will take approximately 3 - 4 years to recover, or \$150,000 annually.

Councilmember Edberg asked, regarding internal borrowing and lending, whether the City has a process to ensure that internal loans are repaid.

Mr. Falteysek stated schedules are developed with funding mechanisms to determine how and when funds will be paid back. He added it is not a case of specific payback as all the funds are internal, and the City addresses this issue by increasing rates.

Councilmember Edberg asked whether discrepancies in that process are something the auditors would catch. Mr. Falteysek stated the auditors would advise the City in the Management Letter of any potential risk, and provide recommendations.

Councilmember Edberg stated the City's per capita taxation and expenditures have been lower than its peer group, although the City employee's wage structure is not below market rates. He asked whether Mr. Falteysek had any insight as to why the City can maintain its high ratings. Mr. Falteysek stated that staff are efficient and effective, and the City has good accounting systems and management structures in place.

B. Rush Line - Presentation of Locally Preferred Alternative – Andrew Gitzlaff, Ramsey County Railroad Authority

Mayor Emerson welcomed Andrew Gitzlaff, Ramsey County Railroad Authority. Mr. Gitzlaff presented an update on the Locally Preferred Alternative (LPA) for the proposed Rush Line Rapid Transit project. He added a public hearing is scheduled for City Council's July 25, 2017, Regular Meeting. He noted the County Railroad Authority is hoping to secure support from the City of White Bear Lake for this project.

Mr. Gitzlaff stated Mayor Emerson has played a role on the Policy Advisory Committee, and Community Development Director Kane served on the Technical Advisory Committee, bringing other City Staff into the process. He added transit service improvement is sought that will satisfy long-term regional mobility needs for businesses and the travelling public, and provide a catalyst for sustainable economic development. He noted the project provides the opportunity to connect major destinations, activity centers and job concentration areas along this corridor.

Mr. Gitzlaff stated the project partners are identifying goals and alternatives, seeking community engagement, and evaluating transit needs based on project goals, cost, quality of life, and access to regional connectivity. He added this process has been ongoing since January 2014. He noted a core goal is to use the right of way to minimize property impacts.

Mr. Gitzlaff stated the LPA refers to the route, preferred type of transit vehicle, general service plan, general station locations, and estimates on cost and ridership. He added the route for the LPA is Robert Street and Phalen Boulevard, transitioning to the Ramsey County Rail right of way, which would be shared with the Bruce Vento Trail. He noted, north of I-694, the route migrates to Highway 61, with service stops at County Road E, Cedar Station, Marina Triangle Station, and an end station in Downtown White Bear Lake near 4th Street.

Mr. Gitzlaff stated a dedicated bus/rapid transit (BRT) service is preferred as it operates in its own lane on a dedicated service road, is frequent and reliable, and has a branding or image that is higher than regular bus service. He added BRT is the most cost-effective solution, and has been proven to generate economic development.

Councilmember Walsh asked whether the highway shoulder as constructed would be able to handle

the weight of the buses. Mr. Gitzlaff stated cost estimates include an assumption for reinforcement of the shoulders, but that issue will be reviewed further.

Mr. Gitzlaff stated Ramsey County Rail is seeking the support of the City of White Bear Lake so further study can be initiated related to environmental impacts and engineering requirements. He added support has been received from the cities of St. Paul, Maplewood, Vadnais Heights, Gem Lake, White Bear Township, and White Bear Lake, with Resolutions of support received from Gem Lake and Maplewood.

City Manager Richter stated a public hearing is scheduled for the City Council's July 25, 2017, Regular Meeting, as part of approval process.

Councilmember Edberg asked whether the service to downtown White Bear Lake will run until midnight. Mr. Gitzlaff stated station and schedule planning has not been finalized.

Community Development Director Kane stated the Economic Development Corporation has expressed a desire to see the termination point further north, to serve the City's Arts District. She added finding that balance will be the challenge.

Councilmember Jones asked how assumptions regarding "competitive travel time" are measured, and what are the parameters. He added it is a term that is loosely used in the report.

Mr. Gitzlaff stated travel time is compared to express bus service, as that is the highest level of service. He added providing a similar level of service as an express bus even with multiple station stops puts it in the competitive range for travel time.

Councilmember Walsh stated the County Transit Improvement Board is dissolved, and Ramsey County voted to raise the sales tax for transit projects. He asked whether the County can use additional revenue from the sales tax to fund these types of projects without legislative approval. Mr. Gitzlaff confirmed this, although the Rail Authority is required under Statute to provide a Capital Improvement Plan, which, in this case, includes the Rush Line.

Councilmember Walsh requested clarification regarding the Metropolitan Council's involved. Mr. Gitzlaff stated they will be the owner/operator of the Rush Line through Metro Transit, and after cooperative agreements are approved, the final engineering phase will be done by Metropolitan Council.

Mayor Emerson thanked Mr. Gitzlaff for his presentation. She added the City Council's July 25, 2017, Regular Meeting Agenda will include a public hearing and consideration of support for the project from the City of White Bear Lake.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

A. Resolution Designating Parking Spaces for Acqua/Mizu in the Ramp at Boatworks Commons

Community Development Director Kane reviewed the staff report, and explained that staff is proposing to designate parking stalls for Acqua/MIZU use only, Wednesday – Sunday evenings during the summer season. She added this will provide parking spaces for all Marina Triangle businesses that were assessed to pay for a portion of the public parking stalls in the Boatworks Commons ramp. A Resolution for the Council's consideration would designate reserved parking stalls for Acqua and Mizu Restaurants, Wednesday through Thursday between 5:00-10:00 p.m. during the peak season (May-September).

The project, as originally designed in 2011, did not include provision of designated parking spaces for specified uses, as it was based upon a shared parking model. Assigning some of the parking spaces deviates from that concept, but would be restricted time of day, days of the week and season.

City Manager Richter stated the Resolution should be amended to include a requirement that signage clearly states the times and days that the reserved parking would be available.

Councilmember Walsh stated he supports limiting the number of reserved spaces up to 20, and in general people will obey the rules.

In response to a question from Councilmember Walsh, Community Development Director Kane stated the shared parking agreement states "to the extent permitted by law" regarding the number of parking spaces, as there are restrictions due to financing methods used to construct the ramp.

Councilmember Biehn stated he supports the idea of reserved parking. He asked how late Acqua and Mizu Restaurants are open. Community Development Director Kane stated their kitchens stay open later than 10:00 p.m.

Councilmember Jones asked whether Acqua Restaurant asked for the reserved parking signs. City Manager Richter stated it was a discussion among many parties that occurred over a few weeks.

Councilmember Jones asked for the cost of the signs. Assistant City Engineer Farrell stated the signs are estimated to cost approximately \$20-30 each, for a total of \$400-500.

Councilmember Jones stated this issue is a direct result of Tally's recent request for increased seating. He added the City should not have to pay for the signs.

Councilmember Edberg asked how City Staff can enforce the reserved parking, to ensure that those who paid for the parking will receive the benefit of their patrons using the parking spaces. He stressed the importance of honoring this initiative, and having some data to support it, or some type of monitoring, that could be instituted after a complaint is received.

City Manager Richter explained that other parking lots around the community and in other cities rely on businesses to self-monitor, unless an attendant is present. The business owners would call the police to issue a ticket and it would be incumbent upon the patron to produce a receipt for dismissal if wrongly ticketed.

Councilmember Jones asked whether this could be a temporary solution. City Manager Richter agreed, and requested that be clarified in the Resolution to correspond with the temporary CUP

Amendment granted for Tally's Music Nights. She added the signs will not be necessary outside of the summer season.

It was moved by Councilmember **Jones** seconded by Councilmember **Edberg**, to adopt **Resolution No. 12050** designating 20 parking spaces for Acqua/Mizu in the ramp at Boatworks Commons, with the following amendments:

- Item 1 (fourth paragraph, line 1) - remove "Certain" and insert "not to exceed twenty parking spaces"
- Item 2 (fifth paragraph, line 2) - after "spaces", insert "from 5:00-10:00 p.m., Wednesday through Saturday."
- Addition of Item #3. "This Resolution is approved for a limited trial period for Summer 2017."

The motion carried unanimously.

- B. Resolution Accepting Work and Authorizing Final Payment to Urban Companies, Inc., for Demolition of 2511 County Road E East (City Project No.: 17-17)

City Manager Richter stated this Resolution will not be presented for approval as the work has not been completed as expected. She added the contractor, whose bid was quite competitive, is a small operation and they are behind on projects due to weather.

Councilmember Jones stated he has received questions from residents about what is planned for the site, and whether the brush will be removed. City Manager Richter confirmed the brush will be removed, and the site will be left as a green space for the time being.

- C. Resolution in Support of a Comprehensive Plan Amendment Proposed by White Bear Township (Water Gremlin Expansion)

Community Development Director Kane stated a Comprehensive Plan Amendment for White Bear Township requires approval from neighboring communities. She added a commercial business, Water Gremlin, wants to purchase adjacent property that is currently zoned low density residential. She noted the property would be re-zoned to industrial, and staff supports the resolution.

It was moved by Councilmember **Jones** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12051** supporting a Comprehensive Plan Amendment proposed by White Bear Township (Water Gremlin Expansion).

The motion carried unanimously.

- D. Resolution approving a 60-day time extension for a conditional use permit to establish MIZU Japanese Restaurant located at 4475 Lake Avenue South.

Community Development Director Kane stated the Conditional Use Permit for Mizu Restaurant will expire on June 30, 2017. She added City Staff recommends a 60-day CUP extension, although Mizu is planning to be open around July 4, 2017.

It was moved by Councilmember **Edberg** seconded by Councilmember **Walsh**, to adopt **Resolution No. 12052** approving a 60-day time extension for a conditional use permit for the Boatworks Commons Building located at 4475 Lake Avenue South, with the following amendment:

-4th WHEREAS should read "August 30, 2017."

The motion carried unanimously.

10. CONSENT

- A. Resolution approving an amendment to the Water Efficiency Grant Agreement with Metropolitan Council. **Resolution No. 12052**
- B. Resolution authorizing execution of the Washington County Score Grant. **Resolution No, 12053**
- C. Resolution authorizing an amendment to Educational Facilities Revenue Note – Series 2011 The Church of St. Mary of the Lake. **Resolution No. 12054**
- D. Resolution approving massage therapist and massage therapy establishment licenses. **Resolution No, 12055**

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to approve the Consent Agenda.

The motion carried unanimously.

11. DISCUSSION

12. COMMUNICATIONS FROM THE CITY MANAGER

- **City Attorney Selection Process**
City Manager Richter stated interviews were conducted with the four finalists selected for the new City Attorney appointment. The selection committee conducted interviews and will bring forward a finalist candidate to the City Council on July 11th prior to its regular meeting, for a final interview.
- **Sports Center**
City Manager Richter stated that at a recent meeting to discuss progress of Sports Center planning, Kraus-Anderson shared preliminary budget numbers that exceed original estimates by approximately \$1 million. Nearly 40% of those costs are associated with elements included to accommodate a refrigeration system that could operate a 2nd sheet of ice, if constructed in the future. 25% of the added costs account for construction contingency, with the remaining 35% associated with ADA required upgrades, site work and signage.

Councilmember Edberg asked whether it is still within the City's fiscal capacity to approve the project and provide increased funding, where the funding would come from, and how the City's share would be determined. City Manager Richter stated these issues will be reviewed in more detail by staff prior to the City Council's next meeting.

Councilmember Edberg stated the City Council's consensus on this matter has been support for one sheet of ice. City Manager Richter confirmed this, adding the City Council should consider whether the upgrades to accommodate the potential for a second sheet of ice is prudent.

Councilmember Jones thanked City Manager Richter for her update. He also thanked the White Bear Lake skating community for their commitment and dedication to this project. He added he supports the plan for a single sheet of ice.

- **Police Department Events**
City Manager Richter stated the White Bear Lake Police Department sponsored the Bike Rodeo at the Public Works Facility, which was funded using money that was raised from the Spring bike sale. She noted National Night Out is Tuesday, August 1, 2017, from 6:00 – 9:00 p.m., and she encouraged City Councilmembers interested in participating to contact Police Chief Swanson.

City Manager Richter stated the Police Department is planning a pedestrian safety awareness initiative, similar to the City of St. Paul's Stop for Me Campaign. She added this program seeks to educate motorists about stopping at pedestrian crossings. She noted pedestrian crossing awareness events will be planned for a few nights in August 2017.

Councilmember Walsh stated there have been a few incidents on his street over the past few days, including a car accident and a house fire. He thanked the Police and Fire Departments, adding his neighborhood really appreciated all their hard work.

➤ Engineering Department Update

Assistant City Engineer Farrell reviewed the City's roads projects including crack seal completed in the downtown area, to be followed by seal coating in July. He added mill and overlay as well as full reconstruction projects are ahead of schedule. City Staff are working with Vadnais Lake Water Management Organization (VLWMO) to increase water quality in Goose Lake. He added VLWMO is applying for a substantial grant to do some improvements over the coming years.

➤ Community Development Department Updates

Community Development Director Kane stated a new Code Enforcement Officer, Daniel Cahill, will start on July 5, 2017. She added Mr. Cahill is a combat veteran who served in Afghanistan. She noted he was previously employed in Code Enforcement at the City of Cottage Grove.

Community Development Director Kane stated a Lake Links Trail Project meeting on Wednesday, June 27th will be hosted by the Met Council at Boatworks Commons, and all participating communities will be represented. She added representatives of the Metropolitan Council, fiscal agents for the legislative funding, will also be present. She noted the next trail segment will connect Lions Park to South Shore Boulevard and the City's north/south trail connector along Hazel Street, enhancing the community's pedestrian and bike access.


Community Development Director Kane stated a Comprehensive Plan update was presented to the Planning Commission at their June 26, 2017, meeting. She added the update will be presented to the City Council at the July 25, 2017, Regular Meeting time permitting.

Community Development Director Kane stated a new local business, Culver's of White Bear Lake, will open this week. Mayor Emerson stated they will be opening on June 29, 2017.


Mayor Emerson stated the Lakeshore Players' groundbreaking ceremony was held that afternoon, June 27, 2017, at 4:00 p.m.

13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Walsh** seconded by Councilmember **Jones** to adjourn the regular meeting at 8:56 p.m.


Jo Emerson, Mayor

ATTEST:


Kara Coustry, City Clerk