

**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, AUGUST 28, 2018
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Jo Emerson called the meeting to order at 7:01 p.m. Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh in attendance. Staff members present were City Manager Ellen Hiniker, Assistant City Manager Rick Juba, Chief of Police Julie Swanson, City Engineer Mark Burch, Assistant City Engineer Jesse Farrell, Finance Director Don Rambow, City Clerk Kara Coustry and City Attorney Andy Pratt.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

It was moved by Councilmember **Jones** seconded by Councilmember **Engstran**, to approve the Minutes of the Regular City Council Meeting on August 15, 2018.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

It was moved by Councilmember **Jones** seconded by Councilmember **Engstran**, to approve the agenda as presented.

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Dan Louismet – Retiring Park Advisory Commission Member

City Engineer Burch invited Dan Louismet with his two-year old daughter, Frankie, to the podium. He thanked Dan for four years of service and contribution to the Park Advisory Commission. Mayor Emerson presented Dan with a bear plaque and thanked him on behalf of the City Council and citizens for his service on the Park Advisory Commission.

B. Lions Presentation – Soldiers’ Memorial Flagpole Project

Lynn and Carol Farley with the Lions Club Foundation provided a status update on the flag project, which is approximately 80% complete. The concrete base is finished and the flagpole should be here this week. Still pending is brickwork around the base and a plaque from the Lions Club that will go up across from the WPA sign. The VFW and the American Legion purchased the first 12 x 8 flag for the pole.

On behalf of the Lions Club and its Foundation, Mr. Farley presented another donation in the amount of \$25,000, which was accepted by Mayor Emerson on behalf of the City of White Bear Lake for the flagpole project.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

A. Resolution accepting DWI grant from Minnesota Department of Public Safety

City Manager Hiniker reported the City was awarded a grant in the amount of \$96,518.03 from MN Department of Public Safety. The grant is good for one year, beginning October 1, 2018, with an option to extend another year. This grant would fund a current officer on staff, providing the City with the ability to hire another officer during this period of time.

Ms. Hiniker explained this position would work from 5 pm – 5 am and the officer is required to work at least two weekends a month with a strict adherence to traffic enforcement. Ms. Hiniker reported there were 194 drivers arrested for DWI in 2017, ranging from ages of 17-70. So far in 2018, 102 drivers were arrested for DWI.

In response to Councilmember Walsh, Ms. Hiniker explained that the officer may not spend any more than 15 minutes per hour assisting with non-traffic related stops. Police Chief Swanson added there are also four mandatory days the officer must work: New Year's Eve, Fishing Opener, Halloween and choice of either the day before Thanksgiving or Black Friday.

Police Chief Swanson explained that this is the second time this grant has been offered and the City of White Bear Lake is the only suburban city in Ramsey County to get this grant. She stated that the City of White Bear Lake has always performed in the top five in the State when there is a wave of DWI enforcement, given the size population and number of officers.

It was moved by Councilmember **Walsh** seconded by Councilmember **Biehn**, to adopt **Resolution No. 12248** authorizing employee insurance renewal

Motion carried unanimously.

B. Resolution declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the 2018 Street Reconstruction Project, City Project Nos 17-06, 18-01, 18-06

City Engineer Burch reported that the public improvements including bituminous

pavement reconstruction in the 2018 Street Reconstruction Project are nearly complete and staff is reviewing project costs and preparing final assessment rolls for the City Councils' consideration. He forwarded staff recommendation to adopt this resolution, which would order a public hearing on the final assessment rolls on September 25.

Councilmember Walsh inquired whether the Post Office is delivering mail to Old White Bear Avenue. Mr. Burch explained there was a change in management at the Post Office and he has been working with them. Councilmember Walsh said to let Council and the Mayor know if additional assistance is needed to get this resolved.

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to adopt **Resolution No. 12249** declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the 2018 Street Reconstruction Project, City Project Nos 17-06, 18-01, 18-06

Motion carried unanimously.

- C. Resolution declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the 2018 Mill and Overlay Project, City Project No. 18-13

City Engineer Burch reported that the 2018 Mill and Overlay project is complete and staff is reviewing project costs and preparing final assessment rolls for the City Councils' consideration. He forwarded staff recommendation to adopt this resolution, which would order a public hearing on the final assessment rolls on September 25.

It was moved by Councilmember **Jones** seconded by Councilmember **Walsh**, to adopt **Resolution No. 12250** declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the 2018 Mill and Overlay Project, City Project No. 18-13

Motion carried unanimously.

- D. Resolution declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the Centerville Road Construction Project, City Project No. 18-16

City Engineer Burch reported that the public improvements in the Centerville Road Improvement Project are underway. Mr. Burch explained that the assessment rolls are based on an appraisal report and the benefit to the properties along the east side of Centerville Road. He forwarded staff recommendation to adopt this resolution, which would order a public hearing on the final assessment rolls on September 25.

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to adopt **Resolution No. 12251** declaring costs to be assessed and ordering preparation of proposed assessment roll and setting hearing on a proposed assessment roll for the Centerville Road Construction Project, City Project No. 18-16.

Motion carried unanimously.

- E. Resolution accepting work and authorizing final payment to Pearson Bros., Inc. for the 2018 Bituminous Seal Coating Project, City Project No. 18-02

City Engineer Burch was very pleased with the trap rock used during this year's seal coating project, which is now complete except for a final sweep. He forwarded staff recommendation to accept the work and authorize final payment to Pearson Bros., Inc. for the 2018 Bituminous Seal Coating project.

It was moved by Councilmember **Walsh** seconded by Councilmember **Engstran**, to adopt **Resolution No. 12252** accepting work and authorizing final payment to Pearson Bros., Inc. for the 2018 Bituminous Seal Coating Project, City Project No. 18-02.

Motion carried unanimously.

F. Resolution authorizing employee insurance renewal

Finance Director Rambow reported that the City is required every five years to seek bids for employee insurance coverage, which includes health, life and voluntary dental, short-term and long-term disability. Through C-Biz, the City received six bid responses, in which the health insurance quotes were increased by 15% due to the City's past experience (claims) ratio.

Mr. Rambow explained that the City's Insurance Committee consists of a member from the management team, a non-bargaining unit, Public Works and Police. Based upon Medica's lower premiums along with providing open-access to providers (Mayo Clinic), the committee recommended accepting Medica's proposal. Under this plan, the H.S.A. plan changes from a non-embedded \$2,500/\$5,000 deductible plan to an embedded \$2,700/\$5,400 deductible plan.

Mr. Rambow reported that the committee voted to retain life and disability insurance with the same carrier. Voluntary Life Insurance premiums actually reduced slightly. The committee voted to retain Health Partners as its dental insurance carrier, as rates remain the same but the "distinction 3" plan increases coverage.

In response to Councilmember Walsh, Mr. Rambow explained that the City has a long-standing tradition of covering a fixed dollar amount of coverage based on market conditions and the total compensation package (not a percentage). Mr. Rambow explained that the City Council will be addressing City's contribution at a later time. Ms. Hiniker explained that the City will negotiate City's contribution with its unions, which is then applied to non-bargaining employees.

It was moved by Councilmember **Engstran** seconded by Councilmember **Walsh**, to adopt **Resolution No. 12253** authorizing employee insurance renewal

Motion carried unanimously.

10. CONSENT

- A. Resolution approving a tobacco license for the White Bear Lake Tobacconist. **Resolution No. 12254**
- B. Resolution approving a temporary liquor license for the White Bear Lake Youth Hockey Association. **Resolution No. 12255**

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

Motion carried unanimously.

11. DISCUSSION

A. Potential Fire Relief Association pension adjustment and transition to PERA

Finance Director Rambow stated that the Fire Department offers a pension to volunteer Fire Fighters administered and controlled by the White Bear Lake Fire Relief Association. When the pension was first created, it offered a monthly annuity based on years of service. In 1999, the Relief Association added an option for lump sum payment. At the request of the Relief Association, in 2003 the City diverted its annual \$20,000 pension fund contribution to the Fire Fighter's annual compensation package.

Mr. Rambow explained that a pension adjustment was last approved in 2007, when the fund was doing very well, then the great recession of 2008 led to a pension-funding shortfall with funding at 87%. To cover that shortfall at that time, the City was ordered by the State Auditor to make annual payments into the fund until recovered. Through special legislation, the Fire Relief Association conducted an interim actuarial study, which proved there was sufficient funding after the market rebounded in 2009. As a result, the City was no longer required by the State to supplement the fund.

Mr. Rambow believes the pension account should be funded at 115-120% to support another recessionary hit. The pension fund is currently funded at 137%. The Fire Relief Board completed an actuarial study to determine the feasibility of increasing pensions, which determined the fund could support \$100/month annuity increase or \$1,040.00 in a lump sum payment and still maintain funding at 120%.

Mr. Rambow explained the Fire Relief Board is also looking to merge with the State Volunteer Fire Plan. New legislation now allows Fire Relief Associations to exit the State Volunteer Fire Plan if desired, which makes this option more attractive. This plan would shift investments from Wells Fargo to the State Board of Investments. By merging, the total cost savings of transferring to PERA would amount to estimated savings of \$50,000/year, according to Mr. Rambow's calculations.

Mr. Rambow explained that should the Fire Relief Association recommend these two pension changes; the City Council holds final approval authority as the City is ultimately responsible for the pension fund.

Councilmember Walsh inquired as to the impact on the pension fund given anticipated Fire Department staffing changes – going to 12 full-time Paramedic/Fire Fighters, and reducing part-timers. Mr. Rambow clarified that the full-time members are not part of this plan, and cannot be included in this plan. He explained that some of the State's contribution is based on the number of paid-on call Fire Fighters, so that number would change, but with regard to investments, he did not see the fund changing significantly.

Ms. Hiniker added that the Fire Relief Board still needs to converse with the membership. Although the numbers may support a pension increase, what is less clear is whether the membership is comfortable with a loss of control by switching to PERA. Mr. Rambow added that a switch to PERA can only happen once per year and takes effect on the 1st of a new year.

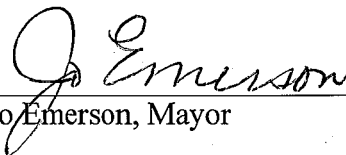
12. COMMUNICATIONS FROM THE CITY MANAGER

- Police Vehicles - Three police vehicles are in the draft 2019 budget as part of fleet change out, but the current model is being replaced with a more expensive model (\$4,000 - \$5,000 more per vehicle) next year. Additionally, current equipment requires retrofitting in order to work in the newer model, amounting to another \$2,000. By ordering the vehicles this year, the city would save approximately \$20,000 (assuming the draft 2019 budget is approved), however, doing so runs the risk that vehicles will arrive in 2018 and necessitate payment from the 2018 budget. This would be reflected in the revised budget numbers, if necessary.
- Recent stop sign enforcement initiatives resulted in 52 citations for failure to come to a complete stop in downtown and in the south end of town. The next sustained traffic enforcement initiative will focus on crosswalks.
- Volunteer Recognition Dinner is on Tuesday, Oct. 2nd at the Boatworks Commons
- City Engineer/Public Works Director, Mark Burch's drop-in retirement reception is on Tuesday, September 25th from 4:30 pm – 6:30 p.m. at City Hall (prior to the City Council meeting)

- Sports Center Updates – Mark Burch, City Engineer
Ice will be made next week, the floor has been painted and the bleachers are going in. Landscaping is being completed by Anne Fleischacker, Public Works.

13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Jones** seconded by Councilmember **Biehn** to adjourn the regular meeting at **8:09 p.m.**



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk