

**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, DECEMBER 10, 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 7:03 p.m. Councilmembers Doug Biehn, Kevin Edberg (8:05pm), Steven Engstran, Dan Jones and Bill Walsh were present. Staff members present were City Manager Ellen Hiniker, Community Development Director Anne Kane, City Engineer Paul Kauppi, Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Troy Gilchrist

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on November 26, 2019.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones**, to approve the Minutes of the Regular City Council Meeting on November 26, 2019.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

Councilmember Biehn added a Discussion item 12B related to Boatworks rental policy.

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

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Mary Alice Divine – retiring Planning Commission member

Community Development Director Kane reviewed some key Planning cases since Mary Alice assumed her appointment to the Planning Commission in 2014. Mayor Emerson thanked Mary Alice Divine and presented her with a bear plaque in recognition of five years on the Planning Commission.

B. Climate Smart Exchange – WBL Delegation members

City Manager Hiniker provided an overview of the ClimateSmart Exchange program with Lüdenscheid, Germany. She reported that in September, delegates from White Bear Lake visited the North Rhine-Westphalia region of Germany to learn about energy initiatives. The goal of this partnership, Ms. Hiniker explained, is to pair municipalities to accelerate progress toward a cleaner and more efficient energy footprint.

Ms. Hiniker called out the following key points and Mayor Emerson, Councilmember Biehn and Councilmember Edberg provided corresponding examples they encountered while in attendance.

- Waste Reduction Culture – glassware at every meeting (no plastics or paper), paper bags or none at all were provided in stores. Rather than home collection, recycling is brought to and sorted at a facility. Solar powered public trash cans compact waste and call when time to be emptied.
- Youth Engagement – Impressive engagement of all ages in society participating in a youth movement called “Fridays for Future” expressing an urgency and desire for thinking about the future related to climate change. A High School Meteorology Club has been collecting and analyzing climate data and will be partnering with White Bear Lake High School next semester. Students might also seek exchange opportunities.
- Emphasis on Applied Sciences – Universities and the new Science Center conduct experiments for participation in physics and technology, designed to help people understand how the physical world works. While there are many opinions about climate, a reaffirmation and understanding of earth science is needed to inform the future.
- Business/Economic Case for Energy Transformation – Gerard Reid, a founding partner in Alexa Capital, made a financial case for energy transformation technologies. Regardless of belief in the human influence on climate change, the rest of the world believes in renewables and energy conservation, which is becoming big business. Shell, the gasoline company, now wants to be the largest provider of solar power in the world. EVoline, a high-tech German manufacturer, is building a new zero carbon plant in Lüdenscheid and ABB has the first CO₂ neutral production site in Germany today. While there is an investment, there is a return on that investment and it is achievable at scale.
- Cities are taking meaningful action – For example, Lüdenscheid has 50 Councilmembers representing five different political parties. One of those parties desired declaration of a Climate emergency. In the end, the Council voted unanimously to adopt a Climate Action Plan containing 59 points of action. Private investment in the City of Saerbeck, population 7,500, created a citizen owned bio-energy park containing wind towers, recycling facilities and solar power for the region.
- Acceleration of the adaptation of renewables – global markets are investing in renewables at an accelerated rate. China is leading in solar installations. The bus depot in Münster provides solar powering of batteries for electric buses, as an example.
- Climate Change is a Global Issue – Important to build relationships for the sharing of knowledge and experiences and for a better overall understanding. Interesting to see the differences in Germany and the emphasis on mass transit. Germany is also interested in learning how to be more direct with decision-making and move forward more quickly like Americans.

Councilmember Walsh stated that solar and wind around the world is highly subsidized. He asked when solar and wind would no longer need subsidies so it can function as part of a free market system, and inquired as to government’s role. If wind and solar works and protects the environment, then why does government need to subsidize and why are we paying more for it. He noted that people pay more for energy in Minnesota than 10-15 years ago when renewable energy standards were put into place, although less energy is being used now, but that is the tradeoff.

Councilmember Edberg expressed the importance of considering the true total costs and true total benefits of the system. He said the cost of a kilowatt is irrelevant compared to the big picture of total costs, especially when considering climate change and climate instability and the public dollars that fund disaster relief. Councilmember Edberg stated there is a role for government to act in its own interest and the interests of its citizens. Government plays a role in choosing technology and deciding what cost to bear. He said government also plays a role through policies that encourage and empower citizens to take private action.

Councilmember Edberg said, let us consider what the science tells us and how the world will look in 50 years. He suggested that changes will be necessary in the way people live. He said, we cannot keep doing what we are doing to the planet and make it work.

In response to Councilmember Walsh's question regarding whether Germany spoke about subsidies, City Manager Hiniker responded that the conversation was focused on reduced cost of solar due to increased global investment. She said there was no conversation about subsidies, but the Federal Republic of Germany has made a significant investment in renewable energy production, which filters down to local governments.

Mayor Emerson pointed out that Minnesota is better situated for wind and solar technologies than Germany. She added, it was interesting to see the citizens and the cities in Germany leading in a collaborative effort. She mentioned there are some things Germany is doing that could work here. She said, we need to provide the information for people to make their own decisions.

Councilmember Biehn said, while there were no conversations about subsidies, there was conversation about the economic consequences of inaction. He mentioned Gerard Reid's presentation detailing the move of Europe and China away from fossil fuel. He reported that China is building more electric buses now than regular buses and if we do not keep up with the technology, we will need to buy from them instead of making it ourselves. Councilmember Biehn believed the cost of not keeping up makes the subsidy worth it, just as we subsidize other parts of the economy.

Councilmember Jones commented that the name ClimateSmart avoids controversy. He cautioned Council to go at the pace of residents' acceptance because they will only do what they understand today, but he agreed that educating residents to the options is important. Councilmember Jones stated there are opportunities available and breaking even is not required especially if a longer-term benefit is realized.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A. Consent

Nothing scheduled

B. Non-Consent

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

Richard Farrell for a variance (19-11-V)

Community Development Director Kane reported this property is located at 4763 Lake Avenue and zoned R2 Single Family Residential in the shore-land overlay district. Given the unique property, Ms. Kane recapped that two setback variances were approved in July prior to preparation of scalable renderings. During the building permit review process, it was discovered that the eave overhang exceeded two feet. She forwarded the Planning Commission recommendation 6:1 for a 1'4" variance.

Mayor Emerson opened the public hearing at 7:52 p.m. As no one spoke, Mayor Emerson closed the public hearing.

It was moved by Councilmember **Biehn** seconded by Councilmember **Jones**, to adopt **Resolution No. 12488** granting an eave width variance for 4763 Lake Avenue

Motion carried unanimously.

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

- A. Second reading of a City-initiated request to amend the Sign Code to allow Drive-Thru signs to utilize dynamic display style sign faces (19-7-Z)

Community Development Director Kane recapped the first reading presentation to explain the request to allow dynamic display style sign faces in drive-thru menu boards. She said this would also change digital signs from being considered dynamic display signs so that gas stations could post gas prices. She added the Planning Commission forwarded unanimous approval of this request.

Mayor Emerson opened a public hearing at 7:55 p.m. There being no comments from the public, Mayor Emerson closed the public hearing.

It was moved by Councilmember **Biehn** seconded by Councilmember **Engstran**, to adopt **Ordinance No. 19-12-2038** amending the City of White Bear Lake Municipal Code at Section 1202, the Sign Code, as it related to dynamic display drive-thru menu boards and digital signs.

Motion carried unanimously.

It was moved by Councilmember **Jones** seconded by Councilmember **Engstran**, to adopt Summary **Resolution No. 12489** establishing title and summary approval of Ordinance No. 19-12-2038.

Motion carried unanimously.

- B. Second reading of an amendment to the Winter Parking Ordinance

City Manager Hiniker stated this is the second reading of an ordinance to allow the City

the ability to tow vehicles outside of the lot that is currently used at 4th and Bald Eagle. She said this ordinance would allow vehicles to be towed to lots outside city limits, but still within 15 miles of the Police Department.

Mayor Emerson opened the public hearing at 7:57 p.m. There being no public comment, Mayor Emerson closed the public hearing.

It was moved by Councilmember **Jones** seconded by Councilmember **Engstran**, to adopt **Ordinance No. 19-12-2039** amending White Bear Lake Municipal Code Section 603.080 to allow towing and impoundment of vehicles outside of the City.

Motion carried unanimously.

It was moved by Councilmember **Biehn** seconded by Councilmember **Engstran**, to adopt Summary **Resolution No. 12490** establishing title and summary approval of Ordinance No. 19-12-2039.

Motion carried unanimously.

C. Second reading of an Ordinance adoption of the 2020 annual fee and utility rate schedule

City Manager Hiniker reported that each year the City Council adopts a fee schedule in conjunction with adoption of the budget. She highlighted the addition of a fee for public safety crews on standby. Ms. Hiniker noted that a constituent had expressed a philosophical concern over the funding structure of fire and ambulance. She added that with a year of experience under the new staffing model, this fund will be reviewed further in 2020.

Finance Director Kindsvater reported that in speaking with the City's ambulance billing contractor the City ranks in the middle as it compares to prices charged in surrounding communities.

Ms. Hiniker anticipated over 4,200 calls for service by the end of this year, compared to just under 4,000 from last year. Ms. Kindsvater added, Chief Peterson reported 26 calls for service yesterday alone.

Councilmember Walsh stated that fees are different than taxes in the sense that fees are set to recover the cost for the service. He mentioned recent statewide discussion over cities charging excess fees that are used for other funds and asked for a characterization of the City's fee schedule. Ms. Hiniker stated that generally speaking the fees charged are not sufficient to cover the cost of the service being provided. Community Development Director Kane agreed that a recent assessment of building and planning fees was found to be less than the cost for providing those services.

Mayor Emerson opened the public hearing at 8:07 p.m. There being no public comment, Mayor Emerson closed the public hearing.

It was moved by Councilmember **Jones** seconded by Councilmember **Biehn**, to adopt **Ordinance No. 19-12-2040** establishing a fee schedule for services, permits and licenses.

Motion carried unanimously.

It was moved by Councilmember **Edberg** seconded by Councilmember **Engstran**, to adopt Summary **Resolution No. 12491** establishing title and summary approval of Ordinance No. 19-12-2040.

Motion carried unanimously.

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

City Manager Hiniker reported this ordinance established a community reinvestment fund in 1996 at which time \$1 million was set aside for the park improvement trust and \$3.3 million into a street improvement trust. She explained that interest from each account was dedicated proportionately into park and street improvements. She said the ordinance required the fund maintain a minimum of 5% of annual investment earnings to grow its principle balance.

Ms. Hiniker reported the fund balance at this time is \$7.6 million. Ms. Hiniker explained this proposed ordinance would allow a draw down on the balance to not less than \$6 million and also opens the utilization of these funds to include Municipal Building Fund projects. She noted the current budget set aside \$103,000 in expenses from this building fund, but could be adjusted if the Council prefers to not allow funds to be used on Municipal Building projects.

Councilmember Walsh asked if this action would affect the City's bond rating. City Manager Hiniker explained that Ehler's, the City's bond counsel, was the entity who recommended spending this account down to \$5-6 million. Finance Director Kindsvater noted that during the last bond hearing, Standard and Poor's noted the City's financial flexibility. She stated that if the City draws down on this account a little every year, it continues to provide that flexibility.

Mayor Emerson opened a public hearing at 8:17 p.m. There being no public comment, the public hearing was closed.

It was moved by Councilmember **Walsh** seconded by Councilmember **Engstran**, to adopt **Ordinance No. 19-12-2041** amending ordinance 96-3-931 which established a community reinvestment fund.

Motion carried unanimously.

It was moved by Councilmember **Edberg** seconded by Councilmember **Jones**, to adopt Summary **Resolution No. 12492** establishing title and summary approval of Ordinance No. 19-12-2041

Motion carried unanimously.

- E. First reading of a Charter Commission recommendation to amend the City Charter pertaining to assessment of code enforcement penalties and fines

City Manager Hiniker reported that staff initiated this Charter amendment, which if adopted would allow assessment of code enforcement fines to the property. She relayed

unanimous vote of the Charter Commission supporting this resolution requesting an amendment to the Charter at section 8.05 and adding section 8.11.

Ms. Hiniker noted that the purpose of this Charter Amendment is compliance for about 1-2% of the code enforcement cases that continue to be issues in the community. She said it would keep those in violation out of the criminal process, speed up City’s proceedings and result in compliance.

Councilmember Jones received clarification from Ms. Hiniker that this process also applies to businesses and is similar to special assessments issued to taxes for mowing unkept properties. He supported the ordinance because he has a handful of chronic offenders in his ward.

Councilmember Edberg also supported the ordinance as a mechanism for addressing a couple of properties in his ward that are persistent sources of community complaint. He received clarification from Ms. Hiniker that these assessments come in full to the City and are not shared with other entities. He noted this is an example of a fee for deterring and changing behavior and he liked keeping offenders out of District Court.

Mayor Emerson announced there will be a public hearing during the second reading of this ordinance on January 14, 2020.

- F. First reading of a City-initiated request to amend the Zoning Code to clarify that only one stairway to a waterbody is permitted per property (19-9-Z)

Community Development Director Kane stated this text amendment was initiated by planning staff after being contacted by a neighboring city experiencing problems with lakefront property owners selling private access easements. She reported this is not an issue in White Bear Lake as confirmed by a summertime aerial revealing only one dock per property and also in conference with the Conservation District. Ms. Kane explained this ordinance simply clarifies that only one stairway to a waterbody is permitted per property.

Mayor Emerson stated this item will return for second reading on January 14, 2020.

9. NEW BUSINESS

- A. Resolutions adopting 2019 Tax Levy Collectible in 2020 and adopting Revised 2019 and Proposed 2020 Budget

City Manager Hiniker reviewed the budget process. She stated the general fund represents one-third of the entire \$40 million budget in 2020, and the levy pays for about 50% of the general fund, which is set at \$11.9 million. Ms. Hiniker presented the preliminary tax levy as follows:

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

Councilmember Walsh stated the difference in the expenditures this year amounts to \$563,000 to add a police officer and cover increases for staff salaries and health care costs. Although he struggled with the levy vote, he supports adding a police officer to address a large increase in the number of calls for service as well as modest increases to staff salaries. He noted the city is well-run, well-maintained and has low taxes, but he committed to seeking creative financing and applying downward pressure on the tax levy moving forward.

Councilmember Jones acknowledged and appreciated Councilmember Walsh's comments, but explained that there are services the city needs to provide, such as police, and he would like to see the city get ahead and stay ahead.

Councilmember Edberg called on citizens to take responsibility where possible, noting an increasing number of calls for services from police and fire for example, as a result of behavior and choices that people make.

Councilmember Biehn agreed that White Bear Lake is well-run and he supports raising taxes sufficient to stay caught up because it costs more money to catch up, citing the recent school district levy. He hears from constituents only how the City is not doing enough and he questions what it is that the City is not doing that it should be doing given such a low tax rate.

City Manager Hiniker expressed appreciation for the Council's support over the last few years on some important long term goals, including the recent combination staffing model in the Fire Department. She explained that staff recognizes the pressures from all directions and attempts to carefully balance and prioritize its requests.

Mayor Emerson added, the Council lives in White Bear Lake and pays these taxes too. She said the Council does not take the budget lightly, is prudent, and has a great staff.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Jones** to adopt **Resolution No. 12493** approving the 2019 Tax Levy Collectible in 2020.

Motion carried unanimously.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones** to adopt **Resolution No. 12494** adopting the 2020 Budget and revising the 2019 Budget as adopted by Resolution No. 12130

Motion carried. Councilmember Engstran abstained.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones** to adopt **Resolution No. 12495** committing fund balances for specific purpose.

Motion carried unanimously.

It was moved by Councilmember **Jones**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12496** authorizing City Contributions toward Volunteer and Employee Recognition presented in the 2019 and 2020 budget.

Motion carried unanimously.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Jones** to adopt **Resolution No. 12497** authorizing and acknowledging City contributions and involvement in promoting business and cultural activities in White Bear Lake in the 2019 and 2020 budget.

Motion carried unanimously.

B. Resolution approving Classification and Compensation Plan

City Manager Hiniker reported that the Classification and Compensation Plan is reviewed and updated each year. She forwarded a resolution adjusting the wage table 3% to account for salary increases for staff.

Councilmember Biehn asked when the last comprehensive Classification Plan was conducted. City Manager Hiniker replied this plan was first developed in 1988 and since that time the City has not done a salary survey. She stated that certain positions have had market adjustments and salary rate studies are conducted for specific positions when hiring for a vacancy.

In response to Councilmember Biehn regarding a push to conduct a salary survey, Ms. Hiniker stated this had been her priority a couple of years ago. However, she said, with successful union negotiations, market adjustments with the support of Council, she feels good about the compensation plan today. She noted that wage ranges provides the flexibility needed to set compensation based on an employee's skill level.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones** to adopt **Resolution No. 12498** establishing 2020 Compensation Table.

Motion carried unanimously.

C. Resolution ordering preparation of a feasibility report for the 2020 Street Reconstruction Project and the 2020 Mill & Overlay Project (City Project Nos. 20-01, 20-06 & 20-13)

Public Works Director / City Engineer Kauppi reviewed the plan for 2020 street projects, noting that neighborhood meetings have already been held. He pointed out that Cottage Park, one of the oldest areas in town, is being reconstructed with curb and gutter modernization. Mr. Kauppi stated that Bellaire Avenue will be partially reconstructed with a sidewalk addition.

Mr. Kauppi reviewed proposed Mill & Overlay projects noting two streets the City's Comprehensive Plan identifies for sidewalk additions: Elm Street from Willow Avenue to White Bear Avenue and Highland Avenue from County Road E to Elm Street. He mentioned a handful of folks were opposed to these sidewalk additions, but forwarded staff's recommendation to move forward with the feasibility study to assess cost effectiveness and necessity of the proposed work.

Mr. Kauppi review further areas identified for Mill and Overlay, including a Willow Lane cul-de-sac, the Glen Oaks Avenue area, 5th Street & Dillon Avenue.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12499** ordering preparation of a feasibility report for the 2020 Street

Reconstruction Project and the 2020 Mill & Overlay Project (City Project Nos. 20-01, 20-06 & 20-13)

Motion carried unanimously.

Mayor Emerson recessed the City Council meeting at 8:56 p.m.

10. HOUSING AND REDEVELOPMENT AUTHORITY

Refer to the HRA Minutes for an account of the following:

- A. Roll Call
- B. Approval of the June 25, 2019 HRA Meeting Minutes
- C. Resolution not waiving the monetary limits on Municipal Tort Liability established by Minnesota Statutes 466.04 for Housing and Redevelopment Authority
- D. Resolution authorizing the purchase of the property located at 2174 8th Street
- E. Adjournment

Mayor Emerson reconvened the City Council meeting at 9:21 p.m.

11. CONSENT

- A. Acceptance of minutes: October Park Advisory Commission, October Environmental Advisory Commission, October White Bear Lake Conservation District, November Planning Commission.
- B. Resolution authorizing food trucks to service the Hockey Association Hockey Jamboree in Podvin Park. **Resolution No. 12500**
- C. Resolution authorizing use of a portion of the City's parking lot by Big Wood to host a chili cook off. **Resolution No. 12501**
- D. Resolution approving a massage therapist establishment license. **Resolution No. 12502**
- E. Resolution not waiving the monetary limits on Municipal Tort Liability established by Minnesota Statutes 466.04. **Resolution No. 12503**
- F. Resolution rescinding internal loan repayment to the Non-Bonded Fund. **Resolution No. 12504**
- G. Resolution authorizing the City Manager to execute a Water Efficiency Grant agreement with Metropolitan Council. **Resolution No. 12505**

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

Motion carried unanimously.

12. DISCUSSION

A. City Manager Review

Councilmember Edberg reported that the City Manager evaluation form was on the dais, with electronic versions emailed for those interested. He asked that evaluations be returned to the clerk for confidential compilation by January 14th, after which the Mayor and Councilmember Edberg will meet with Ms. Hiniker and return with a Council recommendation at the second meeting in January.

B. Boatworks Rental Policy

Councilmember Biehn stated he was contacted by a constituent who wanted to use the Boatworks Commons to raise funds for a political candidate. He reported the City's rental for non-profits is \$50 and the rental for private is \$500 and his constituent wanted the campaign committee to be treated as a non-profit for local elections (not national elections).

City Manager Hiniker spoke with the constituent and added that her interpretation of the policy was that non-profits were 401 and 501(c)3's, rather than 527(b)'s which are tax exempt organizations such as political campaigns. She understood the intent of the Boatworks Rental Policy was that use by non-profits was discounted as the benefits are returned to the community, while with political campaigns the benefit goes back to an individual campaign.

Councilmember Walsh was sympathetic to the constituent. He stated that these local party organizations do not make a profit and suggested looking at state law definitions rather than the IRS for guidance.

Councilmember Biehn and Councilmember Jones was also sympathetic to allowing the Boatworks for this type of use as it provides an opportunity to meet a local political organization and/or candidates. Councilmember Jones stated that if the candidate has filed or registered to serve the districts in White Bear Lake, then they should be permitted to use the facility as a non-profit.

Mayor Emerson asked staff to return with a policy revision to reflect Council's desire to include political candidates conducting fundraisers in City rented facilities.

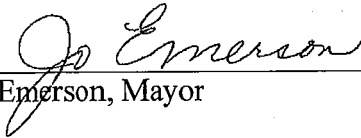
13. COMMUNICATIONS FROM THE CITY MANAGER

- Dan Pawlenty, the City's Public Works Superintendent, announced his retirement with January 3rd as his last day and staff lunch celebration.
- Calendars and 2020 Work Session dates will be emailed to Council.
- Shared a copy of a summary report on topics of the natural environment prepared by students from the University of Minnesota. Professor Johnson is retiring after 22 years.
- Public Works Director Kauppi relayed an emphasis on better communication to the public through social media when snow in excess of three inches is anticipated.

14. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran** to adjourn the regular meeting at 9:43 p.m.

Motion carried unanimously.



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk