



**MINUTES  
REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA  
TUESDAY, NOVEMBER 12, 2019  
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. Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh were present. Staff members present were City Manager Ellen Hiniker, City Engineer Paul Kauppi, Community Development Director Anne Kane, Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Troy Gilchrist

PLEDGE OF ALLEGIANCE

**2. APPROVAL OF MINUTES**

A. Minutes of the Closed City Council Meeting on November 12, 2019

It was moved by Councilmember **Jones**, seconded by Councilmember **Edberg**, to approve the Minutes of the Closed City Council Meeting on November 12, 2019.

Councilmember Biehn and Engstran abstained.

Motion carried.

B. Minutes of the Regular City Council Meeting on November 12, 2019

It was moved by Councilmember **Engstran**, seconded by Councilmember **Edberg**, to approve the Minutes of the Regular City Council Meeting on November 12, 2019.

Councilmember Biehn abstained. Motion carried.

**3. APPROVAL OF THE AGENDA**

City Manager Hiniker added 9C, health insurance contributions for the Local 49 Public Works Union

It was moved by Councilmember **Biehn** seconded by Councilmember **Edberg**, to approve the agenda as amended.

Motion carried unanimously.

**4. VISITORS AND PRESENTATIONS**

Nothing scheduled

**5. PUBLIC HEARINGS**

**A. Truth in Taxation Hearing**

City Manager Hiniker explained the Truth in Taxation Hearing provides an opportunity for public to comment on the budget and tax levy. She reviewed the budget timeline as it progressed through the year and stated, the City Council will vote on this proposed tax levy at its December 10, 2019 meeting.

Ms. Hiniker reviewed the allocation of tax dollars and sources of revenue for the General Fund, and explained how property tax rates are calculated. Ms. Hiniker reported on the proposed 2019 tax levy, which was preliminarily adopted on September 10, 2019 as follows. The levy can be reduced, but not increased when the final tax levy adoption is considered on December 10, 2019.

	<u>2018 Levy</u>	<u>2019 Preliminary Levy</u>	<u>Increase</u>
<b>General Fund</b>	\$5,993,000	\$6,475,000	\$482,000
<b>Debt Service Funds</b>	<u>352,000</u>	<u>433,000</u>	<u>81,000</u>
<b>Total 2019 Tax Levy</b>	<u>\$6,345,000</u>	<u>\$6,908,000</u>	<u>\$563,000</u>

Mayor Emerson opened the public hearing at 7:29 p.m.

Barbara Boyer of 4641 Clark Avenue explained that her home assessment increased 20% and she questioned her \$4,800.00 property tax liability as it compared to an example provided during the presentation of a home with taxes at only \$350.

Mayor Emerson noted the County Assessor controls the assessed value. City Manager Hiniker added that the \$350 example only showed the City’s portion of tax and did not show the full scope of taxes assessed by the other agencies such as the County and the School District.

Councilmember Edberg elaborated that increases in assessed home values are a mixed blessing. He noted that the median housing value in White Bear Lake is below many surrounding communities, which becomes an attractive place for families to relocate. He said that while people do not like paying more taxes when home values increase, the good news is that home values are improving and homes for sale are not staying on the market long.

Councilmember Jones agreed. He also explained that home values have only recently returned to levels from ten years ago. He supports the tax levy increase and noted there are new expenses desired by the community, such as when police cameras were added two years ago. Councilmember Jones stated that we have capable people preparing and overseeing the budget, and there remains the question of what could possibly be cut.

Mayor Emerson noted that residents get a lot of bang for their buck, citing the example that tonight when streets will be plowed, the monthly cost for this service is \$2.97, or \$16/month for a police presence. She also noted that White Bear Lake is second from the bottom of the tax levy list compared to peer cities.

Councilmember Biehn said he gets more requests to assume more services, as opposed

to cutting taxes.

**6. LAND USE**

Nothing scheduled

**7. UNFINISHED BUSINESS**

Nothing scheduled

**8. ORDINANCES**

- A. First reading of an Ordinance amending Ordinance 96-3-931 which established a community reinvestment fund

City Manager Hiniker stated that as discussed at past Council work sessions, staff is bringing forward an amendment to a 1996 ordinance that established a community reinvestment fund. Upon establishment of this fund, the City placed \$1,000,000 in a Park Improvement Trust and \$3,300,000 in a Street Improvement Trust, dedicating a portion of the annual interest from each to be proportionately applied to park and street improvements. The ordinance currently requires that this fund retain a minimum 5% of its annual investment earnings to grow its principal balance.

Between 1996 and 2008, there were several years of significant investment earnings. These earnings funded Park and Street Improvements over the years and grew the fund balance to what is now approximately \$7,655,000.

Since 2008, interest earnings have been at historic low levels, significantly impacting capital funding revenues needed for infrastructure improvements. The City Council has had several discussions the past few years regarding the Community Reinvestment Fund's significant fund balance relative to the reduction in its earnings.

In consultation with Ehlers Inc., the City's public finance advisor, staff and Council concluded that maintaining a minimum balance of \$6,000,000 in the Community Reinvestment Fund preserves the financial integrity of this fund and its intended purpose. However, it was also concluded that funds in excess of that minimum balance should be used to help support the City's capital projects in lieu of interest earnings historically provided through this fund.

The proposed amendment to the ordinance allows the fund to be spent down to a minimum balance of \$6,000,000 for capital expenditures to include support of the Interim Construction Fund, Park Improvement Fund and Municipal Building Fund.

Ms. Hiniker mentioned the public hearing for this ordinance revision was noticed for December 10, 2019 at which time second reading will occur to coincide with adoption of the 2020 budget.

Councilmember Walsh expressed concern with the use of the investment fund for municipal building costs and inquired as to the broadness of definition.

Ms. Hiniker noted that as currently proposed, the fund could be used for any municipal building improvement.

Councilmember Walsh noted a spelling correction in Section 5 paragraph B, line 3.

## 9. NEW BUSINESS

- A. Resolution authorizing the Mayor and City Manager to execute a Purchase Agreement for sale of land to Saputo, Inc.

City Manager Hiniker stated this property was purchased in the spring and is in the process of being platted. This is the final step in the planned sale of half of this property at half of the purchase price to Saputo, Inc. She stated this also included half of the cost of site demolition and platting.

It was moved by Councilmember **Engstran**, seconded by Councilmember **Jones** to adopt **Resolution No. 12479** authorizing the Mayor and City Manager to execute a Purchase Agreement for the sale of land to Saputo, Inc.

Motion carried unanimously.

- B. Resolution approving 2019-2020 IAFF Firefighter/Paramedic Union Contract

City Manager Hiniker reported the IAFF Union Contract has negotiated in good faith. She noted that the proposed contract reflects wages 4% over what had originally been budgeted. She noted that Firefighters work 24-hour shifts in which the average number of hours worked by employees in this field adds up to 2900 annually, as compared to 2080 for the average worker. This impacts the hourly wage. She stated the health insurance provisions are the same as provided for to all non-bargaining employees and agreed upon by the other unions.

Councilmember Walsh asked for assurance from the City Manager that a downward pressure on Fire Department and Ambulance overtime would continue to drive down this high cost overtime line item, now that the department has completed its transition.

Ms. Hiniker said that some overtime will reduce somewhat, but there is overtime inherently built into the budget as needed for the 24/7 scheduling model. She stated that although FLSA has a higher threshold for overtime for firefighters/paramedics at 212 hours per month, there will still be approximately 350 hours of overtime built into a 24-7 schedule.

Councilmember Biehn noted that more people could be hired to reduce overtime, but then there is the need to pay benefits and having more people does not always make for the best scheduling.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12480** approving 2019-2020 IAGG Firefighter/Paramedic Union Contract.

Motion carried unanimously.

- C. Resolution approving 2020 health insurance contributions for the Local 49 Public Works Union

City Manager Hiniker reported the Local 49 union employees accepted the City's health insurance proposal, which is the same as was approved by Council for the non-bargaining employees. The union vote was taken after the agenda packets were prepared, which is why it is being added to the agenda at this time.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12481** approving 2020 health insurance contributions for the Local 49 Public Works Union.

Motion carried unanimously.

## 10. CONSENT

- A. Resolution authorizing a letter of consent to the City of Vadnais Heights regarding the Comprehensive Plan Amendment. **Resolution No. 12482**
- B. Resolution approving tobacco license and related products for Nothing but Hemp. **Resolution No. 12483**
- C. Resolution approving a temporary liquor license for the Lions Club Foundation. **Resolution No. 12484**
- D. Resolution approving health insurance contributions for the 2020 MNPEA Patrol Officers Union Contract. **Resolution No. 12485**
- E. Resolution approving health insurance contributions for the 2020 LELS Sergeants Union Contract. **Resolution No. 12486**
- F. Resolution approving special assessment, **Resolution No. 12487**

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

Motion carried unanimously.

## 11. DISCUSSION

Nothing scheduled

## 12. COMMUNICATIONS FROM THE CITY MANAGER

- A. The Ramsey Washington Watershed District gave the City of White Bear Lake an award for the Edgewater Right of Way native prairie planting project installed in 2016. Ms. Hiniker mentioned the importance of pollinator plants and for stormwater control and the City Engineer added that deep roots from native plants help with erosion control.
- B. In collaboration with the Rice Creek Watershed District, the City provided a curb cut and Ramsey County Water Conservation Division designed five (5) homeowner raingardens as part of the City's 2019 Street Reconstruction Program. The Rice Creek Watershed District provided 75% and the homeowner covered 25% of the cost.

- C. Ms. Hiniker relayed dates for the German Exchange as June 13 – 20, 2020, with German delegates returning to White Bear Lake October 3 – 10, 2020.
- D. City Engineer and Public Works Director Kauppi reminded people to remove cars from the street until streets are plowed from curb to curb. He said crews will start plowing downtown at about 2:00 a.m. and move onto mainline plowing around 4:00 a.m. Mayor Emerson added this is important to avoid being ticketed.

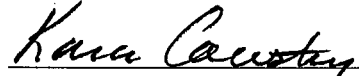
**13. ADJOURNMENT**

There being no further business before the Council, it was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn** to adjourn the regular meeting at 7:58 p.m.

Motion carried unanimously.

  
\_\_\_\_\_  
Jo Emerson, Mayo

**ATTEST:**

  
\_\_\_\_\_  
Kara Coustry, City Clerk