

**MINUTES  
REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA  
TUESDAY, SEPTEMBER 11, 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 7:02 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, Community Development Director Anne Kane, City Engineer Mark Burch, Assistant City Engineer Jesse Farrell, Finance Director Don Rambow, Assistant Finance Director Kerri Kindsvater, 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 **Walsh**, to approve the Minutes of the Regular City Council Meeting on August 28, 2018.

Motion carried. Councilmember Edberg abstained.

**3. APPROVAL OF THE AGENDA**

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

Motion carried unanimously.

**4. VISITORS AND PRESENTATIONS**

A. Proclamation – Constitution Week September 17-23, 2018

Mayor Emerson read a Proclamation in recognition of Constitution Week and proclaimed the week of September 17<sup>th</sup> as Constitution Week in the City of White Bear Lake, Minnesota.

**5. PUBLIC HEARINGS**

Nothing scheduled

**6. LAND USE**

A. Non-Consent

1. Consideration of a Planning Commission recommendation regarding a request by the Bonne Family for a Lot Split and 5 Variances (Case No. 18-2-LS & 18-12-V)

Community Development Director Kane reported the subject site, 4320 Cottage

Park Road, is located on the east side of Cottage Park Road at the south end of Circle Drive. It is zoned R-2, Single Family Residential and it lies within the Shoreland Overlay District of White Bear Lake. She described a 27,000 square foot lot with a single-family residence on the north half and a tennis court on the south half. The applicants would like to subdivide the property into two lots for the purposes of selling off a lot for the construction of a new single-family residence. Consequently, the applicant is requesting a lot split and 5 variances in order to subdivide the parcel in two.

Ms. Kane explained all five variances:

- 2,625 sq. ft. variance from the 15,000 sq. ft. lot size for Parcel A;
- 85 sq. ft. variance from the 15,000 sq. ft. lot size for Parcel B;
- 13 ft. variance from the 80 ft. min. lot width at the OWHL for Parcel A;
- 12 ft. variance from the 80 ft. min. lot width at the OHWL for Parcel B;
- 3 ft. variance from the 100 ft. min. lot width at the street side for Parcel A.

Ms. Kane explained that the Cottage Park neighborhood is complicated, and the western lot line extends into the middle of the road. Because of this, engineering staff requested a transportation, drainage and utility easement be dedicated with this subdivision, and that the easement extend from the west property line to 5 feet east of the edge of road. The Planning Commission forwarded a recommendation for approval of all five variances and lot split on a vote of 6:1.

In response to Councilmember Walsh, Ms. Kane noted that two neighbors were supportive and a third neighbor supported the variances but expressed reservations to any future requests for front-yard setback variances in the area. Councilmember Walsh stated this neighborhood is carved out and had no concerns with these variances being in Cottage Park.

Councilmember Jones inquired as to why staff had originally requested removal of the retaining wall. Ms. Kane replied, staff was concerned with water quality and pollution control from runoff and was interested in some sort of more ecologically sensitive buffer from the lot to the lake, rather than a wall.

Councilmember Edberg inquired whether both parcels after the split would remain in the family and if the City Council should be aware of any potential issues with this. It was Ms. Kane's understanding they intended to sell to a family member to construct a new home where the tennis courts are currently. She was not able to anticipate additional concerns.

Councilmember Biehn was also concerned that staff's recommendation to remove the retaining wall was pulled as a condition of approval and asked to review the photos again.

Mr. Bonne clarified that the retaining wall, which is about 5 inches wide, extends the full two lots and is not deteriorated at all. There is one crack where his father had placed boulders to help prevent further deterioration. With further review, Councilmember Jones expressed satisfaction with the current retaining wall.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn**, to adopt **Resolution No. 12256** a request by the Bonne Family for a Lot Split and 5 Variances.

Motion carried unanimously.

2. Consideration of a Planning Commission recommendation regarding a request by St. Ann's Chapel for a Conditional Use Permit to establish a convent and for a Variance (Case No. 18-4-CUP & 18-10-V)

Community Development Director Kane reported that St. Ann's purchased the property at 2436 Spruce Place, adjacent to their campus on County Road E. The residence will house ten Sisters that serve St. Ann's Church and Academy. For that to happen, St. Ann's Chapel is seeking a conditional use permit to establish a convent in an R-3 Single Family Residential District and a variance to reduce the side yard setback from 20 to 10 feet.

Ms. Kane reported that the Zoning Code identifies places of worship as conditional use permits in all residential districts. As an ancillary use of St. Ann's Chapel, a convent housing up to ten Sisters requires a conditional use permit. The Zoning Code finds such uses are suitable, but requires an extra layer of review to determine the use is compatible, does not negatively impact surrounding properties and does not overburden public infrastructure serving the site.

Ms. Kane stated that the Zoning Code does require a 20-foot side yard setback for places of worship, while the residential side yard setback requirement is 10 feet. The existing home retains a 10-foot side yard setback. As Ms. Kane explained, unlike a place of worship where many may assemble, a convent is essentially residential in nature and therefore it is appropriate to maintain the 10-foot side yard setback.

Ms. Kane reported the distinction of this CUP for a "convent" rather than a congregate residence as prescribed by State Statutes for group homes with fewer than 7 residents. This distinction would not establish a precedent for other congregate residence facilities (e.g. sororities / fraternities) seeking to locate in single-family neighborhoods.

Ms. Kane said that a couple of neighbors expressed concerns with drainage, lighting, noise and impact on surrounding property values. Mostly attributed to the church and academy property. Ms. Kane explained that concerns about lighting could be address through the existing code, and confirmed the church parking lot was in conformance with the original design related to drainage.

Councilmember Jones asked if this was a residence, what variances would be needed. Ms. Kane responded, none would be needed.

It was moved by Councilmember **Jones**, seconded by Councilmember **Edberg**, to adopt **Resolution No. 12257** approving a request by St. Ann's Chapel for a Conditional Use Permit to establish a convent and for a Variance (Case No. 18-4-CUP & 18-10-V).

Motion carried unanimously.

#### B. Consent

1. Consideration of a Planning Commission recommendation regarding a request by

Barbara Mundis / All Star Pet Hotel and Day Care for a Conditional Use Permit and a Variance (Case No. 18-6-CUP & 18-13-V). **Resolution No. 12258**

2. Consideration of a Planning Commission recommendation regarding a request by Shawn Petry and Dolores Welch for a Recombination Subdivision (Case No. 18-1-LS). **Resolution No. 12259**

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

Motion carried unanimously.

## 7. UNFINISHED BUSINESS

Nothing scheduled

## 8. ORDINANCES

Nothing scheduled

## 9. NEW BUSINESS

- A. Resolution approving the proposed preliminary 2018 tax levy collectible in 2019

City Manager Hiniker reported on the preliminary tax levy, which must be certified to the County by the end of September, in time for property tax statements to be mailed in late November. Once certified, the tax levy may be lowered but not increased. She expected the final budget draft would be ready early November and anticipated asking Council to hold a Truth in Taxation Hearing on November 27, with Council's final budget approval on December 11, 2018.

Ms. Hiniker reviewed a proposed \$720,000 preliminary levy increase to include the following items:

\$272,000	Personnel services/wages, insurance and worker's compensation
\$39,000	Fuel consumption increase (\$2.70/gallon)
\$19,000	Professional services (Actuarial, FMP, Strategic Planning)
\$40,000	Parks & Street Maintenance
\$105,000	Fire Department staffing changes (12 FTE Firefighter/Paramedics)
\$25,000	Urban Tree Management (EAB)
\$220,000	Debt service – Construction Fund

Ms. Hiniker reminded Council that the levy represents 50% of general fund revenues. Nearly half of the general fund goes toward public safety. She reviewed the real estate market in which overall property valuation increased 7% in 2018. Ms. Hiniker reviewed the impact of this levy on a median value home amounting to \$413.54/year and referred to 2007 taxes at \$396.61/year for comparison. This represents an increase of \$16.93 or 4.3% over a thirteen-year period. She also showed how White Bear Lake ranks lowest in property taxes per capita among other comparable MN cities ranging in populations between 16,000 – 37,000.

Councilmember Walsh believes the City is well-run, as indicated relative to other

comparable cities - White Bear Lake's tax per capita is the lowest. He reviewed a chart of historical tax levies over time, and said to watch the increasing trend of higher tax levies in recent years. He stated the City's budget is growing and what we spend is growing, but the City's tax revenue pie is also growing and funding more. He stated he would support the preliminary budget but will continue to look for ways to reduce the tax levy.

Councilmember Edberg stated that conflating growth in levy with growth in total expenditures as not necessarily accurate. The City has multiple streams of revenue, one being interest earnings that have declined significantly in recent years and can no longer be relied upon. Councilmember Edberg pointed out that the City now needs to levy more to offset the revenues it used to have.

Councilmember Biehn stated it is easier to keep up than to catch up. He stated there is not an excess of employees by any means and the only comment he hears is that the City is not doing enough. He has never heard a complaint from residents about taxes and supports this tax levy again this year.

Mayor Emerson expressed pride in the City. Streets and other infrastructure are well maintained and maintenance is not deferred. She stated that the departments work hard to keep budgets down and the organization is still lean and mean. She stated that nobody likes tax increases, but challenged anyone to find what to cut.

Councilmember Jones reviewed the math to show the value of City services. Using the average home value of \$222,500, residents pay \$34/month for streets, reconstruction, police, fire, ambulance, parks, sewer, marina, downtown, supporting arts, local food shelf support, armory, sports center, city services, permits, licensing, building inspections and so much more. Compare that to \$50 to plow snow from a driveway each time it snows. He pointed out that staff needs raises, gas goes up and emergency services have different requirements today. Councilmember Jones added that in 2008 when he first came into office, the City had \$2 million in interest revenue, which is today is only \$200,000. He supports this tax levy and added the City could double taxes today and the City will still not be in the top 50% relative to comparable cities.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Jones** to adopt **Resolution No. 12260** approving the proposed preliminary 2018 tax levy collectible in 2019.

Finance Director Rambow added that in 2013, the City was allocated approximately \$2.3 million annually in local government aid (LGA), which represented \$725 more than today's allocation of LGA. In 2019, the City will be getting only \$800 in additional LGA compared to 2018, which effectively amounts to no increase. He also pointed out that while the \$720,000 is significant, 30% is going toward capital infrastructure, not for operations. Lastly, when bonds were sold last spring, the City's rating increased to AA+, just short of achieving AAA, which is the highest possible bond rating.

Motion carried unanimously.

- B. Resolution accepting work and authorizing final payment to Hydro-Klean LLC for the 2018 Sanitary Sewer Main Lining Program, City Project No. 18-07

City Engineer Burch reported that Hydro-Klean LLC has completed construction of the

2018 Sanitary Sewer Main Lining Project (City Project 18-07). All of the work specified in the contract was accomplished and the sanitary sewer mains are back in service. The original contract amount for this project was \$112,318.50 and the final revised contract amount is \$110,815.00.

Mr. Burch added that since 2004, the City has added nearly \$2 million in sanitary sewer lining, which has significantly reduced the number of sewer line backups in the City every year. With that, Mr. Burch recommended the Council accept the work and authorizing final payment to Hydro-Klean in the amount of \$110,815.00.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Walsh** to adopt **Resolution No. 12261** accepting work and authorizing final payment to Hydro-Klean LLC for the 2018 Sanitary Sewer Main Lining Program, City Project No. 18-07.

Motion carried unanimously.

- C. Resolution Approving a Cooperative Landscape Agreement with MnDOT for the Lunds & Byerlys Landscape Plan in the I-35E right-of-way

Community Development Director Kane recalled last spring when the Towers Crossing Developer sought City Council authorization to submit for the Community Roadside Community Partnership Grant program. The application was approved and MnDOT awarded \$10,000 toward the acquisition of replacement landscape materials along the I-35E corridor, adjacent to Lunds and Byerlys.

Ms. Kane explained that the cooperative landscape agreement allows for the removal of volunteer growth and provides \$10,000 in MnDOT funding, which needs to come through the City of White Bear Lake. Through an agreement, the developer will post 125% to ensure any obligations through the cooperative landscape agreement are covered by the developer and not the City.

It was moved by Councilmember **Jones**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12262** approving a Cooperative Landscape Agreement with MnDOT for the Lunds & Byerlys Landscape Plan in the I-35E right-of-way

Motion carried unanimously.

## 10. CONSENT

- A. Acceptance of minutes from July Park Advisory Commission; June Environmental Advisory Commission; July White Bear Lake Conservation District; August Planning Commission
- B. Resolution approving massage therapist license and transfer. **Resolution No. 12263**
- C. Resolution accepting donation from the White Bear Lake Lions Club for the Soldiers' Memorial Flagpole restoration project. **Resolution No. 12264**
- D. Resolution approving budgeted payment to White Bear Lake Area Historical Society. **Resolution No. 12265**

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to

approve the consent agenda as presented.

Motion carried unanimously.

## 11. DISCUSSION

Councilmember Edberg asked for an update on the flashing yellow signal at 2<sup>nd</sup> Street. Mr. Burch reported that this signal is in MnDOT's program. They will wait until that signal is replaced in two to three years to implement a flashing yellow left turn signal.

Councilmember Biehn inquired as to the status of the crosswalk light at Whitaker Street. Mayor Emerson stated that this will be a while yet. Mr. Burch explained that Engineering is trying to coordinate this project with the Bruce Vento Trail project. Ms. Hiniker added that this intersection is a conversation point with Ramsey County and MnDOT related to the Rush Line BRT project as well.

## 12. COMMUNICATIONS FROM THE CITY MANAGER

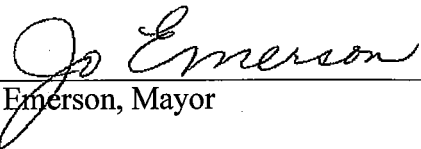
- Rain Gardens – Many neighborhood volunteers helped plant a newly redesigned rain garden at Lake Avenue / Johnson. The City partnered with Rice Creek Watershed District and Ramsey County Soil & Water Conservation Division to construct five homeowner raingardens as part of the City's 2018 street reconstruction project. The City provided the curb cut, Ramsey County designed the raingardens, and Rice Creek Watershed District provided a 75% cost share grant (with the homeowner paying 25% of the cost).
- DNR Lawsuit update – The Court of Appeals asked Judge Marrinan to reconsider a stay request and released an order to stay the provisions of the judge's initial order. The defendants have released their briefings, but the plaintiffs have yet to submit theirs. Oral arguments will be heard this fall. The Court of Appeals then has 90 days to issue an opinion, which is anticipated in early 2019.
- Mark Burch's retirement reception is on Sept. 25, 2018 from 4:30 p.m – 6:30 p.m. in City Hall prior to his last City Council meeting.
- Volunteer Dinner – October 2 at the Boatworks Commons at 6:00 p.m.
- Work Session – Rush Line is on October 15, 2018 at 6:00 p.m. in the Expansion Room of City Hall.
- County Road E and Bellaire – A community engagement follow-up meeting will be led by Councilmember Edberg at Redeemer Lutheran Church on Monday, September 24 at 6:30 p.m.
- Engineering Updates – Mark Burch, City Engineer
  - Street reconstruction is nearly complete and notices announcing the Sept. 25<sup>th</sup> assessment hearing were mailed.
  - The Flag Pole will be erected next week.
- Community Development Updates – Anne Kane, Director

- Habitat for Humanity Project – St. Regis Drive will be ready for occupancy next month.
- Rush Line update – With 6 to 9 months into a two-year environmental planning process, there are five BRT stations that will serve White Bear Lake. Concepts are extremely preliminary at this time, but station locations include Buerkle Road, County Road E, Cedar Avenue, Marina Triangle and downtown. A station with a parking ramp will be important, either in the downtown or at the Marina Triangle. Ramsey County Rush Line staff will be approaching the City Council regarding two City-owned locations as platforms, either downtown at Clark Avenue or service to the Marina Triangle through the old Public Works site.

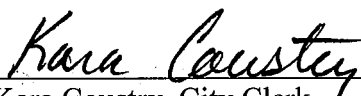
Councilmember Walsh pointed out that no federal or state funding has been dedicated to the construction of Rush Line.

### 13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Jones** seconded by Councilmember **Walsh** to adjourn the regular meeting at **8:20 p.m.**

  
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Jo Emerson, Mayor

**ATTEST:**

  
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Kara Coustry, City Clerk