



AGENDA
REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, NOVEMBER 28, 2017
7:00 P.M. IN THE COUNCIL CHAMBERS

6:00 P.M. CLOSED SESSION – UPSTAIRS EXPANSION ROOM

**PURSUANT TO MINNESOTA STATUTE SECTION 13D.05, SUBD. 3(B),
PROPOSED LITIGATION RELATED TO DAMAGES INCURRED FROM
CONTAMINATION OF STORMWATER SEDIMENTS RELATED CHEMICALS
FROM COAL TAR SEALANTS**

1. CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

Minutes of the Regular City Council Meeting on November 14, 2017

3. APPROVAL OF THE AGENDA

4. VISITORS AND PRESENTATIONS

A. Mike Greenbaum – New Trax Senior Shuttle

5. PUBLIC HEARINGS

A. Consideration of Body Worn Camera policy

B. Truth in Taxation Hearing

6. LAND USE

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

- A. Resolution accepting the work and authorizing final payment to Insituform Technologies USA, LLC for the Sanitary Sewer Main Lining Program, City Project No.: 17-07
- B. Resolution authorizing execution of the 2018 labor agreement with International Union of Operating Engineers Local No. 49; Public Works

10. CONSENT

- A. Resolution approving massage therapy establishment and massage therapist licenses

11. DISCUSSION

- A. Utility rates – review of options

12. COMMUNICATIONS FROM THE CITY MANAGER

- Small Cell Agreement and Ordinance
- Sports Center – Hockey Association Agreement
- 2018 Calendar

13. ADJOURNMENT



MINUTES
REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, NOVEMBER 14, 2017
7:00 P.M. IN THE COUNCIL CHAMBERS

1. CALL TO ORDER AND ROLL CALL

Mayor Emerson called the meeting to order at 7:00 p.m. Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones, Bill Walsh in attendance. Staff members present were City Manager Ellen Richter, Community Development Director Anne Kane, City Engineer Mark Burch, Assistant City Manager Rick Juba, City Clerk Kara Coustry and City Attorney Andy Pratt.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

Minutes of the Regular City Council Meeting on October 24, 2017.

It was moved by Councilmember **Jones** seconded by Councilmember **Biehn**, to approve the Minutes of the Regular City Council Meeting on October 24, 2017.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

It was moved by Councilmember **Walsh** seconded by Councilmember **Edberg**, to approve the Agenda as presented.

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

A. Greg Pariseau – Environmental Advisory Commission

Mayor Emerson welcomed Connie Taillon, Environmental Specialist for the City of White Bear Lake, and invited her to address the City Council.

Ms. Taillon recognized Greg Pariseau for his service on the Environmental Advisory Commission. She noted Mr. Pariseau has served on the Commission since 2013, and has recently stepped down. During his tenure, he was instrumental in the Green Step Cities Program, the Pollinator Friendly ordinance, Medicine Drop Box Program and Random Acts of Environmental Kindness. He supported the new water rate structure and helped organized the Annual Environmental Resources Expo.

Ms. Taillon noted Mr. Pariseau's attendance at community environmental events on behalf of the Environmental Advisory Commission. She personally thanked Mr. Pariseau for his volunteer services to the City of White Bear Lake. She added it has been an honor to have him on the Commission.

Mayor Emerson presented Mr. Pariseau with a plaque, and thanked him for his service to the City of White Bear Lake through his work on the Environmental Advisory Commission. She noted there were many fellow Commissioners present at the meeting to recognize Mr. Pariseau's contributions.

Mr. Pariseau thanked Ms. Taillon and Mayor Emerson. He stated he has enjoyed his tenure on the Commission, and serving the City of White Bear Lake. He thanked the City Council for their contributions. He humbly accepted the plaque and recognition, and thanked the Environmental Advisory Commissioners who were present.

5. PUBLIC HEARINGS

Nothing scheduled

6. LAND USE

A. Consent

1. Consideration of a request by Muellner Family, LLLP for a parking variance for the property located at 4801 Highway 61 (Case No. 17-22-V). **Resolution No. 12112**

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

Motion carried unanimously.

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

A. First reading of an ordinance establishing 2018 annual fee and utility rate schedule

City Manager Richter covered some of the proposed changes to the 2018 annual fee and utility rate schedule that were not included in the initial adoption, such as dangerous dogs and bee keeping permit fees. She noted the City does not have many dangerous dog misdemeanors, but there are currently three pending cases. She explained that the fee schedule is reviewed annually so that the budget can be built accordingly.

Ms. Richter stated rate changes are proposed for the sewer fund, related to a sewer rate adjustment based on Metropolitan Council charges. She added approximately 75% of total expenditures from this fund cover the Metropolitan Council's environmental services charges.

Ms. Richter stated the sewer fund experienced a \$521,000 operating loss between 2011-2015, and a \$200,000 transfer from the non-bonded fund is proposed to eliminate the sewer operating deficit. She added, moving forward, fee adjustments will directly correspond with operational charges within the fund.

Finance Director Rambow stated that staff designated \$200,000 from the non-bonded fund to cover the sewer fund deficit and return it to a positive fund balance in 2018. He added a similar solution was considered for the water fund, as the fee structure would have otherwise resulted in too much of an impact on rates.

Finance Director Rambow stated the non-bonded fund was created using purchased street projects assessments, and funds are then transferred to the construction fund. He added this year's interest rate is 5%, up from 4.25% last year, and is based on the market rate for bonds. He added this is a revolving fund that collects interest and builds up over time, and the fund is designated for whatever is required by the City Council through the budget process. He noted, although typically returned to the construction fund, this year's sewer fund deficit was a more pressing issue.

Councilmember Edberg asked whether this will be a one-time transfer, or if the non-bonded fund will be repaid. In response, Ms. Richter stated the proposed transfer is an attempt to bring the sewer fund into balance, using resources from the non-bonded fund. She added it was not anticipated in this proposal that revenue from the sewer fund will be used to reimburse the non-bonded fund.

Councilmember Edberg stated the non-bonded fund is a valuable and flexible resource that can be used to support a variety of projects. He added, however, he does not believe it should be used to bail out the sewer fund. He noted, in his opinion, assessments to the users of the sewers should be used to pay for sewer fund expenses.

Mr. Rambow stated the Metropolitan Council has indicated that disposal costs will increase 6-10% annually for the foreseeable future, and recovering the sewer fund deficit would require an increased rate of 50-75 cents per cubic feet, which would be significant for residents. He noted, if it is the intent of the City Council, the sewer fund deficit can be repaid through increased sewer rates.

Councilmember Edberg stated he is not opposed to the idea of transferring from the non-bonded fund to balance the sewer budget, but would like to see the impact of additional rate increase needed to bring it to balance. With other Councilmembers in agreement, Ms. Richter agreed to provide an analysis of other options for the City Council's review at the next meeting.

Councilmember Edberg asked whether there was consensus from the City Council, to prevent City Staff from doing unnecessary research. Councilmember Walsh stated he would like to see alternatives, as he is not generally supportive of such funds as they tend to be less transparent. He added, however, he supports the intended goal. Councilmember Jones stated he would also be interested to see alternative solutions. Councilmember Biehn agreed.

In response to Councilmember Jones, Mr. Rambow stated Birchwood and other municipalities are charged as a commercial accounts, with one commercial meter, and their fees are higher than residential fees. He added Birchwood is one of the City's highest commercial account user.

Councilmember Jones stated it does not seem that Birchwood would have any incentive to conserve water if they are using one meter.

Mayor Emerson stated this item will be reviewed again at the City Council's December 12, 2017, Regular Meeting, for a second reading and public hearing.

9. NEW BUSINESS

A. Resolution authorizing Mayor and City Manager to enter into agreement with Gem Lake for Police Services

City Manager Richter stated the City of Gem Lake has approached the City of White Bear Lake regarding contract police patrol services. She added the community has 414 residents over a 1.1 square mile area, and approximately 50 calls per year. She noted an annual fee of \$63,800 would be charged to Gem Lake for these services, which are based budgeted 2018 operational and capital.

City Manager Richter stated the Police Officer who was assigned to Birchwood would be reassigned to Gem Lake. She added City Staff would meet with Gem Lake administrative staff quarterly before committing to a long-term arrangement. She noted the additional revenues will help offset costs associated with wage step increases in the Police Department.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Jones**, to adopt **Resolution No. 12113** authorizing a contract to provide law enforcement services to the City of Gem Lake.

Councilmember Biehn stated he is uncomfortable with the arrangement. The City is not required to provide this service for Gem Lake, which could result in a risk to the City of White Bear Lake and its residents. He added he understands there is a slight financial benefit, but he is not certain it is worth the risk. He noted the service should not be provided at the same cost as White Bear Lake residents.

Councilmember Edberg asked whether Councilmember Biehn is more concerned about contracting with other entities, or that the cost is not being properly assessed.

Councilmember Biehn stated the responsibility for this belongs with Ramsey County. He reiterated his concern that the risk is not worth the financial savings.

Motion carried 4:1, Councilmember Biehn abstained.

B. Resolution canvas results from General Election held on November 7, 2017

City Manager Richter stated the City Council serves as the Canvassing Board for the General Election, and election results were included in the meeting packet. She added the election was managed by Ramsey County, who piloted a program for absentee voting and early voting in centralized voting locations for residents using their new equipment. She noted Ramsey County felt that the centralized voting was a positive change.

City Manager Richter stated the polling places looked different and some election judges expressed confusion regarding the process. She added that Ramsey County provides the same materials and training to all judges for all precincts within Ramsey County, but it was a change for the White Bear Lake judges. She requested that City Councilmembers forward any feedback from election judges to city staff. She indicated results were not

available on the State's website in a timely manner, and Ramsey County is working with the State to identify the issue.

City Manager Richter stated Mayor Emerson was re-elected by 80% of the vote. She added Councilmember Doug Biehn was re-elected for Ward 2, and Councilmember Edberg was re-elected for Ward 4. She indicated that 7.5% of the ballots cast were absentee ballots.

City Manager Richter stated City Staff recommends approval of a resolution canvassing 2017 General Election results.

Councilmember Jones expressed his frustration regarding the fact that the complete election results were not posted on the State website until 7:00 a.m. the following morning. He added the flag used at Ward 3 was placed in a cone, which was disgraceful. He requested an apology for Ward 3, and noted the County's future election management efforts must be clearly defined before the contract for their services is renewed.

It was moved by Councilmember **Jones**, seconded by Councilmember **Biehn**, to adopt **Resolution No. 12114** canvassing results from General Election 2017.

Motion carried unanimously.

C. Resolution approving/adopting assessment policy revisions for alleys and water services

City Engineer Burch stated assessment rates to be applied to improvement projects are adjusted annually based on approximate construction rates. He added 1/3 of the project costs are assessed for street reconstruction and mill and overlay projects. He noted a water service replacement assessment rate of \$1,200 is being introduced at a 50/50 cost share with homeowners, as well as an alley improvement assessment of \$2,200 per unit, which is anticipated to be a 100% assessment of alley improvement costs. Storm sewer assessments are recommended to remain at \$.12 per square foot.

City Engineer Burch stated that staff recommends a 15-year assessment period in 2018, as there is a combination of assessments. He added the longer time frame will help property owners spread out the payments. He noted, if approved, the assessment rates will be formalized in the assessment roles.

Councilmember Edberg asked whether there has been feedback from residents with alleys, who will be assessed for their alleys for the first time. He asked whether staff has notified everyone who needs to be notified for 2018 and for future assessments.

City Engineer Burch confirmed this, adding residents are receptive to the water service rates and alley rates as they understand the need for these improvements.

City Manager Richter stated to Councilmember Edberg that there has not been an effort to reach out to those residents who will be affected by the 2019 project, but there are only a few alleys in that project area, with the vast majority located in the 2018 project area.

Edberg stated the 3% inflationary increase is acceptable, as well as alley assessments. He requested clarification regarding sanitary sewer and water service replacement, and whether value is 50% of the replacement cost, and whether city staff will complete that work. He also asked whether residents will have an option to service the line into their

homes, and whether landscaping and trees will be affected.

City Engineer Burch confirmed the value is based on 50% cost, and the work will be done by contractors. He added, the city will replace the service line at the curb to the main line in the street. Homeowners will be responsible to hire plumbing contractors to replace the water service line to the house.

It was moved by Councilmember **Jones**, seconded by Councilmember **Walsh**, to adopt **Resolution No. 12115** adopting special assessment rates for the 2018 Street, Alley and utility improvement projects.

Councilmember Jones asked whether the alleys will require ongoing maintenance that will continue to be assessed to property owners. City Engineer Burch stated that is a policy that will have to be considered.

Motion carried unanimously.

D. Resolution accepting bids from EPS for fiber project

City Manager Richter stated the City Council recently approved an agreement with the School District to tap into two of their fiber optic strands. EPS came in with the low bid of \$66,995, which is considerably less than the \$100,000 budgeted for this work. LOGIS, the organization which provides the City's Information Technology services, will coordinate the project.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Jones**, to adopt **Resolution No. 12116** accepting bids and awarding contract for the 2017 Fiber Optic Connection Project

Motion carried unanimously.

E. Resolution authorizing a lease agreement for the restaurant space located at 2125 4th Street

Community Development Director Kane stated that based on preliminary discussions with the City Council at the October 24 City Council meeting, staff has been working with a local restaurant operator who has expressed interest in leasing restaurant space at 2125 4th Street, and a lease agreement has been drafted. The agreement includes \$250,000 in property improvements, with approximately \$105,000 on the part of the City for permanent improvements. The City would recoup the investment over the 5-year lease period. A February 2018 opening is anticipated.

Councilmember Walsh asked what risk there is to the City if the restaurant concept is not successful. Community Development Director Kane stated the lease would be renewed with another restaurant tenant.

It was moved by Councilmember **Jones**, seconded by Councilmember **Edberg**, to adopt **Resolution No. 12117** authorizing a lease agreement for the restaurant space located at 2125 4th Street.

Councilmember Walsh stated he does not support owning and leasing the property, and having the City of White Bear Lake be in the position of landlord. He added he loves the

concept and hopes the venture is successful. He reiterated his opposition and added that he would vote no.

Motion carried 4:1, Councilmember Walsh nay.

10. CONSENT

- A. Resolution approving annual designation of polling places for 2018 election activities. **Resolution No. 12118**
- B. Acceptance of September Minutes of the Environmental Advisory Commission, Park Advisory Commission and White Bear Lake Conservation District; October Minutes of the Planning Commission
- C. Resolution approving Score Grant application. **Resolution No. 12119**
- D. Resolution approving 2017 Payment to White Bear Lake Area Historical Society. **Resolution No. 12120**
- E. Resolution approving a massage therapist license. **Resolution No. 12121**

It was moved by Councilmember **Biehn**, seconded by Councilmember **Edberg**, to adopt the Consent Agenda as presented.

Councilmember Jones requested consideration of moving the Ward 3 polling place from Sunrise Middle School. He added he appreciates the reasons that the school moved the polls entrance to the back, near the parking area, which is difficult to access during school hours. He noted, however, it is not an appropriate place for a polling place, especially on election days when there is a large national election.

Councilmember Edberg stated the Consent Agenda should be used in as appropriate, with Agenda items for discussion when a Councilmember has a question or objection.

Councilmember Walsh cautioned that it is difficult to move a polling location.

Motion carried unanimously.

11. DISCUSSION

- A. Xcel Energy franchise agreement and rate evaluation

City Manager Richter stated the 20-year Xcel Energy franchise agreement, regulated by state statute, is up for renewal. She added no action is needed, but presented information on other municipalities who use franchise fee operations to collect revenues.

Finance Director Rambow stated a 1.5% fee on electrical consumption is budgeted in the general fund, and used to offset street lighting and costs related to street maintenance fees. There is not currently a fee on natural gas. City Manager Richter stated a 1% gas rate is a possibility that could be explored as the City reviews long range planning.

Mayor Emerson stated she would like to see what the impact of a franchise fee would be.

Councilmember Edberg stated there are some options. He added he would be interested in knowing ways of using the franchise fee that more equitably distribute costs of maintaining infrastructure across classes of payers. He noted not all properties are taxable, and not all users are property owners.

12. COMMUNICATIONS FROM THE CITY MANAGER

➤ City Manager Richter reviewed a recent meeting with the Minnesota Department of Natural Resources and the Northeast Groundwater Management Committee which featured an overview of the Transient Northeast Metro Lakes Groundflow Water Model. She added the model simulates ground water and surface water interactions, and estimates the likely impact of pumping on ground water and lake levels.

City Manager Richter stated the model's initial findings are that pumping from some wells has a greater effect than pumping from others, and this can now be scientifically explored using data from the groundwater model. She added three factors impact the model's results: the distance of the well from the lake; pumping volumes; and the aquifers from which water is drawn. There is no evidence to suggest that pumping has had an ecological impact, and residential water use is largely ineffective in changing lake water levels.

Councilmember Jones asked whether the modelling can be used on data from previous decades, although obviously the number of residents would be different. He added that could indicate which factors attributed to high and low water levels.

City Manager Richter stated the model only measures the impact of pumping on lake levels, and there are many other factors that can affect water levels. She added the model is only able to rely on data available since 1988.

City Engineer Burch agreed, adding the transient model shows that pumping has an effect, but there are many other factors including precipitation and evaporation.

- City Manager Richter stated the City Council's November 28, 2017, Regular Meeting will include a public hearing related to the City's proposed body camera policy. She added the policy should be online on Friday November 16.
- City Manager Richter stated the City Council's November 28, 2017, Regular Meeting will include the Truth in Taxation hearing. She added Ramsey County sent out notices to property owners this week. To prepare for the meeting, she requested that City Councilmembers notify staff when they receive residents' feedback and comments.
- City Manager Richter requested a City Council Closed Session on November 28, 2017, at 6:00 p.m., to review the ongoing lake level litigation law suit and discuss the potential for litigation related to coal tar.
- City Manager Richter stated the Fire Department recently held a live practice burn of a complete home in White Bear Township. She added the home was purchased as part of the Water Gremlin expansion, and its live burn was a day-long, successful event.

Councilmember Engstran stated a live burn is a great training opportunity for the Fire Department. He added he wishes there could be more controlled live burns, because that is the best training available.

- Community Development Director Kane provided an update on the home on St. Regis Street that was purchased by the City and donated to Twin Cities Habitat for Humanity to be renovated for affordable housing. She added it was discovered that the home is not inhabitable, and will be demolished in Spring 2018. She noted staff will engage in further conversations with Ramsey County CDBG and Tax Departments, but TC Habitat remains committed to the project, which will be a new construction home. City staff will send another notice to surrounding neighbors.
- Community Development Director Kane stated an Open House will be held Thursday, November 16, 2017, for the South Shore Boulevard Lake Links trail. The Open House will be held at South Shore Trinity Church at 5:30 p.m. She added another Open House is scheduled for December 7, 2017, at 5:30 p.m., and the Locally Preferred Alternative will be developed by the end of December.
- Community Development Director Kane stated the Planning Commission has been reviewing the Comprehensive Plan update, and Open Houses will be scheduled during the first quarter of 2018 to obtain citizen input.
- City Engineer Burch stated plows and equipment are ready for snow. He added a Mill Overlay meeting is scheduled for Wednesday, November 29, 2017, and the two areas slated for 2018 are 11th Street and the Glenn Oaks area.
- City Engineer Burch stated the Sports Center renovation is being advertised out for bids, and a walk-through was held today with a variety of contractors in attendance. He added the deadline for bids is November 29, 2017, with recommendation presented to the City Council at their December 12, 2017, Regular Meeting.
- City Manager Richter stated a meeting is scheduled for Thursday November 16, 2017, with the President of the Hockey Association and their Gambling Manager, to review proceeds for debt service which will be presented to the City Council at their December 12, 2017, Regular Meeting.

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 9:03 p.m.

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Mayor and City Council

From: Ellen Richter, City Manager
Julie Swanson, Chief of Police

Date: November 22, 2017

Subject: **Body Worn Cameras – Public Hearing on Proposed Policy**

BACKGROUND

The use of body-worn cameras (BWCs) in law enforcement is relatively new. The primary purpose of using BWCs is to capture evidence arising from police-citizen encounters. While this technology allows for the collection of valuable information, it opens up many questions about how to balance public demands for accountability and transparency with the privacy concerns of those being recorded. In deciding what to record, the department policy also reflects a balance between the desire to establish exacting and detailed requirements and the reality that officers must attend to their primary duties and the safety of all concerned, often in circumstances that are tense, uncertain, and rapidly evolving.

SUMMARY

The White Bear Lake Police Department began researching BWC vendors last spring, with participation solicited from Officers, Sergeants, Captains, IT staff and the Evidence Technician. After meeting with several vendors at the MN Chiefs of Police Conference in Saint Cloud last April, the administrative team evaluated each vendor for product functionality, cost, availability and experience.

Staff invited three vendors, Motorola, Panasonic and Taser, to present their products to the White Bear Lake BWC committee. The primary differences between vendors are the size of the camera, how the camera is worn, and various features such as subject redaction, battery life and customer service. Officers demoed cameras over the summer months and, in consideration of their feedback, the BWC committee narrowed the review to Motorola. Motorola has a solid reputation, offers excellent service with the Motorola portable radios, and contracts with a local vendor to manage all of their customer service needs. A unique feature with the Motorola BWC is that the camera is integrated with the officer's portable radio microphone. The camera/portable mic function provides clear sound, and the integrated equipment allows the officer to carry less equipment.

MN POST Board mandates a POST department policy for the use body cameras in the department. The Chief met with department Captains and Sergeants over several months to

develop a draft policy. Additionally, the Chief participated in meetings with members of the MN Chiefs of Police Association and the MN BCA to review pertinent information needed to ensure compliance with state statutes. The draft policy was then distributed to police department staff for input and has been placed on the City's website for public review and comment.

Several agencies within the metro area purchased Body Worn Cameras in 2017, including some in Ramsey County, (Saint Paul, Roseville and Maplewood Police Departments). While much of what is included in city policies around the state is drawn from a model policy drafted by the League of Minnesota Cities, there are a few provisions that vary among departments.

The circumstances under which a camera is to be activated is one such provision. The City's proposed policy requires that officers must activate their BWCs when responding to all calls for service and during all law enforcement-related encounters and activities. This would include, but is not limited to pursuits, traffic stops, temporary seizures of motorists and pedestrians, custodial arrests, use of force incidents, searches, suspect interviews and interrogations, and during any police/citizen contacts that becomes adversarial. While officers need not activate their cameras when it would be unsafe or impractical to do so, such instances must be documented. This provision does not require officers to activate their body camera for every interaction with the public, unless the officer is deemed *Giglio-impaired*. A *Giglio-impaired* law enforcement officer, generally, is one whom there is potential impeachment evidence that would render the officer testimony of debatable value in a case. Under this proposed policy, any officer deemed *Giglio-impaired* would be required to have the body cameras on at any time there is interaction with a citizen.

Another provision that has been controversial relates to whether or not an officer has access to view the video before providing a statement to the investigating agent after a critical incident. When policies were first being drafted a few years back, the majority of agencies allowed officers to review the video before providing an initial statement. In the wake of recent incidents involving an officer shooting, it is advised by both the League of Minnesota Cities and BCA that policies require the officer to first provide a statement before reviewing the video; however, the officer then has an opportunity to review the video before providing a public statement. This review sequence is established not only to protect the integrity of the process, but also the interests of the officer. For example, officers are required to react to intense situations instantaneously, relying on their training and instincts. If what they thought was a weapon is clearly shown in the video not to be a weapon, and the officer views the video before providing a statement, the officer's statement must qualify what he or she remembers from the experience with what was captured on video. This can arguably weaken the officer's defense. With respect to public perception, this sequence arguably strengthens the integrity of the process.

The data privacy and retention provisions were clearly defined by the Legislature at its last session and are represented in the proposed policy accordingly.

RECOMMENDED COUNCIL ACTION

The draft policy has been posted on the City's website since Friday, November 17, and notice was published in the White Bear Press inviting residents to comment on the policy at the November 28th public hearing. The Council is not being asked to take action on the policy or subsequent purchase at this time, but rather to provide comment. Staff will bring both items to Council for approval at its December 12th meeting.



City of White Bear Lake
CITY MANAGER'S OFFICE

MEMORANDUM

To: Mayor & City Council

From: Ellen Richter, City Manager
Don Rambow, Finance Director

Date: November 20, 2017

Subject: Truth in Taxation Hearing - Proposed 2017 Tax Levy Collectable in 2018

Background

At its regular meeting on September 12, 2017, the City Council adopted a preliminary tax levy that was then used by the County to develop truth in taxation statements which have since been mailed to all property owners. In accordance with state statute, the Council may choose to lower the preliminary tax levy as adopted in September, but cannot increase the amount.

Prior to forwarding a recommendation for the preliminary tax levy in September, City departments prepared budget requests and recommendations for 2018 and submitted them to the Finance and City Manager Departments for review. A draft of the 2018 Budget was then distributed to Council on November 9th with the agenda packets.

The proposed 2017 Tax Levy collectible in 2018, and corresponding 2018 Annual Budget will be adopted at the Council's December 12, 2017 meeting. A public hearing will be held at the November 28th City Council meeting to take comments on the tax levy in advance of final consideration on December 12th.

Staff has given careful consideration to the impact of the recommended tax levy. While there are always many worthwhile improvements and programs the City may add to the range of services, it is prudent and reasonable to consider the ability and willingness of the majority of our residents to pay for those improvements and services through taxes. As was described in September when Council was asked to consider the recommendation of a \$452,000 increase in the preliminary tax levy, it is important to consider economic factors and policies which are currently affecting our City and its residents.

As illustrated later in this memorandum, the proposed increase in the City's tax levy translates into an additional \$27.88 annually, or \$2.32 per month, in the City's portion of property taxes for a

2018 median valued home, which also experienced an increase in market value of 6.9%, as compared to the City's portion of property taxes for a 2017 median valued home.

Much of what follows is information that was presented in September, but is important to reinforce as Council considers final approval of the 2017 tax levy and 2018 budget.

Economic Outlook

The economy continues to expand while inflation remains near the Federal Reserve benchmark goal of 2.0% annual inflation. The overall economic growth as measured by the Gross Domestic Product (GDP) compared to inflation since 2007 is as follows:

Year	GDP	Inflation
2017*	3.90%	1.1%
2016	3.72%	2.1%
2015	3.11%	0.7%
2014	4.33%	0.7%
2013	4.31%	1.6%
2012	3.24%	1.8%
2011	3.64%	3.0%
2010	4.56%	1.4%
2009	0.11%	2.8%
2008	(0.92)%	(0.1)%
2007	4.40%	4.0%

* *Estimated*

The State and especially the Twin Cities Metropolitan area have experienced significant economic growth over the past five years. Ramsey County unemployment has dropped to 2.4% of the labor force. This represents the lowest unemployment rate since 1999. These changes have resulted in the labor market becoming significantly more competitive.

Based upon gross domestic product, continued inflation and low unemployment, the economy as a whole would seem to be in an equilibrium status.

That being stated, the overall economic climate appears generally stable with indicators pointing to a carry through into 2018.

Trends

Since 2007, the City's tax levy has remained relatively constant. In 2007, the levy was \$4,927,000, \$320,000 of which was dedicated to capital funds, \$413,000 to the Surface Water Pollution Prevention Fund and \$198,000 to debt service. Over this ten-year period (2007-2016), inflation increased 18.00%, or an average of 1.80% annually. Over the same period, the City's tax levy increased 5.00% (\$246,000), or an average of 0.50% annually.

During this time, the City maintained essential services and kept pace with infrastructure improvements and investments. The ability to maintain a fairly low tax levy, maintain the same

level of operational services, and continue investments in infrastructure was accomplished through the strategic utilization of City reserves and the reallocation of a portion of the tax levy from capital to operations.

In addition to the property tax levy, the City's main two sources of revenue come from Local Government Aid (LGA) and interest earnings. The City's LGA allocation increased by nearly \$1 million between 2007 and 2009. In 2010, the LGA allocation was reduced by \$248,000. Since 2010, the City's LGA allocation has remained relatively flat, increasing \$11,257, or less than one-percent, over an eight-year period (2010 – 2017).

Interest earnings peaked in 2007 when the City's investment revenue totaled \$2.6 million. It is projected that annual interest earnings in the near future will remain approximately \$200,000, or nearly \$2.4 million less than what 2007 earnings.

Effectively in 2017, the City's three main sources of revenue provide \$1.463 million less annually than ten years ago. To compensate for these revenue losses, yet maintain operational expenditures and infrastructure improvements, the City has strategically utilized City reserves.

Since 2008, the City has been able to allocate more than \$10 million of limited interest revenue and reserves for infrastructure improvements without significantly affecting overall City operations. This was accomplished through the following allocations:

1. Nearly 75% (\$5.1 million) of all interest earnings over this period of time were allocated to infrastructure improvements.
2. In 2012, the City sold \$2.555 million in special assessment bonds, which provided \$2.5 million for street infrastructure improvements.
3. The City utilized tax increment, HRA development and other resources totaling \$2.5 million to complete the Boatworks Common/Lake Avenue restoration.

Over this same period of time, the City was successful in maintaining a flat tax levy, while continuing to provide operational directives, through strategic funding allocations:

1. Planned drawdown of the Employment Expense Fund Balance by \$1.3 million over a four-year period. Through direct transfers to the General Fund, the drawdown offset departmental personnel costs.
2. Strategic shift of the tax levy from infrastructure allocation to operations. Over the ten-year period, \$583,000 or 11.3% of the City's tax levy was reallocated from infrastructure to operations.
3. A portion of Local Government Aid was reallocated by \$525,000 from infrastructure to operations.

The combination of infrastructure and operational reallocations provided the City with a unique opportunity to maintain a flat tax levy that benefited its residents and taxpayers for more than a decade.

General Fund Challenges

As was recognized through the adoption of the 2017 budget, reliance on the Employee Expense Fund for annual increases in personnel service costs is not sustainable. The Employment Expense Fund is intended to operate on a “break even” basis, which requires each operating department to fund its appropriate share of personnel service costs. Beginning in 2013, a portion of the costs associated with personnel service adjustments were directly charged to the Employee Expense Fund, which at the time had sufficient reserves. This helped to keep the levy increase lower. Over the last four years (2013 – 2016), the fund recorded a reserve drawdown totaling \$1.3 million.

To reestablish a revenue stream to the Employee Expense Fund that supports actual expenditures, personnel service chargebacks in the General Fund need to be increased by an additional \$151,000 over the 2017 budget, totally \$226,000 in the proposed 2018 budget. If adopted, the General Fund will no longer rely on the Employee Expense Fund for operational expenses; the Employee Expense Fund will recognize revenues equal to expenditures as intended.

Capital Fund Challenges

Each year the City budgets significant capital and infrastructure expenditures related to equipment replacement, building maintenance, road improvements and other infrastructure needs. With the loss of significant interest revenue, the transfer of \$525,000 from annual LGA funds to operational expenses, and an 11% shift in tax levy allocations to operations, additional sources of revenue are needed to fund future capital needs. The Council held a comprehensive work session last March, at which staff presented recommendations for long-range capital financing strategies. Since then, staff has further refined the Capital Improvement Plan and is adjusting the long-range financial plan accordingly.

The 2018 budget begins to address this funding issue by allocating an additional \$146,000 to fund capital items. Currently, between the City’s tax levy and LGA allocation, only \$383,000 is allocated to capital improvements. This amount will need to increase in future years, as equipment, significant facility maintenance, as well as storm water pollution control expenditures require additional resources.

Equipment and Municipal Building Fund reserves totaling \$1,755,000 will be used to fund major capital items in 2017 and 2018. Projected fund balances at the end of 2018 in the Equipment Acquisition and Municipal Funds are \$432,204 and \$619,442, respectively. The City has maximized alternative revenue sources in prior years to fund capital investments, (tower rental and franchise fees). There are only marginal revenue increases that can be gained from these sources.

A proposed \$146,000 capital levy for equipment represents approximately 30% of the total proposed 2018 tax levy. The proposed capital levy increase could be deferred to 2019, but as illustrated below, the City will need to bond for a portion of the 2018 street reconstruction program, the debt service for which will begin in 2019.

The 2018 Street Reconstruction Program anticipates continued emphasis on four infrastructure categories as follows:

2018 Street Projects

Crack Sealing	70,000
Seal Coating	310,000
Mill & Overlay	1,370,000
Reconstruction	<u>3,500,000</u>
	5,250,000

2018 Funding Sources

Special Assessments	1,250,000
Capital Funds/MSA Revenues	<u>1,300,000</u>
Total Funding	2,550,000

Projected 2018 Bonding Requirement	2,700,000
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The City will need to incur a debt obligation beginning in 2019 to complete the proposed 2018 street infrastructure program, which will result in a \$265,000 – \$290,000 annual debt service paid for through the tax levy to finance the 2018 street improvement projects.

Real Estate Markets and Property Valuation Trends

The overall economic recovery has resulted in favorable improvements in real estate value. These improvements are expected to continue throughout calendar year 2018.

The City's real estate valuation trends reveal the following changes from last year:

1. Overall market valuation continues to recover from the 2009 – 2013 period of declining market valuation.
2. The City's overall property valuation increased 8.70%, which comes after a four-year period where valuation increased 18.1%.
3. 22.1% of the City's housing stock increased more than 10% in valuation while 67.2% of the City's housing stock increased between 0% to 10%.
4. Residential valuation overall increased approximately 4.6%.
5. Apartment valuation increased approximately 32.8%.
6. Commercial valuation increased approximately 13.4%.
7. The City's new construction permits for 2016 exceeded \$42 million in valuation.
8. The City expects to issue new construction permits during 2017 to exceed \$32 million in valuation.
9. The City anticipates 2018 new construction permits will be comparable to 2017 construction activity with a valuation of approximately \$40 million.

Property valuation trends influence the City’s residential property in three significant ways, as follows:

1. The Homestead Market Valuation Exclusion will decline this year due to increasing residential property valuation. This decline in market valuation exclusion (increasing taxable valuation above market value increase) will affect nearly than 90% of residential property. For every \$10,000 in valuation increase above \$76,000, the taxable market value increases \$9. This change will result in residential property having a taxable value increase of nearly 6.5% when the market value increased approximately 5.0%.
2. A slight “shifting” of the property tax liability to commercial property from residential property will occur in 2018. Because commercial/industrial property valuation is increasing at a slightly higher rate than residential property, there will be a slight property tax liability shift towards commercial property. Commercial property continues to be responsible for a larger portion of the property tax burden. This results from the fact that property tax valuation for commercial property is basically set at 2.0% while residential property tax valuation is at 1.00% - 1.25% with a vast majority of residential property tax valuation set at 1.00%.
3. Apartments have experienced significant property valuation increase due to the high demand for rental property. Nearly 90% of all apartments within the City will experience a property value increase, while 50% of apartments will experience a property value increase of 10.0% or more.

While residential valuation has reported significant growth over the last several years, overall residential property values remain 5% - 15% below 2007 levels.

Property Market/Taxable Valuation

On average, the residential housing valuations declined 27% over a six-year period 2008-2013. Since 2013, the housing market has stabilized and recovered a significant portion of the market value that eroded during the recession. Approximately 90% of the City’s housing stock has increased in value compared to 2013. A recap of residential median market valuations over the last ten years is as follows:

<u>Year</u>	<u>Valuation</u>	<u>Percentage Change</u>
2018	\$208,400	7.04%
2017	\$194,700	5.41%
2016	\$184,700	1.88%
2015	\$181,300	8.50%
2014	\$167,100	2.14%
2013	\$163,600	-8.71%
2012	\$179,200	-3.89%
2011	\$186,450	-4.97%
2010	\$196,200	-8.10%
2009	\$213,500	-5.03%

2008 \$224,800 0.34%

Apartment valuation has increased based upon high rental demands. 90% of apartment complexes within the City have reported valuation increases.

Commercial property valuation has shown increased valuation with 29.7% of the properties valuation increasing between 0% - 10%. Nearly 60% of commercial properties have increased more than 10%. Commercial property that remained unchanged or decreased compared to 2016 represents 12.5% of the City's overall commercial property.

It is expected that for residential property, apartments, and commercial property, the City's tax liability will reflect an increase or decrease that is consistent with the property's valuation change.

The total 2017 market valuation change is based upon inflationary growth to existing properties and new construction. Market valuation estimated change from 2016 to 2017 by category is as follows:

<u>Type</u>	<u>2016 Valuation</u>	<u>Increased Valuation on Existing Property</u>	<u>Added Market Value New Construction</u>	<u>2017 Valuation</u>
Residential	1,735,925,900	73,875,000	5,680,700	1,815,481,600
Apartments	240,151,200	59,158,600	19,564,000	318,873,800
Commercial	352,211,500	45,988,000	1,289,300	399,488,800
Personal Property	<u>35,392,500</u>			<u>35,392,500</u>
Total	<u>2,363,681,100</u>	<u>179,021,600</u>	<u>26,534,000</u>	<u>2,569,236,700</u>

New construction provided approximately \$326,000 or 1.0% of the net tax capacity growth in 2017. Effectively, 2016 new construction resulted in residential property taxes being \$5 to \$10 less annually based upon current valuation.

Tax Levy

The revised 2017 and proposed 2018 budget maintains tax supported expenditures at the same level that were approved when the 2017 budget was adopted. The 2018 budget does not include any new or expanded operational program or expanded operational programs or services. Maintaining current operational capacity, eliminating operational reserve utilization, and providing increased funding for capital improvements requires adjustment to the City's tax levy. Remaining competitive in the employment market requires staff to incorporate a realistic and competitive compensation plan within the budget.

To support the shift from reliance on reserves, maintain current service levels, and to provide additional revenues to support capital requirements, it is recommended that the 2018 tax levy be adjusted by \$452,000 over 2017 as shown:

<u>General Fund</u>	<u>2017</u>	<u>Add't Levy</u>	<u>2018</u>
Operations	4,891,000	80,000	4,971,000
Reserve Utilization Adjust.		226,000	226,000
Total General Fund	4,891,000	306,000	5,197,000
<u>Capital & Debt Service</u>			
Equipment	50,000	146,000	196,000
Building	100,000	-	100,000
YMCA Debt	132,000	-	132,000
TOTAL	<u>5,173,000</u>	<u>452,000</u>	<u>5,625,000</u>

The direct tax levy to fund current operational requirements is recommended to increase \$80,000 or 1.64%. The effort to eliminate the financial reliance on reserves will require \$226,000, and an additional allocation of \$146,000 for capital equipment is recommended.

Staff is recommending a tax levy totaling \$5,625,000. The tax levy proposes to allocate \$296,000 to capital infrastructure requirements and \$132,000 to debt service.

During 2018, the following funds are proposed to utilize general property taxes:

- **General Fund** for governmental operations
- **Equipment Acquisition Fund** for proposed capital equipment replacement purchases
- **Municipal Building Fund** for capital facility improvements
- **Municipal Debt Service Fund** for debt obligation on City’s long-term financial loan obligations

The 2017 tax levy collectible in 2018 is proposed to be as follows:

Purpose	Amount
General Fund	\$5,197,000
Equipment Acquisition	196,000
Municipal Building	100,000
Municipal Debt Service	<u>132,000</u>
Total	<u>5,625,000</u>

Tax Levy Impact

According to preliminary estimates by Ramsey and Washington Counties, the City’s net tax capacity has increased \$2,478,186 or 10.54% from 2016 (see attached table).

Staff has calculated the impact of the proposed tax levy on a median value home. As earlier demonstrated, the median valued home has increased in value by 7.04%. Based upon preliminary calculations, this median value home could anticipate a \$27.88, or 8.41% increase in overall City property taxes compared to 2017 based on the 2018 levy as proposed.

The median valuation and tax liability over the last twelve years, before market value credit aid is calculated for years 2006-2011, is as follows:

Year	Median Value	Taxable Value	City's Tax Impact
2018	208,400	189,916	359.39
2017	194,700	177,683	331.51
2016	184,700	164,083	323.08
2015	181,300	160,377	326.64
2014	167,100	144,899	305.77
2013	163,600	141,084	303.27
2012	179,200	158,088	315.23
2011	186,450	186,450	330.11
2010	196,200	196,200	324.12
2009	213,500	213,500	326.70
2008	224,800	224,800	371.46
2007	224,000	224,000	396.61

The City has tracked numerous residential and commercial properties to monitor the financial impact of state property tax legislation and City tax levies (refer to attached file for details).

Community Comparison

Staff reviewed state-wide 2017 property tax data for cities with populations between 16,000 – 37,000. White Bear Lake ranks 18 out of 44 in population.

1. Tax Levy – The City has the second lowest tax levy in the state-wide comparison group. Willmar, which levied \$344,000, less than the City, serves a population that is 20% less than White Bear Lake's.
2. Per capita tax levy funding – The City ranks last by \$4.20 in per capita comparison.

The City's property tax burden is very low when compared to other communities of generally the same size within the State. Only one community has a lower property tax burden within the surveyed sector; however, its population is 20% less.

If White Bear Lake were to be the only community to increase its levy, its overall tax levy ranking would move from 43 to 42 out of the 44 communities surveyed. It should be noted that the community which the City would surpass under these circumstances (Austin) receives \$6.453 million more in LGA than White Bear Lake.

A Look Back

A review of City property tax liability residential properties tracked by the City over the years will pay less in municipal property taxes in 2018 to fund City operations than in 2007. As illustrated above, the median value home's tax liability is projected to be \$37.22 less in 2018 when compared to 2007. This decrease is a result of lower taxable market value for the residential property.

Commercial property will experience a higher tax burden when compared to 2007 due to increased property valuation over the twelve-year period.

Truth in Taxation Hearing

The City is required to conduct a public meeting to receive public comment before the final tax levy is adopted. State law allows cities to conduct the meeting as part of a regular Council meeting and without concerns of overlapping with other agencies. In prior years, very few or no residents have attended the meetings. Based upon property value changes and a proposed tax levy increase, some attendance at the truth-in-taxation hearing should be anticipated this year. It should be noted that residential property valuation concerns are a Ramsey County issue and must be addressed at the county level.

The date and time of the Truth and Taxation Hearing was included in notices mailed by Ramsey County and has been posted in the White Bear Press. **No action is required of the Council at this meeting. Action on the tax levy and annual budget will be taken at the December 12, 2017 meeting.**



City of White Bear Lake
City Engineer's Office

MEMORANDUM

To: Ellen Richter, City Manager

From: Mark Burch, Public Works Director/City Engineer

Date: November 20, 2017

Subject: **Final Payment to Insituform Technologies USA, LLC for Completion of the 2017 Sanitary Sewer Main Lining Program - City Project No. 17-07**

BACKGROUND / SUMMARY

Insituform Technologies USA, LLC has completed construction of the 2017 Sanitary Sewer Main Lining Project (City Project 17-07). All of the work specified in the contract has been accomplished and the sanitary sewer mains are back in service. The original contract amount for this project was \$84,084.80 and the final revised contract amount is \$90,402.20. The revised contract amount is due to addition of work required due to a manhole located in Trunk Highway 61.

RECOMMENDED COUNCIL ACTION

Staff recommends the Council adopt the resolution and authorize final payment in the amount of \$4,520.11 to Insituform Technologies USA, LLC for construction of the 2017 Sanitary Sewer Main Lining Program.

ATTACHMENTS

Resolution

RESOLUTION NO.:

**RESOLUTION ACCEPTING WORK AND AUTHORIZING
FINAL PAYMENT TO INSITUFORM TECHNOLOGIES USA, LLC
FOR THE 2017 SANITARY SEWER MAIN LINING PROGRAM
CITY PROJECT NO.: 17-07**

WHEREAS, pursuant to a written contract in the amount of \$84,084.80, signed with the City of White Bear Lake, Insituform Technologies USA, LLC of Chesterfield, Missouri, has satisfactorily completed the 2017 Sanitary Sewer Main Lining Program, in accordance with such contract.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota that the work completed under said contract is hereby accepted and approved; and

BE IT FURTHER RESOLVED that the City Clerk and Mayor are hereby directed to issue final payment in the amount of \$4,520.11, for a final contract amount of \$90,402.20 for the 2017 Sanitary Sewer Main Lining Program.

The foregoing resolution offered by Councilmember _____, and supported by Councilmember _____, was declared carried on the following vote:

Ayes:
Nays:
Passed:

Jo Emerson, Mayor

ATTEST

Kara Coustry, City Clerk



City of White Bear Lake
City Manager's Office

M E M O R A N D U M

To: Mayor and City Councilmembers

From: Ellen Richter, City Manager

Date: November 21, 2017

Subject: **Proposed Amendment with International Union of Operating Engineers Local 49 – Public Works Contract**

BACKGROUND

The City of White Bear Lake and Local 49 representing the City of White Bear Lake Public Works have reached a tentative agreement for the 2018 contract. The membership of the Union has ratified the proposal which will become final upon City Council approval. Following are the highlights of the proposed contract:

Term:

- 1 Year (2018)

Wages:

- General 2.75% Increase
- Differential Pay

Licensed Water Treatment Plant Operators	\$.15 .20
Licensed Collection System Operators		.15 -.20
Mechanic with Truck Inspection Certificate		.25 .30
Sports Center Maintenance with Refrigeration Certificate		.12 .15
MPCA Tanks Program Certificate (new)		.15
Maintenance III Lead person	\$1.25 – \$1.75	1.30 – 1.80
- Job Skill Incentive Pay

I	-42	.45 per hour
II	-67	.70 per hour
III	-92	.95 per hour

Article IX- Work Schedule

- Discuss summer schedule at Labor Management Committee in 2018

Article X- Overtime

- **New Language:** For purposes of calculating overtime, all compensated hours including vacation, sick time, holidays or compensatory time shall be considered hours worked, excluding workers compensation and the optional annual compensatory time payout.

Note: The proposed new language reflects the City’s current and long standing practice. This is not a change in calculation but rather clarifying the contract language. There are no additional costs associated with this proposed language change.

Article XIX- Insurance

- Will explore Local 49’s Health Plan with other proposals for 2019 renewal

Note: The recent 18-month health insurance renewal covers this contract period and a 50/50 premium split was negotiated with the 2017 contract.

Article XXIV- Vacation

- Current

1-5 years service	10 days per year
6-10 years service	15 days per year
Over 10 years service	An additional day per year not to exceed 20 days.
- Proposed

0-2 years	10 days per year
2-5 years	15 days per year
5+ years	20 days per year

Note: This accelerated vacation schedule is proposed for our contract renewals and is being implemented for our non-bargaining staff. This will not increase the upper limits of the vacation accrual schedule, but will significantly shorten the length of time it takes an employee to get to the upper limit of 20 days. Staff is proposing this change as a recruitment and retention tool. Our current vacation accrual schedule has been a point of discussion and concern during recent recruitment and hiring processes. When talking with colleagues and other employers this issue seems to be a common concern of today’s workforce. While we have seen examples of other cities making similar adjustments, we feel this will be an attractive benefit to help recruit and maintain good staff in an ever tightening job market.

Article XXV- Stand By Pay

- Increase from \$200 to \$210
- Same for Water Dept. Laptop pay

Article XXVI- Safety Shoes and Work Clothing

- Lump sum payment is no longer a trial and goes into contract
- Increase from \$285 to \$300

Article XXVII Compensatory Time

- **New Language:** Employees shall have the option to cash out up to 40 hours of compensatory time with the first payroll of November of each year.

Note: Compensatory Time is currently budgeted as overtime pay. This change in the contract will not have an impact on the proposed 2018 budget.

RECOMMENDED COUNCIL ACTION

Both the City and the Union have reached the proposed amendment to the contract through good faith negotiations and its approval as outlined in the attached resolution is recommended.

ATTACHMENTS

Resolution

RESOLUTION NO.

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF THE 2018
CONTRACT WITH INTERNATIONAL UNION OF
OPERATING ENGINEERS LOCAL NO. 49; PUBLIC WORKS**

WHEREAS the contract with International Union of Operating Engineers Local No. 49 (Local 49), for the City of White Bear Lake Public Works covers the period from January 1, 2018 through December 31, 2018; and

WHEREAS the City has met and negotiated in good faith a proposed contract with Local No. 49, agreeing on the following changes to the contract:

Article XXX-- Duration

One-year Labor Agreement (2018)

Attachment A-- Wages

General 2.75% Increase

Differential Pay

Licensed Water Treatment Plant Operators	\$.15	.20
Licensed Collection System Operators		.15	.20
Mechanic with Truck Inspection Certificate		.25	.30
Sports Center Maintenance with Refrigeration Certificate		.12	.15
MPCA Tanks Program Certificate (new)			.15
Maintenance III Lead person	\$1.25—\$1.75	1.30	– 1.80

Job Skill Incentive Pay

I	.42	.45 per hour
II	.67	.70 per hour
III	.92	.95 per hour

Article IX- Work Schedule

Discuss summer schedule at Labor Management Committee in 2018

Article X- Overtime

New Language: For purposes of calculating overtime, all compensated hours including vacation, sick time, holidays or compensatory time shall be considered hours worked, excluding workers compensation and the optional annual compensatory time payout.

Article XIX- Insurance

Will explore Local 49's Health Plan with other proposals for 2019 renewal

Article XXIV- Vacation

2017

1-5 years service	10 days per year
6-10 years service	15 days per year
Over 10 years service	An additional day per year not to exceed 20 days.

RESOLUTION NO.

2018

0-2 years

10 days per year

2-5 years

15 days per year

5+ years

20 days per year

Article XXV- Stand By Pay

Increase from \$200 to \$210

Same for Water Dept. Laptop pay

Article XXVI- Safety Shoes and Work Clothing

Lump sum payment is no longer a trial and goes into contract

Increase from \$285 to \$300

Article XXVII Compensatory Time

New Language: Employees shall have the option to cash out up to 40 hours of compensatory time with the first payroll of November of each year.

WHEREAS upon review of its terms and conditions the proposed contract has been found acceptable by the City Council.

THEREFORE BE IT RESOLVED, by the City Council of the City of White Bear Lake, Minnesota that the 2018 Local 49, Public Works contract is hereby approved:

BE IT FURTHER RESOLVED that the Mayor and City Manager are authorized and hereby directed to execute said amendment to the 2018 contract with the Local 49; Public Works.

The foregoing resolution offered by Councilmember _____ and supported by Councilmember _____ was declared carried on the following vote:

Ayes:

Nays:

Passed:

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Ellen Richter, City Manager
From: Kara Coustry, City Clerk
Date: November 15, 2017
Subject: **Massage Therapy Establishment and Massage Therapist Licenses**

BACKGROUND

On January 1, 2016, City Ordinance 1127 went into effect which requires all persons performing massage therapy and related businesses to be licensed. The licensee is required to submit documentation which demonstrates they have received the appropriate training and insurance. A criminal history check and financial review are also conducted and approval from the Council is required for all massage related licenses.

SUMMARY

Kathleen Tobias and Nelson Dufresne applied for a massage therapist license to work at Lifetime Fitness located at 4800 White Bear Parkway. The White Bear Lake Police Department successfully verified the applicant's training credentials, insurance coverage, finances and criminal history reports and found nothing to preclude issuance of a massage therapy establishment license and massage therapist license.

Susan Marie Stansky applied for a massage therapist license to work in the City of White Bear Lake. Ms. Stansky operated a mobile professional sports massage business in Montana and has relocated to the City of White Bear Lake. The White Bear Lake Police Department successfully verified the applicant's training credentials, insurance coverage, finances and criminal history reports and found nothing to preclude issuance of a massage therapy establishment license and massage therapist license.

Huazhen Li, the owner/operator at Yili Massage of Li, LLC, located at 4711 Clark Avenue is returning the China and selling her business to Guiping Hu. The City received a massage therapy establishment and a massage therapist license application from Guiping Hu and a massage therapist license application from Hongqin Dong. Ms. Hu intends to operate the business located at 4711 Clark Avenue under the business name of Relax Lounge, LLC. The White Bear Lake Police Department successfully verified the applicants' training credentials, insurance coverage, finances and criminal history reports and found nothing to preclude issuance of the massage therapy establishment license and both massage therapist licenses.

RECOMMENDED COUNCIL ACTION/ATTACHMENTS

Staff recommends approval of the attached resolution for massage therapists licenses and a massage therapy establishment license.

RESOLUTION NO.

**RESOLUTION APPROVING MASSAGE THERAPIST LICENSES
FOR THE BUSINESS CYCLE ENDING MARCH 31, 2018**

BE IT RESOLVED by the City Council of the City of White Bear Lake that the following massage therapist licenses be approved for the business cycle ending March 31, 2018.

Massage Therapist

Kathleen Tobias & Nelson Dufresne	Lifetime Fitness 4800 White Bear Parkway
Susan Marie Stansky	Mobile practitioner
Guiping Hu & Hongqin Dong	Relax Lounge, LLC 4711 Clark Avenue

Massage Therapy Establishment

Relax Lounge, LLC	4711 Clark Avenue
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The foregoing resolution offered by Councilmember _____ and supported by Councilmember _____, was declared carried on the following vote:

Ayes:

Nays:

Passed:

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Mayor and City Council
From: Ellen Richter, City Manager
Date: November 22, 2017
Subject: 2018 Utility Rates – Discussion of Options

BACKGROUND

At its last meeting, the Council discussed 2018 utility rates as proposed in the draft fee schedule presented for First Reading. As included in the November 8th staff memorandum and further described at the meeting, an option to eliminate fund balance deficits in both the sewer and water funds was presented that requires a significant transfer from the City's non-bonded fund. This was presented as an option to mitigate the rate increase, which is also needed to account for increased MCES disposal costs and reduced water consumption, factors which impact the sewer and water funds respectively.

Staff prepared another option for Council to consider which represents a rate increase that would recover funds needed to balance the deficit balances over a three-year period, as well as address operational realities. Option #1 represents elimination of fund balance deficits by transferring funds from the non-bonded fund. Option #2 represents rates needed to recover funds over a three-year period. Note that the rate comparison worksheet represents 2017 rates from the other communities for comparative purposes; 2018 rates are not yet available.

RECOMMENDED COUNCIL ACTION

This item is for discussion only. No action required.

ATTACHMENTS

Utility rate and comparison worksheets

City of White Bear Lake
Utility Rate Adjustment
Residential Comparison

11/17/2017

	2017 Rates	Option #1 2018 Rates	Option #2 2018 Rates
Water			
0 - 8 Units	9.75	11.00	12.30
> 8 Units	1.15	1.30	1.45
Non Winter > 8 Units	1.40	1.60	1.80
Sewer			
0 - 8 Units	27.20	30.00	31.75
> 8 Units	3.40	3.75	3.95
Refuse			
30 gallon - Senior	9.50	10.00	10.00
30 gallon	9.70	10.25	10.25
60 gallon	14.25	15.05	15.05
90 gallon	19.40	20.50	20.50

Low Volume User

11 units of water / 8,250 gallons = 91.67 gallons per day average

	Winter			Summer		
State Testing Fee	1.59	1.59	1.59	1.59	1.59	1.59
Lake Litigation Fee	4.00	4.00	4.00	4.00	4.00	4.00
Water = 11 Units	12.65	14.30	15.95	12.65	14.30	15.95
Additional Water = 10 Units				14.00	16.00	18.00
Sewer = 11 Units	37.40	41.25	43.45	37.40	41.25	43.45
Refuse = 60 Gallons	42.75	45.15	45.15	42.75	45.15	45.15
Refuse Taxes	12.91	13.64	13.64	12.91	13.64	13.64
Total	111.30	119.93	123.78	125.30	135.93	141.78

Mid Volume User

26 units of water / 19,500 gallons = 216.67 gallons per day average

	Winter			Summer		
State Testing Fee	1.59	1.59	1.59	1.59	1.59	1.59
Lake Litigation Fee	4.00	4.00	4.00	4.00	4.00	4.00
Water = 26 Units	29.90	33.80	37.70	29.90	33.80	37.70
Additional Water = 18 Units				25.20	28.80	32.40
Sewer = 26 Units	88.40	97.50	102.70	88.40	97.50	102.70
Refuse = 60 Gallons	42.75	45.15	45.15	42.75	45.15	45.15
Refuse Taxes	12.91	13.64	13.64	12.91	13.64	13.64
Total	179.55	195.68	204.78	204.75	224.48	237.18

High Volume User

55 units of water / 41,250 gallons = 458.33 gallons per day average

	Winter			Summer		
State Testing Fee	1.59	1.59	1.59	1.59	1.59	1.59
Lake Litigation Fee	4.00	4.00	4.00	4.00	4.00	4.00
Water = 55 Units	63.25	71.50	79.75	63.25	71.50	79.75
Additional Water = 61 Units				85.40	97.60	109.80
Sewer = 55 Units	187.00	206.25	217.25	187.00	206.25	217.25
Refuse = 60 Gallons	42.75	45.15	45.15	42.75	45.15	45.15
Refuse Taxes	12.91	13.64	13.64	12.91	13.64	13.64
Total	311.50	342.13	361.38	396.90	439.73	471.18

City of White Bear Lake
Utility Rate Community Comparison
Residential

Winter Quarter Charges based upon 2017 rate structures
Per Quarter Fees

11/20/17

Consumption	White Bear Lake			2017 Rate Fees									
	Actual 2017	Option #1 2018	Option #2 2018	WB Township	Mahtomdi	Hugo	Oakdale	Roseville	New Brighton	Maplewood	North St. Paul	Shoreview	
8,250 gallons or 11 units													
Water	16.65	18.30	19.95	35.78	36.22	29.38	24.02	71.71	23.02	50.53	57.99	34.24	
Sewer	37.40	41.25	43.45	54.88	59.09	47.00	60.00	54.19	38.36	48.84	109.76	73.71	
Total	54.05	59.55	63.40	90.66	95.31	76.38	84.02	125.90	61.38	99.37	167.75	107.95	
19,500 gallons or 26 units													
Water	33.90	37.80	41.70	58.40	63.79	46.93	44.49	97.03	54.41	92.20	103.21	70.50	
Sewer	88.40	97.50	102.70	77.38	120.06	66.43	86.25	78.38	90.68	73.83	144.98	90.28	
Total	122.30	135.30	144.40	135.78	183.85	113.36	130.74	175.41	145.09	166.03	248.19	160.78	
41,250 gallons or 55 units													
Water	67.25	75.50	83.75	106.36	123.91	92.38	85.20	148.78	115.09	174.82	229.32	168.22	
Sewer	187.00	206.25	217.25	120.88	237.95	106.66	162.38	125.14	191.81	137.78	217.42	126.78	
Total	254.25	281.75	301.00	227.24	361.86	199.04	247.58	273.92	306.90	312.60	446.74	295.00	



FYI

Website: www.mmcd.org

Metro Counties Government Center
2099 University Avenue West
Saint Paul, MN 55104-3431

Phone: 651-645-9149
FAX: 651-645-3246
TTY use Minnesota Relay Service

November, 2017

Ellen Richter
4701 Highway 61
White Bear Lake, MN 55110

Dear Ms. Richter,

Enclosed is a summary of work done by the Metropolitan Mosquito Control District (MMCD) in the city of White Bear Lake during the 2017 mosquito control season.

Precipitation in 2017 was relatively low in March, April, June and July. Precipitation was higher in May and especially August with more precipitation in the southern parts of the District. This resulted in high mosquito levels in June and late August. High amounts of cattail mosquito production in sites that remain flooded by heavy precipitation in 2014 through 2016 resulted in high mosquito levels in early July. Overall, we treated about 200,000 acres in 2017 which is significantly less than 2016 and closer to values in years with more typical precipitation patterns (2011 and 2013).

In 2017 the Minnesota Department of Health reported 23 human West Nile virus (WNV) illnesses; five of those cases were reported in people who live within our District. No cases of La Crosse encephalitis were confirmed in Minnesota as of November first. Mosquito-borne disease prevention work continues as long as staff are in the field with the recycling of tires and elimination of other water-holding containers.

MMCD employees also controlled immature black flies in small streams and large rivers throughout the metropolitan area. These treatments have resulted in significantly fewer adult black flies when compared to a time before we conducted treatments. MMCD staff also continued to monitor the distribution of ticks capable of transmitting disease, and worked with the Minnesota Department of Health to provide information designed to reduce the risk of tick transmitted diseases.

If you have any questions, or would like to meet to discuss our agency's activities within White Bear Lake, please contact me.

Sincerely,

Stephen A. Manweiler, MMCD Executive Director
Phone: (651) 643-8365
Email: mmcd_sam@mmcd.org

Metropolitan Mosquito Control District 2017 Activity Summary – White Bear Lake

Service Summary

Larval Sites Inspected = 1,167

Larval Mosquito Treatments = 2,655.87 acres

Adult Mosquito Inspections = 2

Adult Mosquito Treatments = 88 acres

Customer Calls = 11

Disease Prevention Property Inspections = 4

Catch Basins Treatments = 10,201

Tires Removed = 2