



AGENDA
REGULAR MEETING OF THE CITY COUNCIL OF
THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, DECEMBER 11, 2018
7:00 P.M. IN THE COUNCIL CHAMBERS

1. CALL TO ORDER AND ROLL CALL

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

Minutes of the Regular City Council Meeting on November 27, 2018

3. APPROVAL OF THE AGENDA

4. VISITORS AND PRESENTATIONS

5. PUBLIC HEARINGS

6. LAND USE

A. Consent

1. Consideration of a Planning Commission recommendation granting a variance for 2103 East County Road F

B. Non-Consent

1. Consideration of a Planning Commission recommendation authorizing amendments to the land use section and classification map of the 2030 Comprehensive Plan

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

- A. Second reading of an ordinance establishing 2019 annual fee and utility rate schedule

9. NEW BUSINESS

- A. Resolutions adopting 2018 Tax Levy Collectible in 2018 and adoption of the revised 2018 and proposed 2019 Budget

- B. Resolution approving Classification and Compensation Plan

- C. Resolution revoking massage therapy establishment license at Red Dragonfly Massage

- D. Resolution receiving feasibility report and ordering a public hearing for 2019 Street Reconstruction Project / 2019 2019 Mill and Overlay Project, City Project Nos.: 19-01, 19-06, 19-13
- E. Resolution authorizing YMCA Revenue Conduit Debt
- F. Resolution authorizing Century Hills Housing Revenue Conduit Debt
- G. Resolution approving 2019 International Union of Operating Engineers Local 49 – Public Works Contract
- H. Resolution in support of White Bear Lake participation in ClimateSmat exchange

10. HOUSING AND REDEVELOPMENT AUTHORITY

- A. Roll Call
- B. Approval of the February 13, 2018 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. Adjournment

11. CONSENT

- A. Acceptance September Park Advisory Commission Minutes; October White Bear Lake Conservation District Minutes, November Planning Commission Minutes
- B. Resolution not waiving the monetary limits on Municipal Tort Liability established by Minnesota Statutes 466.04

12. DISCUSSION

13. COMMUNICATIONS FROM THE CITY MANAGER

14. ADJOURNMENT



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, NOVEMBER 27, 2018
7:00 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Jo Emerson called the meeting to order at 7:00 p.m. Councilmembers Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones and Bill Walsh in attendance. Staff members present were City Manager Ellen Hiniker, Assistant Manager Rick Juba, Community Development Director Anne Kane, City Engineer Paul Kauppi, Assistant City Engineer Jesse Farrell, Finance Director Don Rambow, Assistant Finance Director Kerri Kindsvater, City Clerk Kara Coustry and City Attorney Andy Pratt.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

It was moved by Councilmember **Edberg** seconded by Councilmember **Biehn**, to approve the Minutes of the Closed City Council Meeting on October 23, 2018.

Motion carried unanimously.

It was moved by Councilmember **Biehn** seconded by Councilmember **Walsh**, to approve the Minutes of the Regular City Council Meeting on November 13, 2018.

Motion carried unanimously.

3. APPROVAL OF THE AGENDA

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

Motion carried unanimously.

4. VISITORS AND PRESENTATIONS

City Manager Hiniker introduced the Paul Kauppi as the City's new Public Works Director/City Engineer.

A. JoAnn Toth – Park Advisory Commission Member

City Manager Hiniker invited JoAnn Toth to the podium to recognize her for 8 years of volunteer service on the Park Advisory Commission. Mayor Emerson presented JoAnn with a bear plaque and thanked her for serving the community in this capacity.

It was announced that the City is seeking three Park Advisory Commission members.

5. PUBLIC HEARINGS

A. Truth in Taxation Hearing

City Manager Hiniker explained the Truth in Taxation Hearing provides an opportunity for the public to comment on the budget and tax levy. She reviewed the budget timeline as it progressed through the year and stated that the City Council will vote on this proposed tax levy at its December 11, 2018 meeting.

Ms. Hiniker reviewed trends, economic conditions, the allocation of tax dollars and sources of revenue for the General Fund, and explained how property tax rates are calculated. Ms. Hiniker reported on the proposed 2018 tax levy of \$6,345,000, which includes an increase of \$720,000 as follows:

General Operations		
Supplies, Other Services & Charges		
Actuarial, FMP, Strategic Planning	19,000	
Park & Street Maintenance	40,000	
2019 fuel cost consumption: \$2.70/gallon	39,000	
Total General Supplies & Services		98,000
Personnel Services		272,000
Fire Department Staffing		105,000
Urban Tree Management (EAB)		25,000
Debt Service – Construction Fund		220,000
Total Proposed Tax Levy Increase		\$720,000

Ms. Hiniker explained that the property tax levy funds 50% of the City's General Fund totaling \$5,993,000, with the remaining balance of \$352,000 going toward debt service. Half of the General Fund expenditure is comprised of Public Safety: Police (38.62%), Fire (9.79%) and Dispatch (2.85%).

Ms. Hiniker displayed a chart of revenue sources (Interest, LGA and Tax Levy) since 2007, which revealed the City is just nearing the same level of funding as thirteen years ago. Although funding levels are proposed to be nearly the same as 2007, adjusting for inflation means the City has received over \$30 million less over this thirteen-year period based upon 2007 prices. Ms. Hiniker reviewed the levy per capita for Minnesota cities to show that White Bear Lake remains funded at the lowest tax per capita with populations between 16,000 – 37,000.

Councilmember Walsh mentioned the price of oil has been falling since the budget estimate of \$2.70/gallon was suggested. Based on more recent trends of lower gas prices, he indicated that the additional gas expense of \$39,000 could be reduced. Ms. Hiniker stated that staff is cautious about reducing this item because gas was budgeted too low in 2018 and had to be adjusted. Mr. Rambow was also reluctant to reduce this estimate and explained that if the City has savings at the end of the year, it would not have to increase taxes for fuel next year.

Mayor Emerson opened the Public Hearing at 7:48 p.m. As no one came forward to speak, Mayor Emerson closed the Public Hearing and brought the discussion back to the City Council. She explained that the Council will be asked to take action at the December 11, 2018 City Council Meeting.

6. LAND USE

Nothing scheduled

7. UNFINISHED BUSINESS

Nothing scheduled

8. ORDINANCES

Nothing scheduled

9. NEW BUSINESS

- A. Resolution authorizing charitable gambling premises license to New Train LLC, dba Manitou Grill for Merrick Inc. to conduct gambling

City Manager Hiniker reported that Merrick Inc. is licensed by the State, but the Council has the ability to endorse an establishment in which gambling may be conducted. She explained there is a limit of three locations for any organization to provide charitable gambling in the City. Merrick Inc. does not currently conduct gambling in any White Bear Lake location. Ms. Hiniker stated that in order to qualify for Council endorsement, Merrick Inc. must expend 80% of its revenues in the trade area, which includes Vadnais Heights where they are located.

In response to Councilmember Edberg, Ms Hiniker relayed that the City does not often receive requests from businesses to operate charitable gambling. She stated that two of authorized charitable gambling agencies have reached their maximum capacity to service no more than three gambling sites in White Bear Lake. Ms. Hiniker stated she is not aware of another non-profit who is interested in getting into gambling, which requires a state license and not necessarily an easy undertaking.

Councilmember Jones inquired as the number of other sites Merrick operates for gambling.

John Wayne Barker of 4768 Hauge Circle, Eagan, MN 55122, introduced himself as the Executive Director of Merrick Inc., which is located in Vadnais Heights. He stated that Merrick serves 375 adults providing life enrichment and work options and are also members of the White Bear Lake Rotary and the Area Chamber of Commerce. He confirmed with his Gambling Manager, Wendy, that Merrick operates 18 gambling sites from South St. Paul to Hugo.

Councilmember Jones thanked Mr. Barker for the good work of Merrick Inc.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12300** authorizing charitable gambling premises license to New Train LLC, dba Manitou Grill for Merrick Inc. to conduct gambling.

Motion carried unanimously.

B. Resolution authorizing YMCA debt consolidation

Finance Director Rambow reported that the Greater Twin Cities YMCA is attempting to consolidate numerous outstanding debt obligations into one debt obligation. The YMCA, through Kennedy & Graven has requested utilization of the City's bonding authority to issue refunding taxable and tax-exempt bonds for this purpose. Mr. Rambow explained that the debt issuance remains the responsibility of the YMCA, but the City would gain a 0.25% fee as the conduit agency for servicing this debt.

Mr. Rambow explained that a resolution will be presented to the City Council at its December 11, 2018 meeting to approve the debt consolidation, however, the YMCA wanted to provide an official pre-statement of issuance in the meantime. As such, the Council is being asked to consider adoption of the attached resolution, which authorizes issuance of a preliminary statement prior to December 11, 2018.

Councilmember Jones stated that the YMCA could have used of any number of cities to consolidate its debt, but he was glad to see they came to White Bear Lake.

It was moved by Councilmember **Jones**, seconded by Councilmember **Biehn** to adopt **Resolution No. 12301** authorizing YMCA debt consolidation.

Motion carried unanimously.

C. Resolution authorizing a change order for the Armory HVAC project contract with New Century Systems, Inc.

City Manager Hiniker reported that at the time the packet was distributed, staff did not have a final amount for this change order. She explained there was an element to the HVAC design that controls humidity that was not included in the initial quote. Controlled humidity levels are a required element of the Historical Society's grant, which is funding a significant portion of this project.

Ms. Hiniker forwarded a change order requesting \$11,893 additional for the humidity control component, installation and programming. She stated the revised total contract amount of \$60,629 is more in line with the City's initial estimate of \$60,000 for accomplishing this work.

It was moved by Councilmember **Biehn**, seconded by Councilmember **Edberg** to adopt **Resolution No. 12302** authorizing a change order for the Armory HVAC project contract with New Century Systems, Inc.

Motion carried unanimously.

D. Resolution authorizing an extension to the Cable Franchise agreement with Comcast

City Manager Hiniker forwarded a third request by the Cable Commission to extend the franchise agreement with Comcast from March 31, 2019 to August 31, 2019 to allow more time for informal negotiations.

It was moved by Councilmember **Jones**, seconded by Councilmember **Engstran** to adopt **Resolution No. 12303** authorizing an extension to the Cable Franchise agreement with Comcast.

Motion carried unanimously.

10. CONSENT

Nothing scheduled

11. DISCUSSION

A. ClimateSmart exchange

City Manager Hiniker explained the ClimateSmart exchange is a grant funded opportunity by Germany in collaboration with the University of Minnesota's Environmental Studies Department that focuses on sharing initiatives for a more efficient energy footprint. Ms. Hiniker stated that five Minnesota communities have already been participating for the past three years: Duluth, Elk River, Morris, Rochester and Warren.

Ms. Hiniker reported that Germany increased grant funding to add another city to the program and White Bear Lake expects a formal invitation as the sixth city to be invited to join in this collaborate effort to exchange information. If selected, a contingency from Germany would travel here for a week to share and learn about energy initiatives. Then a contingency from White Bear Lake would travel to Germany for a week for the same.

Ms. Hiniker shared that if the City were to accept this invitation, it would require staff time and the cost of transportation to Germany. Germany would also place an intern at the City of White Bear Lake for three months to assist with an energy related project. Ms. Hiniker mentioned the City would have this person work on finding energy efficiencies related to lighting in city buildings and streets. Another initiative might include the implementation of charging stations for electric vehicles throughout the city.

12. COMMUNICATIONS FROM THE CITY MANAGER

- Park Advisory Commission – Three vacancies currently
- Accident downtown – A car ran into the Medicine Chest building on 4th Street
- Water main breaks – There have been six total water main breaks since October. In response to Councilmember Edberg, Ms. Hiniker stated these breaks seem to occur from poor soils and old infrastructure. She mentioned it is time to take a closer look at how these are sustaining their age within the conditions of the soil.
- Community Development Director Kane explained that the Planning Commission held a public hearing yesterday on a proposed Comprehensive Plan amendment, for an assemblage of properties totaling 4.5 acres at the northwest quadrant of County Road E and Linden Avenue. The Planning Commission will be forwarding unanimous recommendation to amend the Comprehensive Plan to accommodate a multi-family residential development.

Ms. Kane shared that a multi-family residential developer has expressed interest in this location for an apartment complex close to a possible planned Rush Line station within walking distance. The developer has not yet submitted an application, but has scheduled

a neighborhood meeting in the Council Chambers on 11/28 at 6:30 p.m. to discuss their apartment building development proposal with neighbors and other stakeholders.

Councilmember Jones stated he expects most of the feedback about this to be related to traffic. He was curious as to the impact that Linden Avenue had on Highland. Did traffic increase and did it impair home values? Ms. Kane agreed to research potential traffic studies from that development.

- Rush Line – There is a business community outreach meeting on December 13, 2018, in which businesses are invited to learn more about the BRT and downtown station area planning.
- Assistant City Engineer, Jesse Farrell – Ms. Hiniker thanked Jesse for his work during the absence of a Public Works Director.

13. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Biehn** seconded by Councilmember **Jones** to adjourn the regular meeting at **8:29 p.m.**

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk



City of White Bear Lake
Community Development Department

MEMORANDUM

To: Ellen Hiniker, City Manager

From: The Planning Commission

Through: Ashton Miller, Planning Technician

Date: December 3, 2018 for the December 11, 2018 City Council Meeting

Subject: **Tom Wilson – Variance**
2103 East County Road F - Case No. 18-18-V

REQUEST

A variance to allow a third accessory structure in order to permit a roofed pergola in the rear yard.

SUMMARY

No one from the public spoke. On a 7-0 vote, the Planning Commission recommended approval as presented.

RECOMMENDED COUNCIL ACTION

Approval of the attached resolution of approval.

ATTACHMENTS

Resolution of Approval

RESOLUTION NO.

**RESOLUTION GRANTING A VARIANCE
FOR 2103 EAST COUNTY ROAD F
WITHIN THE CITY OF WHITE BEAR LAKE, MINNESOTA**

WHEREAS, a proposal (18-18-V) has been submitted by Tom Wilson to the City Council requesting approval of a variance from the Zoning Code of the City of White Bear Lake for the following location:

LOCATION: 2103 East County Road F

LEGAL DESCRIPTION: Lot 19, Block 6, Garden-ette Park, Ramsey County, MN (PID #233022430084)

WHEREAS, THE APPLICANT SEEKS THE FOLLOWING a variance for a third accessory structure, per Code Section 1302.030 Subd.4.i, in order to permit a roofed pergola in the rear yard.

WHEREAS, the Planning Commission held a public hearing as required by the Zoning Code on November 26, 2018; and

WHEREAS, the City Council has considered the advice and recommendations of the Planning Commission regarding the effect of the proposed variances upon the health, safety, and welfare of the community and its Comprehensive Plan, as well as any concerns related to compatibility of uses, traffic, property values, light, air, danger of fire, and risk to public safety in the surrounding areas;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the City Council accepts and adopts the following findings of the Planning Commission:

1. The requested variance will not:
 - a. Impair an adequate supply of light and air to adjacent property.
 - b. Unreasonably increase the congestion in the public street.
 - c. Increase the danger of fire or endanger the public safety.
 - d. Unreasonably diminish or impair established property values within the neighborhood or in any way be contrary to the intent of this Code.
2. The variance is a reasonable use of the land or building and the variance is the minimum required to accomplish this purpose.
3. The variance will be in harmony with the general purpose and intent of the City Code.
4. The variance will not be injurious to the neighborhood or otherwise detrimental to the public welfare.
5. The non-conforming uses of neighboring lands, structures, or buildings in the same district are not the sole grounds for issuance of the variance.

FURTHER, BE IT RESOLVED, that the City Council of the City of White Bear Lake hereby approves the requested variance, subject to the following conditions:

1. All application materials, maps, drawings, and descriptive information submitted in this application shall become part of the permit.
2. A zoning permit shall be obtained and all required inspections shall be scheduled. Any changes which are cited as necessary by the building department shall be made no later than August 31, 2019.
3. The structure shall not be used for storage or parking.

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

Approval is contingent upon execution and return of this document to the City Planning Office. I have read and agree to the conditions of this resolution as outlined above.

Tom Wilson Date



City of White Bear Lake
Community Development Department

MEMORANDUM

To: Ellen Richter, City Manager

From: The Planning Commission

Through: Samantha Crosby, Planning & Zoning Coordinator

Date: December 5, 2018 for the December 11, 2018 City Council Meeting

Subject: **NW QUADRANT COUNTY ROAD E & LINDEN AVENUE
Comprehensive Plan Amendment – Case # 18-1-CPA**

REQUEST

A Comprehensive Plan Amendment — both map and text, to reguide 4.6 acres from “Commercial” to “High Density Residential” and to clarify that more than 17 dwelling units per acre is allowed when approved through a Planned Unit Development.

SUMMARY

A few neighbors expressed concerns, mainly in regards to increased vehicular traffic arising from increased density. Other concerns voiced were increased foot traffic, building height, overflow of parking, and impact on surrounding property values. The Planning Commission pointed out that housing would be less impactful than many potential commercial uses such as a 24-hour retail pharmacy with a drive through, a dollar store, a gas station or auto repair. On a 7-0 vote, the Planning Commission recommended approval of the amendment as proposed.

So far, we have received two comments from adjacent or affected jurisdictions – one from Gem Lake expressing concern for the need for sidewalks, and one from Ramsey County Manager’s Office in support. All other responses so far have been “no comment”. These two comments are attached for your consideration.

RECOMMENDED COUNCIL ACTION

Approval of the attached resolution of approval.

ATTACHMENTS

1. Resolution of Approval
2. Gem Lake Comment Form
3. Ramsey County Manager’s Office Comment Form

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING APPROVAL OF BOTH A
TEXT AMENDMENT TO THE LAND USE SECTION AND
AN AMENDMENT TO THE LAND USE CLASSIFICATION MAP
OF THE 2030 COMPREHENSIVE PLAN,
SUBJECT TO APPROVAL BY THE METROPOLITAN COUNCIL**

WHEREAS, the following five properties at the northwest corner of Linden Avenue and County Road E are currently guided “Commercial” by the 2030 Land Use Classification Map:

17XX County Road E / PID # 27302244020,
1709 County Road E / PID # 273022440014,
1713 County Road E / PID # 273022440013,
1715 County Road E / PID # 273022440012, and
A land-locked parcel PID # 273022440199; and

WHEREAS, the City believes it is in the best interest of the City and the neighborhood for the properties to be slated for redevelopment as high density residential; and

WHEREAS, density may be increased when approved as part of a Planned Unit Development; and

WHEREAS, the City of White Bear Lake Planning Commission has held a hearing on the item on November 26, 2018; and

WHEREAS, relevant jurisdictional agencies have been given the opportunity to review and comment upon the proposed amendments, as required by the Metropolitan Council; and

WHEREAS, the relevant jurisdictional agencies have all responded with no concerns; and

WHEREAS, the City of White Bear Lake is required to submit amendments to the Metropolitan Council for review of their consistency with the regional policy plans;

NOW, THEREFORE, BE IT RESOLVED, by the City Council, in and for the City of White Bear Lake, that both change to the text of the plan and the reclassification of the subject properties from “Commercial” to “High Density Residential” are hereby approved, subject to final review and approval by the Metropolitan Council.

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
**County Road E & Linden Avenue – Comprehensive Plan Amendment
Adjacent and Affected Jurisdiction Review and Comment Form**

Date: December 3, 2018

Jurisdiction: City of Gem Lake

Reviewer Name (Print): Robert L. Uzpen, Jr.

Reviewer Title: Mayor, City of Gem Lake

Reviewer Signature: 

Please check the appropriate box:

- I acknowledge receipt of the above cited comprehensive plan amendment notification and do not have any comments, and therefore waive further review/comment on the amendment.
- I have received the above cited comprehensive plan amendment notification and offer the following comments: (attach additional pages if necessary)

This will affect the foot traffic in Gem Lake requiring the addition of sidewalks where today none exist. A large expensive that we can not afford.

Please respond to Samantha Crosby via email at scrosby@whitebearlake.org
or by post mail 4701 Highway 61, White Bear Lake, MN 55110.
Please respond as soon as possible; the 60 day review period ends on Friday December 28, 2018.


City of White Bear Lake
**County Road E & Linden Avenue – Comprehensive Plan Amendment
Adjacent and Affected Jurisdiction Review and Comment Form**

Date: 11/26/2018

Jurisdiction: Ramsey County

Reviewer Name (Print): MAX HOLDHUSEN

Reviewer Title: SENIOR POLICY ANALYST

Reviewer Signature: 

Please check the appropriate box:

- I acknowledge receipt of the above cited comprehensive plan amendment notification and do not have any comments, and therefore waive further review/comment on the amendment.
- I have received the above cited comprehensive plan amendment notification and offer the following comments: (attach additional pages if necessary)

The rezoning aligns with the planning of the Rush Line Corridor. Higher Density development is supported by the Metropolitan Council's guidelines for land use around METRO stations.

Please respond to Samantha Crosby via email at scrosby@whitebearlake.org
or by post mail 4701 Highway 61, White Bear Lake, MN 55110.

Please respond as soon as possible; the 60 day review period ends on Friday December 28, 2018.



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Mayor and City Council

From: Ellen Richter

Date: December 5, 2018

Subject: **Fee Schedule Ordinance 2019 – Second Reading**

BACKGROUND

As part of the annual budgeting process, staff reviews the City's fee schedule to determine whether any changes are recommended.

First reading of the proposed fee schedule was held during the November 13th Council meeting to coordinate its adoption with final consideration of the City's 2018 annual budget on December 11.

SUMMARY

Since first reading, the following represents changes and additional justification for proposed fee changes.

State Licensed Gambling Investigation Fee

Review of Municipal Codes 1111 and 1002.200 pertaining to charitable gambling licenses reveals that the City does not background check the gambling manager or their organization as the state conducts these background checks for licensing purposes. Further, as described in the City's code, the applicant who applies for the gambling endorsement is the liquor licensee. The liquor licensee already undergoes a significant background investigation to become licensed in the City. This fee is obsolete and recommended for removal.

Solicitor's License Fee

The City had been charging \$50 for each company for unlimited solicitors. Some companies have been bringing in large groups of people, each requiring a criminal background investigation, many of which are out of state and require more time to investigate. To recover the time to process these background checks and additional paperwork, staff suggests capping the number of solicitors to two (2) for \$50, with \$10 for each additional solicitor.

Boatworks Commons

Since first reading the fees for Boatworks Commons rental, which were adopted by resolution at the end of 2017, had not been updated on the fee schedule. The actual cost of cleaning has increased from \$50 to \$55. Staff proposes the fee schedule be flexible to adjust for the ability to recover the actual costs of cleaning.

B. BOATWORKS COMMONS

City hosted and School District events – Gratis. Hosting agency responsible for set-up, clean-up and tear down

	<u>Civil/Non-Profit</u>	<u>Proposed</u>
Less than 20 attendees (group sets & cleans)	Gratis	No change
Greater than 20 attendees	\$50.00 flat fee + \$50 cleaning	\$50 flat + actual clean costs
Private sector up to 4 hrs (incl set & clean)	\$500.00 minimum fee	No change
Private sector additional hours (max 2)	\$50/hour	No change

Park Fees

To correct the first memo, the City's Park Fees were last increased in 2011 (9 years ago). Park rental fees are not intended to fully recover the cost for maintaining all of the City's parks and open spaces. However, since 2011 maintenance costs have increased approximately \$230,000 amounting to \$730,000 expended annually on park maintenance today. Park rentals have increased over the past two years (evidenced by revenues below), which puts more demand on park maintenance to turn parks around for the next rental. Intermittent vandalism and the amount of time/cost to repair and clean each park for rental continues to increase.

A review of the minutes of December 2010 discussing park fee increases outlines another justification, which remains valid today. Staff continue to process several special event applications throughout the year, which take time and consideration from the Administrative, Police and Public Works Departments. Proposed fee increases are "designed to partially offset direct and indirect expenses associated with coordinating related services such as park and restroom maintenance, garbage removal and disposal, application review and service coordination."

The amount of revenue generated from park rental fees annually since 2005 is shown below:

2005	7,900	2012	16,430
2006	8,325	2013	17,405
2007	8,950	2014	16,185
2008	9,125	2015	14,980
2009	8,850	2016	15,915
2010	8,650	2017	19,400
2011	16,345	2018 (through Nov.)	19,905

RECOMMENDED COUNCIL ACTIONS

1. Staff recommends Council adopt the Ordinance establishing the 2019 Fee Schedule.
2. Staff recommends Council adopt the summary resolution to facilitate publication.

ATTACHMENTS

Summary Resolution

Ordinance – Fee Schedule 2019

Fee Schedule

Memo from November 13, 2018



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Mayor and City Council

From: Ellen Hiniker

Date: November 6, 2018

Subject: **First reading of ordinance establishing 2019 fee schedule**

BACKGROUND

As part of the annual budgeting process, staff reviews the City's fee schedule to determine whether any changes are recommended. Because the City's fee schedule is adopted by ordinance, first reading is being held at the November 13th Council meeting to coordinate its adoption with final consideration of the City's 2019 annual budget on December 11, 2018. Below is a description of each proposed change included in the attached document. Additional information regarding rates adjustments for the enterprise funds is available in the draft budget document.

General Fees/Fines (proposed changes)

On Sale Temporary Malt Liquor License: The City does not receive requests for temporary malt liquor licenses unless accompanied by a wine license application, within which the fees are already incorporated.

Tent Permits: In order to comply with State regulations, the City's Fire Marshal is tasked with ensuring tents over 400 square feet in size are inspected and in compliance with State Fire Code. This proposed \$50 site inspection fee is intended to recuperate associated staff costs.

Ambulance Fees: A 2018 comprehensive review of ambulance service delivery and operations resulted in significant reorganization of the Fire Department. A combination Paramedic/Firefighter staffing model was implemented to address shortfalls in call response. The department added 4 fulltime Paramedic/Firefighters in 2018 and proposes to add another 4 in 2019.

Beginning in 2019, the Ambulance Fund budget will include 80% of the staffing costs while the remaining 20% will be reflected in the Fire Department budget. As an Enterprise Fund, the Ambulance Fund operates similar to a private business with revenues from user charges funding operational costs.

The ability to generate additional revenues is dependent on 30% of all calls, which represents those calls for people not on Medicaid or Medicare. Federal restrictions on reimbursement for

Medicaid and Medicare patients reduced collections by approximately 1,750,000 in 2017. The calculations used to arrive at proposed 2019 rates assume a 2.00% increase in Medicare and Medicaid reimbursement rates.

Call Type	Effective 5/1/2017	Effective 1/1/18	Proposed 1/1/19
Basic Life Support	1,195.00	1,285.00	1,415.00
Advanced Life Support – 1	1,575.00	1,695.00	1,865.00
Advanced Life Support – 2	1,720.00	1,850.00	2035.00
Treatment No Transport	400.00	430.00	475.00
Mileage per mile	24.75	26.60	30.00

Section 5 - Administrative Offenses: Last increased by Resolution in 2013, it is proposed that fees for Ordinance violations be incorporated into the fee schedule for improved transparency. The more common violations are called-out in the schedule with specific fines assigned; a fee of \$50 is proposed for all other ordinance violations not specifically listed in the fee schedule.

Armory: The hourly rental rate for non-residents has been same as for residents. A \$10 increase for the non-resident fee is proposed to be consistent with the City’s practice of providing a discount for residents.

Pioneer Manor: Rent increases for Pioneer Manor have been adopted by resolution annually since 1997, but are being incorporated into the fee schedule for improved transparency and process efficiencies. In 2018, the aging facility required new carpeting for the common area at a cost of approximately \$20,000. The 2019 budget accounts for the need to begin replacement of washers and dryers at an annual cost of \$25,000. To accommodate operational cost adjustments as well as addressing infrastructure needs, rents are proposed to increase approximately 1.5%. Rent increases would become effective April 1, 2019. Proposed adjustments (below) represent approximately half of the 2019 social security adjustment.

	Current Rents	Proposed Rents
1 Bedroom	\$690.00	\$705.00
1 Bedroom/Den	\$740.00	\$755.00
2 Bedroom	\$805.00	\$825.00
2 Bedroom Deluxe	\$855.00	\$875.00
Garage	\$56.00	\$57.00

Park Facilities: Park rental fees have remained the same for nearly 19 years. For nearby comparisons, Vadnais Heights charges \$70 for picnic shelter rental for residents and \$150 for non-residents. Stillwater charges \$50 for residents and \$100 for non-residents for gazebos or picnic shelters. Staff proposes a \$15 - \$25 increase in its park rental fees, depending upon the facility and user category, as illustrated in the attached fee schedule.

Sports Center: Skating School participants are required to pay for Ice Skating Institute (ISI) membership. Rather than add confusion to the registration process by requiring this \$15 separate membership fee, staff proposes absorbing the cost of ISI membership into the cost of weekly group lessons, which have been adjusted accordingly.

Sewer Rates

After multiple years without a sewer rate increase, the City began adjusting rates during 2016 to avoid a fund deficit. The increase did not alleviate the issue; therefore, the rates adjusted again in 2017 and the fund balance was stabilized through a one-time contribution from the Non-Bonded Debt Service Fund. Minimal rate adjustments in 2018 and 2019 continue to offset operating expenditures and create a financial base for future years. However, the Metropolitan Council Environmental Services (MCES) charges comprise 77% of total expenditures.

MCES 2019 sewer disposal rates will increase 5.75% in 2019, while City operational costs are projected to increase 1.25%. The proposed rate adjustment is expected to provide an adequate operating reserve, \$200,000 then available for infrastructure improvements.

	2018 Rates	2019 Proposed
0 – 8 units	\$31.75	\$33.45
Unit (750 gallons)	\$3.95	\$4.15

Water Rates

The water fund continues to experience financial challenges. During 2018, the fund had to support five significant water main breaks:

1. Buerkle Road – wetlands
2. White Bear Parkway and North Birch Lake Road
3. American Inn – East of 35E
4. 35E right of way line fracture
5. Orchard Lane/Court

Water main breaks have resulted in 2018 expenditures exceeding projections by \$120,000. A total of \$125,000 was transferred from the Non-Bonded fund to offset these extraordinary costs. As a result, the revised 2018 water fund budget has \$25,000 available for additional repairs through fiscal 2018. Proposed 2019 increases to water rates should be sufficient to pay back the Non-Bonded Fund for its 2018 contribution. The proposed 2019 water rate structure is as follows:

Residential Water Customers Current Rates		Proposed Rates	Commercial / Industrial Water Customers – Current Rates		Proposed Rates
0 - 8 units	\$12.30per quarter	\$13.40 per quarter	0- 8 Units	\$ 12.30 per quarter	\$13.40 per quarter
Winter quarter rate*	\$1.45 per unit	\$1.60 per unit	8 – 27 units	\$ 1.40 per unit	\$1.55 per unit
Non-winter quarter rate**	\$1.80 per unit	\$1.95 per unit	27 – 75 units	\$ 1.45 per unit	\$1.60 per unit
			Over 75 units	\$ 1.65 per unit	\$1.80 per unit
			Non-winter quarter rate	\$ 1.80 per unit	\$1.95 per unit

Refuse Rates

Since fall of 2016, Republic Services has been under contract with the City to provide comprehensive residential refuse and recycling services. Staff has been very pleased with the responsiveness of the company and overall service to our community. Hauler fees increased 2% in 2018 according to contract language and it is anticipated that an additional 2% adjustment will occur in 2019.

The City pays the Newport Ramsey-Washington Recycling & Energy Facility directly for City disposal tonnage. Removal and disposal fees represent 86% of the fund's annual expenditures. The Newport facility disposal fee will increase 2.6% in 2019. The County will reduce its disposal rebate fee by 17%. Below represents net disposal costs over the past three years:

<u>Year</u>	<u>Cost per ton</u>	<u>County Rebate</u>	<u>Net Disposal</u>	<u>% increase</u>
January 2017	70.00	12.00	58.00	0.00%
January 2018	77.00	12.00	65.00	12.07%
January 2019	79.00	10.00	69.00	6.15%

To compensate for hauling and disposal cost adjustments, 2019 rate adjustments of approximately 5.5% are recommended to increase as follows:

<u>Service</u>	<u>Current Rates</u>	<u>Proposed Rates</u>
30 gallon (Senior)	\$10.00	\$10.55
30 gallon	\$10.25	\$10.80
60 gallon	\$15.05	\$15.90
90 gallon	\$20.50	\$21.65

With the adoption of these proposed rates, the projected fund balance at the end of 2019 is projected to total \$83,272.

RECOMMENDED COUNCIL ACTION

No action required. Second reading will be held on December 11, 2018, at which time Council will be asked to approve the attached fee schedule.

ATTACHMENTS

Proposed Fee Schedule

ORDINANCE NO. 18-12-2033

**AN ORDINANCE ESTABLISHING A FEE
SCHEDULE FOR SERVICES, PERMITS AND
LICENSES**

THE CITY COUNCIL OF THE CITY OF WHITE BEAR LAKE, MINNESOTA DOES ORDAIN
THE FOLLOWING:

SECTION 1. All fees for services, permits and licenses set forth in the City Code, previous fee schedules or otherwise adopted and which are listed in Section 2 of this Ordinance are void, and in lieu thereof, fees for services, permits and licenses are set forth in Section 2 of this Ordinance.

SECTION 2. Annual Fee Schedule 2019 (attached)

SECTION 3. This ordinance becomes effective after approval shall take effect and be in force on January 1, 2019 following its passage and final publication on December 19, 2018.

First Reading: November 13, 2018

Initial Publication: November 21, 2018

Second Reading: December 11, 2019

Final Publication: _____

Codified: _____

Posted on web: _____

City Clerk Initials

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk

RESOLUTION NO.

**A RESOLUTION ESTABLISHING THE TITLE AND
SUMMARY APPROVAL OF ORDINANCE NO. 18-12-2033**

**AN ORDINANCE ESTABLISHING A FEE SCHEDULE
FOR SERVICES, PERMITS AND LICENSES**

FOR PUBLISHED NOTICE.

WHEREAS, the City of White Bear Lake City Council may, pursuant to Ordinance No. 83-6-666, adopt a title and summary of a proposed ordinance to be published in lieu of lengthy entire ordinances, and

WHEREAS, in addition to adopting a title and ordinance summary, the Council shall direct the City Clerk to:

1. Have available for inspection during regular office hours a copy of the entire ordinance.
2. Post a copy of the entire ordinance at the White Bear Lake Branch of the Ramsey County Public Library.
3. Receive an affidavit of publication of the title and summary from the official newspaper.

NOW, THEREFORE, BE IT RESOLVED, that the City of White Bear Lake City Council hereby adopts the aforementioned title and summary for approved Ordinance No. 18-12-2033 as listed below:

**AN ORDINANCE ESTABLISHING A FEE SCHEDULE
FOR SERVICES, PERMITS AND LICENSES**

The ordinance consolidates the City's fee schedule for services, permits and licenses for efficient administration and to facilitate annual review as an integral part of the budget process.

FURTHER, BE IT RESOLVED, that the City of White Bear Lake City Council hereby directs the City Clerk to provide the inspection and publication requirements as listed above.

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

Ayes:
Nays:
Passed:

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk

WHITE BEAR LAKE ANNUAL FEE SCHEDULE - 2019

I. <u>ALCOHOLIC BEVERAGES</u> (RESOLUTION NO. 9538)	<u>FEE</u>	<u>PROPOSED FEE</u>	<u>LAST ADJUSTED</u>
On and Off Sale Malt Liquor License Application & Investigation	100.00	No change	January 13, 2004
On Sale Malt Liquor License	Class A: 175.00 Class B: 275.00	No change No change	January 13, 2004 January 13, 2004
Off Sale Malt Liquor License	Class A: 75.00 Class B: 150.00	No change No change	January 13, 2004 January 13, 2004
On Sale Wine License Application and Investigation Fee	250.00	No change	January 13, 2004
On and Off Sale Liquor License Application and Investigation	500.00	No change	January 13, 2004
On Sale Wine License	Class A: 250.00 Class B: 350.00	No change No change	January 13, 2004 January 13, 2004
On Sale Liquor License	3200.00	No change	January 13, 2004
Off Sale Liquor License	200.00	No change	January 13, 2004
On Sale Sunday Liquor License	200.00	No change	January 13, 2004
On Sale Temporary Malt Liquor License	5.00	No change	January 13, 2004
On Sale Temporary Liquor/Malt/Wine License (any combination)	27.50	No change	January 13, 2004
Club License	100.00	No change	January 13, 2004
II. <u>AMUSEMENT & COMMERCIAL RECREATION</u>	<u>FEE</u>	<u>PROPOSED FEE</u>	<u>LAST ADJUSTED</u>
Bowling Alley License (Res. No. 9538)	25.00/alley	No change	January 13, 2004
Shooting Gallery License (Res. No. 9538)	35.00	No change	January 13, 2004
Pool Hall License (Res. No. 9538)	40.00/table	No change	January 13, 2004
Roller Skating Rink License (Res. No. 9538)	100.00	No change	January 13, 2004
Coin Operated Amusement Devices License (Ord. 1105)	25.00/location 15.00/machine	No change No change	February 8, 2000
Motion Picture Theater License (Ord. 1107)	210.00	No change	January 13, 1981
Public Dances and Dance Hall Permit (Ord. 1107)	30.00	No change	January 13, 1981
Charitable Gambling License (Res. No. 9538)	225.00	No change	January 2017
State Licensed Gambling Investigation Fee—Obsolete, Gambling Board backgrounds the Gambling Manager.	75.00	No change	January 2017
III. <u>BUSINESS AND ADMINISTRATION</u>	<u>CURRENT FEES</u>	<u>PROPOSED FEES</u>	<u>LAST UPDATED</u>
Animals: Dog Kennel License (Ord. 701)	Annually \$ 50.00	No change	January 2017
Animals: Dog License Male/Female (Ord. No. 701)	Every 2 years \$ 20.00	No change	January 2017
Animals: Dog License Neutered/Spayed (Ord. No. 701)	Every 2 years \$ 15.00	No change	January 2017
Animals: Dog License Late Fee (Ord. No. 701) / replacement license	\$ 5.00	No change	January 2017
Animals: Potentially dangerous dogs	\$120.00		January 2018
Animals: Dangerous dogs	\$500.00		January 2018
Animals: Impounding dogs (Ord. No. 752)	Actual cost of contractor	No change	January 2017
Animals: Impounding/disposal of misc. animals	Actual cost of contractor	No change	January 2017
Cigarette / Tobacco Products License (Res. No. 9538)	Class A: \$ 150.00 Class B: \$ 200.00	No change No change	January 2017 January 2017
Gas Station License	\$ 25.00 / nozzle	No change	January 2017
Public Bench License (Res. No. 9538)	\$ 25.00 / application \$ 20.00 / bench	No change No change	January 2017 January 2017
Copies: 1 to 100 pages (MN Statute, section 13.03)	\$ 0.25 / page	No change	Aug. 1, 2005
Copies: over 100 pages (MN Statute, section 13.03)	Actual cost of data collection and copies		
Copies: Public Records Audio / Visual	\$ 25.00	No change	January 2017
Fax (Res. No. 9538)	\$ 0.50 / sheet	No change	Jan. 13, 2004
Farmer's Market Annual reservation/application fee	\$120		
Farmer's Market Same day temporary permit	\$10		Feb. 23, 2010
Refuse / Recycling Hauler License (Res. No. 9538)	\$ 150.00		January 2017
Return Check Charge (Res. No. 9538)	\$ 30.00	No change	Jan. 13, 2004
Rubbish Hauler and Junk Dealer License (Res. No. 9538)	\$50.00	No change	Jan. 13, 2004
Slaughter and Packing House License (Ord. No. 116)	\$60.00	No change	Jan. 13, 1981
Solicitor/Peddler/Transient Merchant License (max 2 people/company)	\$50.00/month (\$10 for each additional)		January 2017
Taxi Cab Driver License (Ord. No. 1119)	\$35.00	No change	Jan. 13, 1981
Traveling Shows and Circuses License (Ord. No. 1120)	\$310.00	No change	Jan. 13, 1981
Arcades Licenses (Ord. No. 1122)	\$100.00	No change	Dec. 14, 1982
Massage Therapist License	\$25.00	No change	Sept. 8, 2015
Massage Therapist background	\$25.00	No change	Sept. 8, 2015

Adult Establishment License (Ord. 1124)	\$2,000.00		January 2017
Application and background check for adult establishment	\$500 unless out of state check, then actual costs not to exceed	\$1500	
Pawnbroker and Precious Metal Dealer License (Ord. No. 1125)	\$12,000.00	No change	January 2017
Sale of Fireworks License (Res. No. 9366)	\$100.00/location	No change	January 2017
	\$50.00/re-inspection	No change	
Christmas Tree Sales Lot License (Ord. 1103)	\$35.00	No change	Jan.13, 1981
Launch Tags	\$25.00/resident	No change	January 2017
	\$45.00/non-resident	No change	January 2017
Moorings	\$375.00/city resident	No change	January 2017
	\$500.00/non-resident	No change	January 2017
Skids	\$55.00/resident	No change	January 2017
	\$80.00/non-resident	No change	January 2017
Kayak / Canoe Rack	\$45.00/resident	No change	January 2017
	\$60.00/non-resident	No change	January 2017
Duplicate copies of licenses and permits	\$1.00	No change	January 2017
Passport photo	\$15.00	No change	January 2017
Elections Filing	\$5.00	No change	1966

IV. PUBLIC SAFETY

A. FIRE RELATED

	<u>CURRENT FEES</u>	<u>PROPOSED FEES</u>	<u>LAST UPDATED</u>
Pumper Truck (Ord. No. 805)	Actual cost	No change	January 2017
Ladder Truck (Ord. No. 805)	Actual cost	No change	January 2017
Rescue Unit (Ord. No. 805)	Actual cost	No change	January 2017
Chief/Command Unit (Ord. No. 805)	Actual cost	No change	January 2017
Rescue Boat (Ord. No. 805)	Actual cost	No change	January 2017
Hazardous Material Unit (Ord. No. 805)	Actual cost	No change	January 2017
Certificate of Compliance Application	\$6.00/unit (min \$36, max \$250 per building)	No change	January 2017
Biennial Inspection	50% of the original fee	No change	January 2017
Re-inspection if required	\$15.00	No change	January 2017
Tent Permit (over 400 sq feet require fire safety inspection)	\$50.00 per site visit		January 2019

B. AMBULANCE FEES

	<u>CURRENT FEES</u>	<u>PROPOSED FEE</u>	<u>LAST UPDATED</u>
Basic Life Support (BLS)	\$1285.00	\$1415.00	January 2018
Advanced Life Support (ALS1)	\$1695.00	\$1865.00	January 2018
Major Advanced Life Support (ALS2)	\$1820.00	\$2035.00	January 2018
Treatment – No transport	\$430.00	\$475.00	January 2018
Mileage	\$26.60/mile	\$30.00/mile	January 2018

C. ADMINISTRATION

	<u>CURRENT FEES</u>	<u>PROPOSED FEE</u>	<u>LAST UPDATED</u>
Accident Photo	\$25.00 / cd	No change	January 2017
Accident Report: 1 to 100 pages (MN Statutes 13.03)	\$0.25/page	No change	
Accident Report: more than 100 pages	Actual cost of data collection and copies	No change	
Accident Data Review	\$10.00/month	No change	
Transcripts	\$3.00/page	No change	
Finger Printing	Free/resident	No change	
	\$20.00/non-resident	No change	
No parking signs	\$50.00	No change	

V. ADMINISTRATIVE OFFENSES

A. Penalties for Alcohol and Tobacco Sales:

	<u>CURRENT FEE</u>	<u>LAST UPDATED</u>
Purchase, possession	\$50.00	January 2013
Underage consumption	\$50.00	
Lending ID to underage person	\$100.00	
License holder, first offense	\$150.00	
License holder, second offense within 12 months	\$275.00	
License holder, third offense within 18 months	\$500.00	
Other alcohol and tobacco related offenses	\$100.00	

B. Animals:

Vicious animal	\$50.00	January 2013
Other animal violation	\$25.00	

	<u>CURRENT FEE</u>	<u>LAST UPDATED</u>
C. Parking:		
Handicap zone	\$50.00	January 2013
Fire lane	\$25.00	
Snowbird	\$25.00	
Blocking fire hydrant	\$25.00	
Other illegal parking	\$25.00	
D. Fires:		January 2013
Open fires	\$25.00	
Fire Code violations	\$100.00	
E. Noise complaints:		January 2013
Loud party	\$25.00	
Loud party second offense in 2 months	\$50.00	
Other complaints	\$30.00	
F. Administrative penalties not otherwise called out in the fee schedule	\$50.00	NEW
Seat belts	\$25.00	January 2013
Expired license plates/tabs	\$20.00	January 2013
Subsequent administrative offenses within 12 months increased 25%		

VI. RENTALS

A. PIONEER MANOR (effective Apr 1, 18 – Mar 31, 19)	<u>CURRENT FEE</u>	<u>PROPOSED FEE</u>	<u>LAST UPDATED</u>
1 Bedroom	\$690.00	\$705.00	April 2018
1 Bedroom/Den	\$740.00	\$755.00	April 2018
2 Bedroom	\$805.00	\$825.00	April 2018
2 Bedroom Deluxe	\$855.00	\$875.00	April 2018
Garage	\$56.00	\$57.00	April 2018

B. BOATWORKS COMMONS		<u>LAST ADJUSTED</u>
City hosted and School District events – Gratis. Hosting agency responsible for set-up, clean-up and tear down		Dec. 12, 2017
	<u>Civil/Non-Profit</u>	<u>Proposed</u>
Less than 20 attendees (group sets & cleans)	Gratis	No change
Greater than 20 attendees	\$50.00 flat fee + \$50 cleaning	\$50 flat + actual clean costs
Private sector up to 4 hrs (incl set & clean)	\$500.00 minimum fee	No change
Private sector additional hours (max 2)	\$50/hour	No change

C. PARK FACILITIES	<u>Resident</u>	<u>Non-Resident</u>	<u>For Profit & Corporate</u>	<u>PROPOSED FEE</u> <u>Resident / Non-Res / Profit</u>	<u>LAST ADJUSTED</u> October 2010
Bossard, Ramaley, Rotary, Spruce and Jack Yost Parks	\$ 25.00	\$ 75.00	\$ 100.00	\$50 / \$100 / \$125	
Podvin Park (pavilion only)	\$ 35.00	\$ 90.00	\$ 150.00	\$50 / \$110 / \$175	
Podvin Park (kitchen & mtg rm)	\$ 75.00	\$ 125.00	\$ 225.00	\$100 / \$150 / \$250	
Podvin Park (full facility)	\$ 100.00	\$ 200.00	\$ 300.00	\$125 / \$225 / \$325	
Lakewood Hills (pavilion only)	\$ 35.00	\$ 90.00	\$ 150.00	\$50 / \$110 / \$175	
Lakewood Hills (kitchen & pavilion)	\$ 75.00	\$ 125.00	\$ 225.00	\$100 / \$150 / \$250	
Lakewood Hills (ballfields)	\$75.00	\$125.00	\$ 225.00	\$100 / \$150 / \$250	
Matoska Park	\$25.00 for two hours maximum			\$50 for two hours max	
Stellmacher Park	\$ 35.00	\$ 90.00	\$ 150.00	\$50 / \$110 / \$175	
West Park	\$ 35.00	\$ 90.00	\$ 150.00	\$50 / \$110 / \$175	
Trash pick-up and disposal	Community and Non-Profit		Profit/Co.		
Events over 100 people			\$ 50.00		
Events over 250 – 500 ppl	\$ 50.00 flat fee		\$ 75.00		
Every additional 250 ppl			+ \$ 25.00		
Spray paint of any kind			\$ 250.00		

D. WHITE BEAR LAKE SPORTS CENTER	<u>TAX INCLUDED</u>	<u>NON-TAXABLE</u>	<u>PROPOSED FEE</u>	<u>LAST UPDATED</u>
ICE RENTAL MARCH – AUGUST				January 1, 2017
Prime Time	\$160.00/hr	\$150.00/hr	No change	
—Weekend	\$160.00/hr	\$150.00/hr		
Non-Prime	\$135.00/hr	\$125.00/hr	No change	
ICE RENTAL SEPTEMBER – FEBRUARY				
Prime Time	\$203.50/hr	\$190.00/hr	No charge	

Weekday, 8am – 3pm	\$160.00/hr	\$150.00/hr	No change	
Non-Prime and after 9pm	\$145.00/hr	\$135.00/hr	No change	
SKATING SCHOOL		<u>CURRENT FEES</u>	<u>PROPOSED FEES</u>	<u>LAST UPDATED</u>
Group Lessons				January 1, 2017
Weekly (Tot-PreAlpha & Power)	\$9.50 per weeks in session		\$11.00 per weeks in session	
Weekly (Alpha – Delta & Adults)	\$14.25 per weeks in session		\$16.50 per weeks in session	
Freestyle Levels	\$18.00 per weeks in session		\$21.00 per weeks in session	
Contract (Open & Intermediate)	\$11.00 per weeks in session		\$12.00 per weeks in session	
Contract (High Level)	\$12.00 per weeks in session		\$13.00 per weeks in session	
Drop In		\$13.00	No change	
Morning	\$7.00 before school		No change	
Open Skate		\$5.00	No change	
Skate Rental		\$4.00	No change	
Open Hockey	\$6.00 per session		No change	
Dead Ice	\$7.00/hour		No change	

SKATE SHOW

IS	\$15.00
Annual Skating Show	\$125.00
Additional Show Packages	\$100.00
Parent/Child Skate	\$75.00

COURT FEES

Monthly	\$50.00	No change
3 Month	\$115.00	No change
6 Month	\$205.00	No change
Wally Ball	\$30.00 per 1.5 hours, \$33 per 2hrs/court	No change
Racquetball	\$8.00 per person per hour	No change
Dodgeball	\$12.00 per court	No change

MISC. FEES AND CHARGES

Meeting Room Rental	\$10.00/hour	\$15.00/hr
Aerobic Room Rental	\$15.00/hour	\$20.00/hr
Locker Room Rental	\$2.00/month	\$5.00/month

E. ARMORY FACILITY (Resolution No. 11844)

	<u>Current Resident</u>	<u>Proposed Resident</u>	<u>Current Non-resident</u>	<u>Proposed Non-resident</u>	<u>LAST ADJUSTED</u>
Private Party					
Full Day with kitchen (including set up)	\$650.00	No change	\$900.00	No change	July 12, 2016
Kitchen	\$100.00	No change	\$150.00	No change	
Hourly rate (1-7 hours) Mon. – Thurs.	\$80.00	No change	\$80.00	\$90.00	
Fri. – Sun.	\$100.00	No change	\$120.00	No change	
City staff is available for set-up per hour rate	Contract Rate	No change	Contract Rate	No change	
Security Contract Rate (refunded if re-rented)	\$27.00/hr	No change	\$27.00/hr	No change	
Down payment	\$275.00	No change	\$375.00	No change	
Damage deposit	\$350.00	No change	\$500.00	No change	
Hourly Activities					
Athletics/Special Events/Meeting Room	\$25.00/hr	No change	\$25.00/hr	No change	

Daily Activities	White Bear		White Bear		Non-Resident		<u>LAST ADJUSTED</u>
	Non-Profit	Proposed	Groups/Clubs	Proposed	Non-Profit	Proposed	
1 day	\$0.00	No change	\$90.00	No change	\$135.00	No change	July 12, 2016
2 days	\$50.00	No change	\$160.00	No change	\$245.00	No change	
3 days	\$75.00	No change	\$260.00	No change	\$390.00	No change	
4 days	\$100.00	No change	\$355.00	No change	\$510.00	No change	

VII. PLANNING AND ZONING

	<u>FEE</u>	<u>PROPOSED FEE</u>	<u>LAST ADJUSTED</u>
Address List	\$30.00	No change	January 13, 2004
Comprehensive Plan Amendment (Ord. No. 1301.010)	\$500.00	No change	January 13, 2004
Conditional Use Permit: Fee (Ord. No. 1301.050)	\$400.00	No change	January 13, 2004
Conditional Use Permit Amendment	\$200.00	No change	January 13, 2004
Grading Plan Review (over .5 acre in size)	\$250.00	No change	2010
Grading Plan Review (less than .5 acre in size)	\$75.00	No change	2010
Home Occupation: Permit Fee (Ord. No. 1303)	\$50.00/permitted, \$100.00 special	No change	April 12, 1994
Rental Dwelling License (Ord. No. 508.020)	\$50.00 plus \$7.00/unit over 3 units	No change	Nov. 26, 1991

Late Fees	25% plus original fee/1-7 days past due		
	50% plus original fee/8 or more days past due		
	Legal procedures begin/30 days past due		
Re-inspection Fee	25% of license fee or \$50.00 whichever is greater		
License Transfer (Ord. No. 508-090)	\$50.00	No change	January 2017
Planned Unit Development (Ord. No. 1301.070)	\$750.00	No change	January 2017
Rezoning: Application Fee (Ord. No. 1301.040)	\$750.00	No change	January 2017
Subdivision: Preliminary Plat (Ord. No. 1407)	\$500.00	No change	January 2017
Final Plat	\$100.00	No change	January 2017
Subdivision: Minor Subdivision/Lot Split (Ord. No. 1407)	\$250.00	No change	January 2017
Vacation (City Charter, Section 8.02)	\$250.00	No change	January 2017
Variance Permit (Ord. No. 1407)	\$250.00/residential	No change	January 2017
	\$500.00/commercial & industrial	No change	January 2017
Administrative Variance (Ord. No. 1408)	\$25.00	No change	January 13, 2004
Zoning Letter (Res. No. 9538)	\$75.00	\$75.00	January 2017
Sign Permit: Permanent (Ord. No. 1115)	\$50.00/wall	No change	September 8, 1987
	\$30.00 / temporary banner, sign, or reface	No change	September 8, 1987
	\$150.00/free standing and dynamic display	No change	January 2017
	\$300.00/billboard	No change	September 8, 1987
	\$200.00/administrative fee for erecting a sign before the permit is issued	No change	September 8, 1987
Dynamic Display Sign duplicated from sign permit section	\$150.00	No change	January, 2017
Park Dedication: Single Family Dwelling (Res. No. 9538A)	\$1,200.00/unit	No change	January 2017
Park Dedication: Townhome, Condominium, Duplex, Dwelling (Res. 9538A)	\$1,000/unit	No change	January 2017
Park Dedication: Apartment Dwelling (Res. No. 9538A) \$500/1 bdrm, 100/each add bdrm	\$750/\$150 no change		January 2017
Park Dedication: Commercial & Industrial (Res. No. 9538A)	\$3,500.00/acre	No change	January 13, 2004
Zoning Permit: Shed, Driveway, Fence, Detached Decks under 30" , Hot Tubs Pigeons, Hens, Bees	\$50.00/each	No change	January 2017
Time Extension for CUP	\$50.00	No change	January 2017

VIII. UTILITIES

1. CONSUMPTION RATES:

A. WATER RATES:		PROPOSED RES. FEES	CURRENT FEES:	PROPOSED FEES	LAST ADJUSTED	
Residential Water Customers			Commercial / Industrial Water Customers			
0 - 8 units	\$12.30 per quarter	\$13.40 per quarter	0- 8 Units	\$ 12.30 per quarter	\$13.40 per quarter	January 1, 2018
Winter quarter rate*	\$1.45 per unit	\$1.60 per quarter	8 – 27 units*	\$ 1.40 per unit	\$1.55 per quarter	January 1, 2018
Non-winter quarter rate**	\$1.80 per unit	\$1.95 per quarter	27 – 75 units*	\$ 1.45 per unit	\$1.60 per quarter	January 1, 2018
			Over 75 units*	\$ 1.65 per unit	\$1.80 per quarter	January 1, 2018
			Non-winter quarter rate**	\$ 1.80 per unit	\$1.95 per quarter	January 1, 2018

* Rate for consumption over 8 units in the winter quarter & "base" for the other three (3) quarterly billing cycles

**Rate for consumption above the winter quarter rate for the other three (3) quarterly billing cycles

B. SEWER RATES:	CURRENT FEES	PROPOSED RATES	LAST ADJUSTED
0 – 8 units	\$31.75	\$33.45	January 1, 2018
Unit (750 gallons)	\$3.95	\$4.15	January 1, 2018

C. REFUSE / RECYCLING RATES	CURRENT FEES	PROPOSED RATES	LAST ADJUSTED
30 Gallon Senior – monthly	\$10.00	\$10.55	January 1, 2018
30 Gallon Service – monthly	\$10.25	\$10.80	January 1, 2018
60 Gallon Service – monthly	\$15.05	\$15.90	January 1, 2018
90 Gallon Service – monthly	\$20.50	\$21.65	January 1, 2018

D. LAKE LEVEL LITIGATION FEE*:	CURRENT RATES	PROPOSED RATES	LAST ADJUSTED
Residential	\$4.00 quarterly	No change	February 1, 2017
Commercial	\$17.50 quarterly	No change	February 1, 2017

*Imposed until legal fees are recovered and includes communities that purchase municipal water from the City

2. MISCELLANEOUS

A.	CURRENT FEES	PROPOSED RATES	LAST ADJUSTED
Sewer Line Televising	\$150.00	\$155.00	January 2018
Sewer Line Televising for Street Reconstruction	\$75.00	\$77.00	January 2018
Temporary Shut Off / Turn On for Non-Maintenance (snow birds, realtors, foreclosures:			
November 1 st – March 31 st	\$125.00 / visit	\$130.00	January 2017
April 1 st – October 31 st	\$75.00	\$80.00	January 2017

B. HYDRANT METER RENTAL:	CURRENT FEES	PROPOSED FEES	
Cost of inspection, use and administration (not prorated)	\$50.00/month	\$52.00/mth	January 2017
Charge for water used based on either metered amount or 6 billing units per month, whichever is greater. Charges assessed at maximum summer consumption rate in effect on the date the hydrant meter is returned.			January 2017
Dec 1 – Apr 1, additional rental charge for extraordinary inspection (not prorated)	\$30.00/month	\$32.00/mth	January 2017
Applicants will be responsible for breakage or damage to hydrant, meter or other works at actual repair or replacement costs.			January 2017

IX. BUILDING DEPARTMENT LICENSES AND PERMITS

1. WATER AND SEWER CONNECTION FEES

Buildings or dwellings existing or constructed in the City of White Bear Lake must connect to the municipal water and sanitary sewer system so long as it is reasonably available. Metropolitan Council Sewer Access Charge (SAC) units and fees are established by the Metropolitan Council per state statute MN 473.517. Prior to connecting to public utilities, the owner or representative must pay the following fees:

A. UNIT PERMIT FEE SCHEDULE (Note: State surcharge = \$1.00):	CURRENT FEES	PROPOSED FEES	LAST UPDATED
Street excavation / refundable deposit	\$ 30.00 / \$ 1,500	\$ 32.00/\$1550	January 2017
Water Tap (Each)	\$ 25.00	\$ 27.00	January 2017
Sewer Tap (Each)	\$ 25.00	\$ 27.00	January 2017
Sewer Disconnect Only	\$40.00	\$ 42.00	January 2017
Water Disconnect Only	\$40.00	\$42.00	January 2017
Sewer and Water Disconnect	\$70.00	\$ 73.00	January 2017
Water Line Install or Repair (Residential)	\$ 40.00	\$ 42.00	January 2017
Sewer Line Install or Repair (Residential)	\$ 40.00	\$ 42.00	January 2017
Water Line Install or Repair (Commercial)	\$ 55.00	\$ 57.00	January 2017
Sewer Line Install or Repair (Commercial)	\$ 55.00	\$ 57.00	January 2017
Hydrostatic and Conductivity Test (Each)	\$ 55.00	\$ 57.00	January 2017
Storm sewer	\$ 40.00	\$ 42.00	January 2017
Individual Sewage Treatment System – New Installation or Replacement of existing system	\$ 200.00	\$ 206.00	January 2017
Individual Sewage Treatment System - Repair or Alteration of existing system	\$ 100.00	\$103.00	January 2017
Individual Sewage Treatment System Abandonment	\$ 50.00	\$ 52.00	January 2017

B. SEWER CONNECTION FEES	CURRENT FEES	PROPOSED FEES	LAST UPDATED
Single Family Dwellings	\$650.00 per dwelling	\$670.00	January 2017
Two Family Dwellings	\$1,300.00 per dwelling	\$1340.00	January 2017
Multiple Dwellings	\$400.00 per unit	\$415.00	January 2017
Commercial and Industrial (minimum of 1 unit charged)	\$1,000 per acre or \$650 per unit for each 100,000 gallons of estimated annual flow	\$1030/acre or \$670/unit	January 2017

C. WATER CONNECTION FEES	CURRENT FEES	PROPOSED FEES	LAST UPDATED
Single Family Dwellings	\$650.00 per dwelling	\$670.00	January 2017
Two Family Dwellings	\$1,300.00 per dwelling	\$1340.00	January 2017
Multiple Dwellings	\$400.00 per unit	\$415.00	January 2017
Commercial and Industrial (minimum of 1 unit charged)	\$1,000 per acre or \$650 per unit for each 100,000 gallons of estimated annual flow	\$1030/acre or \$670/unit	January 2017

D. BUILDING TRADE CITY LICENSES	CURRENT FEES	PROPOSED FEES	LAST ADJUSTED
Mechanical / Gas Piping/Tree Trimmer License (Class II)	\$45 / prorated \$35 after 7/1	No change	January 2017
Commercial General Contractor License (Class I)	\$120 / prorated \$35 after 7/1	No change	January 2017

E. PLUMBING PERMIT FEES: (Note: State surcharge = \$1.00)	CURRENT FEES	PROPOSED FEES	LAST ADJUSTED
Residential fee (minimum permit fee)	\$ 40.00	No change	January 2017
Commercial fee (minimum permit fee)	\$ 50.00	No change	January 2017
For each fixture or fixture opening	\$15.00	No change	January 2017
Water Heater / Venting – New Install or Replacement	\$ 50.00	No change	January 2017
Water Softener – New Install or Replacement of existing	\$ 25.00	No change	January 2017
Gas Piping	\$ 30.00	No change	January 2017
Water Piping / Drain / Waste / Vent Alteration or Repair	\$ 50.00	No change	January 2017
Backwater Valve Now considered a fixture	\$ 20.00	No change	January, 2017
Plumbing General Repair	\$ 50.00	No change	January 2017
New backflow Prevention Device (permit required)	\$ 25.00	No change	January 2017
Backflow Prevention Annual Testing Per Device	\$20.00	No change	January 2017

F. MECHANICAL/ELECTRICAL PERMIT FEES: Mechanical permit fees are based on 1% of job valuation or the minimum, whichever is greater plus a state surcharge of .0005% of job valuation. For a review of mechanical plans and other data the fee is equal to 25% of the permit fee or the minimum, whichever is greater.

- HEATING, AC, UNIT HEATERS and IN-FLOOR HEAT: For the installation of any new or replacement central heating and/or air conditioning system, Unit Heaters, or in floor heating with heat source.

	CURRENT FEES	PROPOSED FEES	LAST ADJUSTED
Heating System - minimum fee	\$ 70.00	No change	January 2017
Air Conditioning - minimum fee	\$ 40.00	No change	January 2017
Heating & Air Conditioning - minimum fee	\$ 100.00	No change	January 2017
HVAC for New Residential Construction – minimum fee	\$ 175.00	No change	January 2017
Ductwork Extension or Alteration – minimum fee	\$30.00	No change	January 2017

- HEATING & AC REPAIR: For alteration or repair to any central heating and/or air conditioning system, the permit fee is 1% of the estimated cost or the minimum, whichever is greater plus state surcharge of .0005% of valuation.

	CURRENT FEE	PROPOSED FEE	LAST ADJUSTED
Heating & Air Conditioning Repair - minimum fee	\$ 30.00	No change	January 2017

- MISCELLANEOUS APPLIANCE OR EQUIPMENT: For each appliance or piece of equipment regulated by the code, but not classed in other appliance categories, or for which no other fee is listed in the code.

	CURRENT FEE	PROPOSED FEE	LAST ADJUSTED
Miscellaneous Mechanical Equipment - minimum fee	\$ 40.00	No change	January 2017

- PROCESS PIPING: For the installation, alteration, or repair of each process piping system.

	CURRENT FEE	PROPOSED FEE	LAST ADJUSTED
Process Piping - minimum fee	\$ 40.00	No change	January 2017

- FIREPLACE: For the new installation or replacement of an existing fireplace.

	CURRENT FEE	PROPOSED FEE	LAST ADJUSTED
Fireplace - minimum fee	\$ 50.00	No change	January 2017

6. ELECTRICAL FEES: Electrical fees shall be applied as established in Minnesota Statutes section 326.2441. **The State's Fees** are listed here for convenience. (Note: State surcharge = \$1.00)

Service Panels	Fee
0-400 AMP Service Panel	\$35
401-800 AMP Service Panel	\$60
Above 800 AMP Service Panel	\$100
Circuits / Feeders	
0-200 AMP Circuit/Feeder	\$6 each
Above 200 Circuit/Feeder	\$15 each
Reconnected Circuits	\$2 each
Miscellaneous Items:	
New Single Family Dwelling <u>up to 30 Circuits</u> (0-400 A)	\$135
New Single Family Dwelling <u>up to 30 Circuits</u> (401-800 A)	\$160
Transformers for Light, Heat, Power (up to 10 Kilo/Volt)	\$15
Transformers for Light, Heat, Power (over 10 Kilo/Volt)	\$30
New Multi Family (3+ Units)	\$70 unit
Street, Parking Lot, Outdoor Lighting, Traffic Lights	\$5 each
Transformers/Power Supply for Electric Sign	\$5 each
Technology Circuits (less than 50 volts)	.75 each
Lighting Retrofit Mods to Existing Lights	.25 each
Solar PV System – 0-50 watts	\$60
Solar PV System – 5,000 – 10,000 watts	\$100
Solar PV System – 10,001 – 20,000 watts	\$150
Solar PV System – 20,001 – 30,000 watts	\$200
Solar PV System – 30,001 – 40,000 watts	\$250
Solar–40,001 – 1,000,000 = \$250 + \$25 each 10,000 watts over 1,000,000	\$250+ see left
Solar–1,000,000 – 5,000,000 = \$2,650 + \$15 each 10,000 watts over 1,000,000	\$2650+ see left
Solar–5,000,000 watts and larger = \$8,650 + \$10 each 10,000 watts over 5,000,000	\$8,650+ see left

G. FIRE SUPPRESSION PERMIT FEES

1. FIRE SPRINKLER SYSTEM FEE SCHEDULE (Note: State surcharge = \$1.00)

	<u>CURRENT FEES</u>	<u>PROPOSED FEES</u>	<u>LAST ADJUSTED</u>
Ansul hood (each)	\$ 50.00	No change	January 1, 2017
Automatic fire suppression system:			
1 to 10 heads, including risers	\$ 50.00	\$75.00	January 1, 2017
Each additional 10 heads or fraction thereof	\$ 5.00	No change	January 1, 2017
Each fire alarm (new, addition, upgrade)	\$50.00	\$75.00	January 1, 2017
Each miscellaneous fire related permit	\$50.00	\$75.00	January 1, 2017
Each chemical/Ansul hood extinguisher system	\$50.00	\$75.00	January 1, 2017
Each fuel storage tank installed or removed (under 1000 gallons)		\$75.00 / tank	January 1, 2018
Each fuel storage tank installed or removed (over 1000 gallons)		\$225.00/tank	January 1, 2018
Fire alarm system	\$ 50.00	No change	January 1, 2017
Fire permit plan review	50% of the permit fee	No change	January 1, 2017
Miscellaneous Fire Suppression Permits	\$50.00	No change	January 1, 2017

H. BUILDING CONSTRUCTION (Ord. No. 1201)

LAST ADJUSTED – JANUARY 1, 2017

Building Permit Fees are based on current state valuation costs, <i>plus</i> state surcharge. Permit value shall include total value of work, including materials and labor, for which the permit is being issued, <i>inclusive</i> of building, plumbing, heating, electrical, fire suppression & sewer/water costs. Exceptions: Flat fee permits listed below			
TOTAL VALUATION			FEE
\$1.00	to	\$500	\$30.00
		Proposed Fee:	No change
\$500	to	\$2,000	\$30.00 for the first \$500.00 plus \$3.50 for each additional \$100.00 or fraction thereof, to and including \$2,000.00
		Proposed Fee:	No change
\$2,001	to	\$25,000	\$82.50 for the first \$2,000.00 plus \$16.10 for each additional \$1,000.00 or fraction thereof, to and including \$25,000.00
		Proposed Fee:	No change
\$25,000	to	\$50,000	\$452.80 for the first \$25,000.00 plus \$11.65 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
		Proposed Fee:	No change
\$50,000	to	\$100,000	\$744.05 for the first \$50,000.00 plus \$8.15 for each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
		Proposed Fee:	No change
\$100,001	to	\$500,000	\$1,151.55 for the first \$100,000.00 plus \$6.50 for each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
		Proposed Fee:	No change
\$500,001	to	\$1,000,000	\$3,751.55 for the first \$500,000.00 plus \$5.60 for each addition \$1,000.00 or fraction thereof, to and including \$1,000,000.00
		Proposed Fee:	No change
\$1,000,001		and up	\$5,991.55 for the first \$1,000,000.00 plus \$4.00 for each additional \$1,000.00 or fraction thereof
		Proposed Fee:	No change
Appeal Fee: \$150.00 refunded if appeal granted			
Other Inspections and Fees: \$62.00 per hour or the total hourly cost to the jurisdiction, whichever is the greatest. This cost shall include supervision, overhead, equipment, hourly wages and fringe benefits of employees involved.			
- Inspections outside of normal business hours (two hour minimum charge)			
- Re-inspection fees			
- Inspection for which no fee is specifically indicated (30 minute minimum charge)			
- Additional plan review required by changes, additions or revisions to plans (30 minute minimum charge)			
Outside consultants for plan checking and inspections or both: Actual costs including administrative and overhead costs.			
Certificate of Occupancy = \$20.00			
Plan Review Fee – Residential = 50% of permit fee			
Plan Review Fee – Commercial = 65% of permit fee			

I. STATE SURCHARGE FEES FOR BUILDING PERMITS BASED ON VALUATION: the surcharge is equivalent to one-half mill (.0005) if the fee or \$0.50 cents, whichever amount is greater. For all other permits, the surcharge is as follows:

VALUATION OF STRUCTURE, ADDITION OR ALTERATION		SURCHARGE COMPUTATION	PROPOSED COMPUTATION	
\$ -	to	\$ 1,000,000	.0005 x valuation (minimum \$0.50)	No change
\$ 1,000,000	to	\$ 2,000,000	\$ 500 + .0004 x (value - \$1,000,000)	No change
\$ 2,000,000	to	\$ 3,000,000	\$ 900 + .0003 x (value - \$2,000,000)	No change
\$ 3,000,000	to	\$ 4,000,000	\$ 1,200 + .0002 x (value - \$3,000,000)	No change
\$ 4,000,000	to	\$ 5,000,000	\$ 1,400 + .0001 x (value - \$4,000,000)	No change
\$ 5,000,000		or greater	\$ 1,500 + .0005 x (value - \$5,000,000)	No change

J. FLAT FEE BUILDING PERMITS: (Note: State surcharge of \$1.00)

	CURRENT FEES	PROPOSED FEES	LAST ADJUSTED
Doors	1 door = \$ 80 / 2 or more = \$ 110	No change	January 2017
Egress Windows	1 window = \$ 80 / 2 or more = \$ 110	2 or more \$135	January 2017
Roofs	Res \$ 160 / Commercial \$ 300 / Repair \$ 80	No change	January 2017
Siding	Res \$ 160 / Commercial \$ 300 / Repair \$ 80	No change	January 2017
Soffit/Fascia	Res \$60 / Commercial \$ 120 / Repair \$ 30	No change	January 2017
Windows	1 window = \$ 65 / 2 or more = \$ 120	2 or more \$135	January 2017
Garage Only Roof (residential)		Res \$80	January 2018
Garage Only Siding (residential)		Res \$80	January 2018
Swimming Pools		Above Ground \$75.00 / Underground \$125	January 2018
Roof Solar Panels		Residential \$175/ Commercial \$275	January 2018
Parking Lot Replacement		\$150.00	January 2017

K DEMOLITION AND WRECKING OF BUILDING FEES: Interior \$60 / Accessory structure \$85 / Residential Building \$200 / Commercial Building \$350 (Note: State surcharge of \$1.00)

L. GRADING PERMIT FEES: Residential Site \$ 90.00 and Commercial Site \$350.00, Site over 2 acres \$450.00 / (Note: State surcharge = \$1.00.

M. MISCELLANIOUS BUILDING FEES – (Note: State surcharge = \$1.00)

	CURRENT FEES	PROPOSED FEES	LAST ADJUSTED
Building moving fee for a house	\$ 150.00 + \$1 surcharge	No change	January 2017
Building moving fee for a garage	\$ 60.00 + \$1 surcharge	No change	January 2017



City of White Bear Lake
Finance Director's Office

MEMORANDUM

To: Mayor and City Council

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

Date: December 4, 2018

Subject: **Adoption of 2018 Tax Levy Collectible in 2019 and Adoption of the Revised 2018 and Proposed 2019 Budget**

BACKGROUND

At its regular meeting on September 11, 2018, the City Council adopted a preliminary tax levy, which was used by Ramsey County to develop property tax statements mailed out mid-November. 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 2019 and submitted them to the Finance Department and City Manager's Office for review. A draft of the 2019 Budget was then distributed to Council in early November.

The City Council held a truth-in-taxation public hearing at its regular meeting on November 27th. While there were members of the community present, no one came forward to discuss the proposed tax levy.

Attached is the memorandum distributed to Council last month that details elements of the proposed 2019 budget, its impact on the tax levy, and the levy's consequent impact on property owners. There have been no changes, nor recommendations for changes to the proposed budget as presented earlier in November.

RECOMMENDATION

A \$6,345,000 2018 tax levy, collectible in 2019, is presented for the Council's consideration.

Staff recommends approval of the following resolutions as presented in the 2019 budget document:

- 1) The Resolution adopting the 2018 tax levy collectible in 2019 at \$6,345,000
- 2) The Resolution adopting the 2109 budget and revising the 2018 budget as adopted by Resolution No. 12130

- 3) The Resolution committing fund balances for specific purpose.
- 4) The Resolution authorizing City Contributions toward volunteer and employee recognition.
- 5) The Resolution authorizing and acknowledging the City's contributions and involvement in promoting business and cultural activities in White Bear Lake.

ATTACHMENTS

Resolutions
Supporting Memorandum from November Truth in Taxation Hearing

RESOLUTION NO.

**RESOLUTION APPROVING THE 2018 TAX LEVY
COLLECTIBLE IN 2019**

WHEREAS, the City of White Bear Lake is annually required by Charter and State law to approve a resolution setting forth an annual tax levy to the Ramsey and Washington County Auditors; and

WHEREAS, Minnesota Statutes currently in force require certification of a proposed tax levy to the Ramsey and Washington County Auditors on or before December 28, 2018; and

WHEREAS, detail for the revised 2018 and 2019 budgets have been submitted to the City Council by the City Manager.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of White Bear Lake, Ramsey and Washington Counties, Minnesota that the following sums is levied in 2018, collectible in 2019, upon the taxable property in said City of White Bear Lake for the following purposes:

General Fund	\$5,993,000
Municipal Building – YMCA/Sport Center	
Debt Service	132,000
Street Construction - 2018	
Debt Service	<u>220,000</u>
Gross Levy	6,345,000
Less: Fiscal Disparity	<u>(756,030)</u>
Net Levy	<u>5,588,970</u>

BE IT FURTHER RESOLVED, that provision has also been made for payment of the City's share of Public Employees Retirement Association's contributions for the ensuring years; and

BE IT FURTHER RESOLVED, that there is a sufficient sum of monies in all Debt Service Funds of the City which are irrevocably pledged, to pay principal and interest in 2019 on all outstanding bond issues, and the deferred annual tax levies previously certified to the County Auditor are hereby canceled, and replaced by the above debt service tax levy; and

RESOLUTION NO.

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the County Auditor's of Ramsey and Washington Counties, Minnesota, as required by law.

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

RESOLUTION NO

RESOLUTION ADOPTING THE 2019 BUDGET AND REVISING THE 2018 BUDGET AS ADOPTED BY RESOLUTION NO. 12130

WHEREAS, the City Charter provides for the adoption of an annual operating budget and that such adoption shall precede the tax levy resolution; and

WHEREAS, State law provides that such tax levy resolution shall be submitted to the County Auditor prior to December 28th of the year preceding collection; and

WHEREAS, the Mayor and City Council had been presented with budget recommendations for expenditures and revenues, such that revenues fully fund expenditures and provide a safe margin of undesignated fund balances; and

WHEREAS, Resolution No.12130 adopted the 2018 operating budget; and

WHEREAS, the City Charter authorizes the transfer of sums to other purposes.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota, that the 2019 operating budget shall be adopted and the 2018 operating budget shall be revised as follows:

Revenue:	<u>2018 Revised</u>	<u>2019 Budget</u>
<u>General Fund</u>		
General Property Tax	\$5,117,000	\$5,880,000
Franchise Fee and Fines	398,000	410,000
Licenses and Permits	738,600	750,400
Intergovernmental	2,600,744	2,211,297
Charges for Services	554,000	630,300
Miscellaneous	154,122	186,000
Transfers In	686,920	1,640,000
Total General Fund	10,249,386	11,707,997
<u>Special Revenue Funds</u>		
Armory	\$ 69,550	\$ 69,550
Surface Water Pollution Prevention	104,197	90,000
Marina Operations	388,200	388,000
Sport Center	423,640	513,000
Forfeiture	77,500	61,000
Economic Development	984,800	548,300
Total Special Revenue Funds	2,047,887	1,669,850
<u>Debt Service Funds</u>		
Municipal Building	284,000	284,000
Non-Bonded Special Assessment	1,469,500	1,350,000
2012 Special Assessment	225,000	225,000
2012 Refunding Tax Increment (PM)	160,000	160,000
2016 Tax Increment (BWC)	160,000	160,000
2018 Construction / Refrigeration	247,850	299,000
2018 Sport Center	132,890	195,000
Total Debt Service Funds	2,679,240	2,673,000

RESOLUTION NO

<u>Capital Project Funds</u>		
Equipment Acquisition	1,347,000	855,000
Municipal Building	5,705,000	126,000
Park Improvement	134,200	60,000
Water Improvement	20,000	150,000
Sewer Improvement	12,000	22,000
Construction	6,949,500	3,986,000
HRA Tax Increment	600,000	605,000
Total Capital Project Funds	14,767,700	5,804,000
 <u>Enterprise Funds</u>		
Water Utility	1,614,500	1,614,500
Sewer Utility	3,117,000	3,267,000
Environmental Recycling & Disposal Waste	1,393,000	1,464,000
Ambulance	1,830,000	2,050,000
Pioneer Manor	386,500	393,500
License Bureau	978,000	978,000
Total Enterprise Funds	9,319,000	9,767,000
 <u>Internal Service Funds</u>		
Insurance	680,500	672,000
Employee Expense	2,755,413	3,112,580
Engineering	672,706	
Total Internal Service Funds	4,108,619	3,784,580
 Revenue Subtotal		
	<u>43,171,710</u>	<u>35,406,427</u>
Community Reinvestment	125,000	135,000
Total Revenue	43,296,710	35,541,427

2018 Revised 2019 Budget

Appropriations/Reserves:

General Fund

Legislative	\$143,544	\$148,525
Administration	355,342	369,887
Finance	593,010	613,365
Legal	63,889	72,169
City Hall	238,968	316,082
Elections	94,438	58,771
Planning	320,209	358,636
Public Safety		
Police	4,117,087	4,471,589
Fire	938,094	902,595
Dispatch	524,174	326,943
Legal Prosecution	153,970	148,970
Animal Control	18,725	23,405
Emergency Preparedness	14,754	14,149
Building and Code Enforcement	586,950	614,473

RESOLUTION NO**Appropriations/Reserves continued**

	<u>2018 Revised</u>	<u>2019 Budget</u>
Public Works		
Engineering		754,244
Facility	178,802	185,833
Garage	126,920	145,469
Streets	561,044	531,026
Snow and Ice Removal	280,728	233,928
Street Lighting	201,935	191,100
Parks	658,787	732,625
Non-Departmental		
General Services		14,220
Senior Bus	3,750	7,500
Lake Conservation District		30,000
Northeast Youth and Family Services	39,575	42,000
Contingency		15,500
Transfers	<u>25,000</u>	<u>25,000</u>
Total General Fund	<u>10,239,695</u>	<u>11,348,004</u>
<u>Special Revenue Funds</u>		
Armory	78,044	77,456
Surface Water Pollution Prevention	182,408	129,679
Marina Operations	308,650	335,015
Sport Center	415,263	574,369
Forfeiture	127,000	15,000
Economic Development	<u>1,407,488</u>	<u>536,695</u>
Total Special Revenue Funds	<u>2,518,853</u>	<u>1,668,214</u>
<u>Debt Service Funds</u>		
Municipal Building	\$ 285,000	\$ 285,000
Non-Bonded Special Assessment	2,131,323	1,220,000
2012 Special Assessment	218,715	207,103
2012 Refunding Tax Increment (PM)	173,600	175,450
2016 Tax Increment (BWC)	150,913	153,738
2018 Construction / Refrigeration	127,150	217,300
2018 Sport Center	<u>66,700</u>	<u>75,655</u>
Total Debt Service Funds	<u>3,153,401</u>	<u>1,236,246</u>
<u>Capital Project Funds</u>		
Equipment Acquisition	1,159,635	904,750
Municipal Building	5,979,500	433,000
Park Improvement	660,500	76,100
Water Improvement	326,500	203,000
Sewer Improvement	229,500	115,000
Construction	5,347,000	4,755,000
HRA Tax Increment	<u>491,300</u>	<u>446,300</u>
Total Capital Project Funds	<u>14,193,935</u>	<u>6,933,150</u>

RESOLUTION NO

Enterprise Funds

Water Utility	1,613,009	1,609,828
Sewer Utility	3,031,699	3,164,188
Environmental Recycling & Disposal Waste	1,413,888	1,463,103
Ambulance	1,832,366	1,967,273
Pioneer Manor	380,270	392,220
License Bureau	<u>1,001,420</u>	<u>1,022,961</u>
Total Enterprise Funds	<u>9,272,652</u>	<u>9,619,473</u>

Internal Service Funds

Insurance	495,000	698,500
Employee Expense	2,767,000	2,945,000
Engineering	<u>724,072</u>	<u> </u>
Total Internal Service Funds	<u>3,986,072</u>	<u>3,643,500</u>

Appropriations/Reserves Subtotal	<u>43,364,608</u>	<u>34,448,587</u>
Community Reinvestment	<u>125,000</u>	<u>135,000</u>
Total Appropriations/Reserves	<u>43,489,608</u>	<u>34,583,587</u>

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

Ayes:

Nays:

Passed:

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk

RESOLUTION NO.

RESOLUTION COMMITTING FUND BALANCES FOR SPECIFIC PURPOSE

WHEREAS, the Governmental Accounting Standards Board’s Statement #54 defines committed fund balance as amounts that can only be used for specific purposes; and

WHEREAS, the City Council formalizes these fund balances for specific purpose in the budget document; and

WHEREAS, the budget document commits or reserves fund balances for defined purposes.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of White Bear Lake that the specific portions of fund balances or the actual amounts determined as of fiscal year end is committed as follows:

<u>Fund</u>	<u>Purpose</u>	<u>Amount</u>	
		2018	2019
General	Cash Flow	\$3,435,000	\$3,665,000
Special Revenue			
Armory	Community Utilization	51,149	43,243
Surface Water Pollution Prevention	Storm Water Run Off Control	775,419	735,740
Marina Operations	Community Utilization	152,633	205,618
Sport Center	Community Utilization	291,548	230,179
Forfeiture	Public Safety	36,018	33,218
Economic Development	Economic Improvement	1,821,612	1,833,217
Debt Service			
Municipal Building Department	Municipal Facility	200,034	199,034
Non-Bonded Debt	Special Assess. Fin.	184,500	314,500
Special Assessment - 2012	Construction	11,984	29,881
Tax Increment – 2012	Pioneer Manor	99,636	84,186
Tax Increment – 2016	Boatworks Common	29,775	36,037
G.O. Construction - 2018	Street & S.C. Refrig.	120,700	202,400
G.O. Sport Center – 2018	Facility Renovation	66,190	141,845

RESOLUTION NO. _____

RESOLUTION COMMITTING FUND BALANCES FOR SPECIFIC PURPOSE

<u>Fund</u>	<u>Purpose</u>	Amount	
		2018	2019
Capital Project			
Municipal Building	Facility Construction	\$652,736	\$345,736
Equipment Acquisition	City Equipment Purchases	1,071,058	671,308
Park Improvement	Park Construction	1,592,776	1,376,676
Water Improvement	Water Construction	285,799	232,799
Sewer Improvement	Sewer Construction	445,640	352,640
Construction	Street Construction	4,378,087	3,609,087
Community Reinvestment	Construction Financing	7,655,000	7,655,000
HRA	Tax Increment Financing	573,093	731,793

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

RESOLUTION NO.

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER
AND EMPLOYEE RECOGNITION PRESENTED IN THE
2018 AND 2019 BUDGET**

WHEREAS, the City of White Bear Lake annually appropriates funds through the budget process which recognize contributions received by the City from volunteers and employees; and

WHEREAS, the detailed listing for this recognition is presented to declare these expenses are in the public's interest and to inform the public; and

WHEREAS, rent payments from Pioneer Manor funds the Pioneer Manor appropriations; and

WHEREAS, reimbursements fund the Insurance Fund appropriation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2018 and 2019 specifically authorizes the following appropriations, which recognize volunteer and employee achievements.

General Fund	<u>2018</u>	<u>2019</u>
Legislative		
Employee Appreciation Lunch	\$ 900	\$ 1,000
Service Awards (attached)	1,600	1,200
Civic Promotion (plaques/mugs)	600	1,200
Volunteer Recognition Dinner	1,700	1,700
Police		
Service Awards	-	100
TRIAD Events and Recognition	600	550
DARE	6,500	2,500
Crime Prevention	100	200
Volunteer Shirts / Award	-	200
CPA Shirts and Supplies	935	1,350
Emergency Preparedness		
Reserve Recognition	300	300
	<u>2018</u>	<u>2019</u>
Fire		
Service Awards	\$ 500	\$ 500
Annual Banquet (current and retired)	5,000	7,000
Twenty Year Awards	-	-
Explorer Recognition	250	250
Pioneer Manor		
Social Activities	1,300	1,300
Insurance		
Safety Awards	500	500

RESOLUTION NO.

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER
AND EMPLOYEE RECOGNITION PRESENTED IN THE
2018 AND 2019 BUDGET**

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

Ayes:
Nays:
Passed:

Jo Emerson, Mayor

ATTEST:

Kara Coustry, City Clerk

RESOLUTION NO.

**RESOLUTION AUTHORIZING AND ACKNOWLEDGING
CITY CONTRIBUTIONS AND INVOLVEMENT IN PROMOTING BUSINESS AND
CULTURAL ACTIVITIES IN WHITE BEAR LAKE IN THE
2018 AND 2019 BUDGET**

WHEREAS, the City of White Bear Lake annually appropriates funds through the budget process for activities which promote business and the Downtown area; and

WHEREAS, it is the funding of the City that such expenditures are in the public interest and promote the general welfare of the community; and

WHEREAS, the City is a third party conduit for restricted revenue remitted for use by the White Bear Main Street Association; and

WHEREAS, the City Council recognizes that through payment of annual membership dues to the White Bear Lake Area Chamber of Commerce, the City receives services including advertising, event planning and promotion, advocacy and visitor services of a value greatly exceeding the cost of dues.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2018 and 2019 specifically authorize the following appropriations for which the City receives services of value exceeding the cost.

General Fund	<u>2018</u>	<u>2019</u>
Legislative		
Chamber of Commerce	\$ 550	\$ 560
Community Groups	200	400
Economic Development		
Marketfest	7,000	7,000
Historical Society	14,733	14,733

The foregoing resolution, offered by Councilmember _____ and seconded 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 Hiniker, City Manager
Don Rambow, Finance Director

Date: November 19, 2018

Subject: **Truth in Taxation Hearing – Proposed 2018 Tax Levy Collectable in 2019**

Background

At its regular meeting on September 11, 2018, the City Council adopted a preliminary tax levy of \$6,345,000 to support 2019 municipal operating and infrastructure requirements. The preliminary levy 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.

In preparation of establishing a recommended levy, City departments prepared budget requests for 2019 and submitted them to the Finance and City Manager Departments for review. The City Council was later presented preliminary budget and levy figures at its budget work session in August, and provided a draft of the 2019 Budget on November 8th in Council packets.

Staff has given careful consideration to the impact of the recommended tax levy. While there are always many worthwhile improvements and programs that the City may add to the range of services it provides, 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. The levy represents a total increase of \$720,000 over last year, with \$500,000 allocated toward operations and \$220,000 toward servicing the debt for a portion of the 2018 infrastructure improvements.

The impact of the proposed tax levy increase on the median-valued home of \$222,500 translates into an additional \$54.12 annually, or \$4.51 per month, for the City's portion of property taxes. This increase is also due, in part, to an increase in its market value by 6.8%. While the City's per capita tax levy remains the lowest among all communities statewide with populations between 16,000 – 37,000, staff acknowledges that this increase is greater than in past years. As further described below, approximately 30% of the budget increase is for the debt service assigned to street improvement bonds and 38% is assigned to basic wages, health insurance and workers compensation, reflecting a 3% increase in the compensation table. The budget also incorporates funding for the new combination staffing model in the City's fire and ambulance service, which amounts to an increase of \$105,000, or 15% of the overall budget increase. The remaining budgetary items include increased funding for the City's urban tree management program in

response to the Emerald Ash Borer infestation, increased fuel costs and general street/park maintenance needs.

Economic Outlook

The economy continues to expand while inflation remains near the Federal Reserve benchmark goal of 2.0% annual inflation. The overall inflationary growth since 2007 is as follows:

Year	Inflation
2018*	2.5%
2017	2.0%
2016	2.1%
2015	0.7%
2014	0.7%
2013	1.4%
2012	1.8%
2011	3.0%
2010	1.4%
2009	2.8%
2008	(0.1)%
2007	4.0%

** Estimated*

Key Elements of the 2019 Budget

1. Continue the process of reflecting all general operational costs within the General Fund.
 - Engineering department, formerly an Internal Service Fund, is being assigned to General Fund. Funding is supported through Construction Fund transfers, making this reassignment **budget neutral**.
2. Appropriate funds to the Fire Department for operational restructuring.
 - Utilizing Firefighter/Paramedics (12 FTE) to maintain appropriate service response time as calls for service have increased nearly 30% over a five year period. Funding for these positions will be allocated 20/80 to the fire and ambulance budgets, respectively, as 80% of the calls for service are medical related. Subsequently, the General Fund will require an additional **\$105,000** to support this staffing model. It is proposed that ambulance rates be adjusted an additional 10% adjustment to finance the ambulance share of this staffing model.
3. Support leadership transition in Public Works and Finance Departments utilizing outside consultation for strategic planning, capital and fiscal management planning, and actuarial work. It is anticipated that an additional **\$19,000** will be necessary to complete this work.
4. Consolidate IT position into City Hall department operations - **budget neutral**.

5. Consolidate City Clerk and Assistant City Manager position into Administration – **budget neutral**
6. Consolidate Public Works Facility operational costs into a General Fund department – **budget neutral**
7. Support additional maintenance costs related to parks and highway facilities. It is anticipated that an additional **\$40,000** will be required to meet these on-going needs.
8. Urban Tree Management – allocate resources to address the demands for treatment, removal, and replacement of public diseased trees especially as it relates to emerald ash borer. The budget begins to address this issue by assigning **\$25,000** to urban tree management.
9. Appropriate additional funding to support 18% increase in fuel costs experienced in 2018 over that which was budgeted –assumes fuel costs will remain at current levels in 2019. The overall General Fund fuel budget is increased **\$39,000** to cover increased costs.
10. Maintain competitive wage and compensation package along with partial funding of retro rating workers compensation charges. The financial obligation to support General Fund personnel services is adjusted **\$272,000**.
11. Provide for 2018 bond issuance for street construction projects, which requires a **\$220,000** debt service obligation levy.

Tax Levy

The recommended 2018-tax levy collectible in 2019 necessary to support projected 2019 General fund operations would be utilized as follows:

<u>Rationale</u>	<u>Change</u>
Personnel (Salary/Benefits & w/c)	\$272,000
Fire Operational Change	105,000
Fuel Cost Increase	39,000
Actuarial/Audit / Planning	19,000
Street Maintenance	40,000
Urban Forest Management – (EAB)	<u>25,000</u>
Operational Levy Adjustment	500,000
Debt Service Levy - Capital Construction	<u>220,000</u>
Total Levy - Adjustment	720,000
2017 Tax Levy	<u>5,625,000</u>
2018 Tax Levy	<u>6,345,000</u>

Tax Levy Impact

According to estimates by Ramsey and Washington Counties, the City's net tax capacity has increased \$1,938,077, or 7.5% from 2017 (see attached table).

Staff has calculated the impact of the proposed tax levy on a median value home. Based upon preliminary calculations, a median value home could expect to realize a \$54.12 annual, or \$4.51 monthly increase in overall City property taxes compared to 2018 if the preliminary tax levy were adopted as proposed.

Based upon Ramsey County appraisals, the median home value (that home which has the same number of homes valued above it as well as below it) in White Bear Lake has experienced a 6.8% increase in valuation for the current fiscal year. The median valuation and tax liability over the last thirteen years, before market value credit aid is calculated for years 2006-2011, is as follows:

Year	Median Value	Taxable Value	City's Tax Impact
2019	222,500	205,300	413.54
2018	208,400	189,916	359.42
2017	194,700	177,683	337.05
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 median value home City tax liability would be \$16.93 annually more in 2019 as compared to 2007.

The recommended tax levy impact on residential property will result in an annual City tax liability increase between \$25 to \$65 per property. This amount represents approximately a \$2.00 - \$6.00 monthly increase for all City services, which includes the debt service levy for capital infrastructure improvements. (Refer to attached worksheet for detail.) A resident living in median value home receives following services for an annual cost of approximately \$415:

- | | |
|------------------------------|---|
| 1. Police | 7. Street lighting |
| 2. Fire | 8. Parks |
| 3. Public Safety dispatching | 9. Elections |
| 4. Code Enforcement | 10. Community Development |
| 5. Street Maintenance | 11. Administration (General,
Finance, Legal) |
| 6. Snow Removal | |

A comparison of the property tax liability between 2007 (pre-recession) valuation and 2019 valuation indicates that overall residential property tax liability has remained flat. The selected property comparison are generally paying the same amount for City services in 2019 as they did in 2007. (Refer to attached worksheet for detail.)

State Wide Tax Levy Comparison

The City's 2018 per capita tax levy liability ranked the lowest statewide for communities with a population between 16,000 – 37,000. The proposed 2019 per capita tax levy liability would result in the City still being the lowest ranking community. (Refer to attached worksheet for detail.)

It should be noted that Willmar, which has a lower tax levy, receives \$3,035,055 more state local government aid funding than the City.

Tax Levy Reliance

The City has three main sources of revenue to fund operations, debt obligations, and infrastructure maintenance / improvements, which are:

1. Tax levy
2. State aid (local government aid)
3. Interest earnings

State aid was decreased as part of the 2010 state budget cuts and has generally remained unchanged since 2010. Interest earnings remained at near historic low levels since 2007 (Refer to attached worksheet). The City reliance on property tax levy becomes more profound each year, as the other main revenue sources remain stagnant or are reduced.

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. However, property valuation changes and a proposed tax levy increase may generate more interest 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 11, 2018 meeting.**



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Mayor and City Council

From: Ellen Hiniker, City Manager

Date: December 4, 2018

Subject: **Approval of the 2019 Position Classification and Compensation Plan**

BACKGROUND

In January, 1988, the City Council first adopted a Position Classification and Compensation Plan for the City. The objectives of that plan were stated in Section I of the document. Foremost among the objectives was the desire to "develop and maintain salary structures which will enable the City of White Bear Lake to attract and retain qualified and desirable personnel essential for effective operation now and in the future while demonstrating fiscal responsibility." Of equal importance, the plan was to provide for on-going compliance with the Minnesota Local Government Pay Equity Act of 1984 (Comparable Worth), encourage efficient and dedicated employee performance and maintain and equitable compensation relationship both internally and externally.

The plan ranks classified positions according to a "point-factor analysis" conducted for comparable worth compliance. This procedure recognizes the relative degree of difficulty, skill requirement, impact of decisions and other job-related factors for each position when compared to all other positions in the City. Section II of the Plan establishes a salary structure in the form of ranges and explains the composition of the salary structures and its method of administration. Pursuant to state law and generally accepted compensation practices, the salary structure within the Plan allows for an equitable compensation relationship between positions of diverse duties, skills and responsibilities. The Plan also incorporates a reasonable opportunity to encourage and recognize individual initiative and high quality performance. Subsection 8 of that section provides that the overall wage and salary structure will be reviewed annually and adjustments made as justified ensuring competitive salary levels are maintained. This plan provides the framework for salary administration of the City. It is used directly in determining the salary of employees not governed by labor contracts and serves as a guide in negotiating compensation with employee unions and monitoring the City's compliance with comparable worth requirements.

Recent Compliance Test and Range Compression:

Every three years the City is tested by the State of Minnesota to determine whether it complies with the Pay Equity Act. The City was tested in early 2018 and determined to be in compliance with the law. Although adherence to the City's classification and compensation plan allows the City to remain in compliance with gender equity laws, the pay structure has in the past experienced range compression when compared to market conditions for higher level technical and professional

employees. For instance, to meet market demand, the City Council previously authorized compensation for the Finance Director to exceed the range maximum, and more recently the positions of two other department heads were near the maximum of their range under the proposed plan, but well within the range for the comparable external market. Four years ago the Council authorized compensation table adjustments to somewhat address this problem.

The proposed 2019 compensation table accounts for changes in the Fire Department with the addition of full-time Firefighter/Paramedics and reclassification of the Fire Inspector and Quality Assurance positions to Assistant Fire Chiefs. The job titles for the Public Works Employees have also been consolidated to reflect the current make-up of the department.

Economic and Market Impact:

While the Plan calls for annual review, financial changes are intended only when supported by the market. The compensation table in the Plan was last changed effective January 1, 2018 and it was used as a guide for labor contracts and non-bargaining pay adjustments over the past year.

Staff proposes that the Plan and its compensation table be reviewed with changes considered effective January 1, 2019. In performing such a review, the City takes several factors into consideration including an overall increase in consumer prices, employee recruitment and retention, the adjustment of other private and public employers competing within the City's labor market, and the City's financial resources.

Adjustments to the City's pay schedule effective January 1, 2018 allowed the City to remain reasonably competitive for most positions within its labor market. The City increased its compensation table by an average of 3%. It was anticipated that such an increase would be comparable to competing employers and fiscal constraints of the City. Reports of salary adjustments in the City's labor market (both public and private) indicate that this pay structure adjustment generally kept the City competitive through that year.

As in past years, a group of metropolitan cities has been surveyed to gather wage information that could be used as a factor to help determine what adjustments, if any, the City would make in its 2018 pay schedule. Cities of comparable size in the north and east metro area are reporting the following overall increases for 2019 wages: New Brighton 3%, Hastings 3%, Fridley 3%, Richfield 3%, New Hope 3%. When private sector data is available, it is also factored in. Human Resource representatives from two major corporations in the St. Paul area representing the banking and manufacturing industries are anticipating 2.5% to 3% wage increases.

Attempts are made to correlate benchmark positions that have both public and private sector counterparts to determine if the City's salary/wage structure is in line with this broader market. A salary and wage survey from the Minnesota Department of Energy and Economic Development is used for this purpose and the results for the benchmark positions the City has historically tracked are shown below. These data provide a basis to determine that the City's wage structure is reasonably comparable to the labor markets. This comparison illustrates that the City is reasonably within the metropolitan area labor market for these sample positions.

Department of Employment and Economic Development data updated First Quarter, 2018			
Occupation	SOC code*	Metro Median	City Pay in 2018
License Clerk	43-4031	22.70	20.39 – 27.59
Building Inspectors	47-4011	35.51	27.32 – 36.97
Highway Maintenance	47-4051	25.49	19.87 – 26.89
Secretaries, general	43-6014	20.38	20.39 – 27.59
Civil Engineering Tech	17-3022	28.95	21.77 – 29.46
Police Officer	33-3051	35.70	24.28 – 36.22

** Standard Occupational Codes (SOC) is a system for classifying occupations used by the U.S. Department of Labor and Minnesota Department of Employment and Economic Development, (DEED).*

Proposed Changes:

Data discussed above indicate the City has reasonably kept pace with its labor market through 2018. Based on a recent update of the survey information discussed above and the City's prevailing wage objective, it is recommended that the City Council authorize an adjustment of 3% to the City's compensation table which reflects benchmarks as well as market changes. Copies of the existing and proposed tables are included in the attached document.

Annual review of the plan also requires consideration of the salary adjustment guide chart found on page 7 of the plan. This chart provides the guideline for determining the exact amount of a salary adjustment based upon the performance of the employee and the current level of compensation. External labor market pressure is not factored into this chart. The current chart provides for adjustments ranging from 1.25% for an employee who is compensated high when compared to the salary to the table but performing at a poor level, to an amount of 3.75% for an employee who is performing very well but compensated at a low level in comparison to the salary table. That chart also recommends that an employee who is considered to be fully qualified and meeting the performance requirements of the position and currently compensated in the medium range of the table be increased by 3%. The recommended 2019 Salary Adjustment Guide Chart is attached.

In recent years, the City Council has discussed the need to make market adjustments specific to certain technical or professional positions in order to avoid loss of key employees due to tight market conditions. The Council has authorized the City Manager to make these adjustments as necessary so long as the salary fell within the assigned range. The City Council, based on market conditions and assignment of duties has authorized the positions of Finance Director and Public Works Director to exceed the range. In all other cases, compensation beyond that range would require City Council approval.

SUMMARY

The City continues to be guided by its stated principles for fair and competitive compensation. The City acknowledges that the overall cost of living increase is slightly higher than the Federal Reserve's projections, the economy remains strong and the labor market remains tight. A 3% adjustment to the City's compensation table reflects these market changes and is consistent with the City's stated compensation policy; such changes are provided for in the City's annual budget.

RECOMMENDED COUNCIL ACTION

It is recommended that the City Council adopt the attached resolution establishing the City's compensation table for 2019.

ATTACHMENTS

Resolution

Position Classification and Compensation Plan

RESOLUTION NO. _____

RESOLUTION ESTABLISHING 2019 COMPENSATION TABLE

WHEREAS, in January 1988, the City Council adopted a position classification plan which comprehensibly analyzed the assigned tasks of each position giving value to the complexity, importance and unfavorability of each position and establishing an equitable compensation relationship between all positions of the City based on the assigned responsibility level; and

WHEREAS, Section II of said plan establishes a salary table providing for periodic reviews; and

WHEREAS, after giving consideration of economic factors relating to compensation and desiring to provide fair and reasonable compensation for the employees of the City, the City Council desires to increase the current table for application during the calendar year 2019.

THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota, that the salary table for the City's Position Classification and Compensation Plan as provided in the attached exhibit is hereby adopted and the City Manager is directed to make the appropriate adjustments to the Plan.

BE IT FURTHER RESOLVED, that in cases where exceptional labor market conditions exist and are documented for technical and professional employees, the City Manager is authorized to set salaries based on market conditions and performance so long as the employee's salary falls within the approved range. Specific City Council action is required to set salary beyond the established range.

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

POSITION CLASSIFICATION

AND

COMPENSATION PLAN

City Manager's Office
January, 1988

Approved by the City Council of the City of White Bear Lake
March 15, 1988

Last revision: December 12, 2018*

CITY OF WHITE BEAR LAKE

SALARY POLICY GUIDELINES

SECTION I. OBJECTIVES

- A. To develop and maintain salary structures which will enable the City of White Bear Lake to attract and retain qualified and desirable personnel essential for effective operations now and in the future while demonstrating fiscal responsibility.
- B. To provide incentive through a sound program of salary administration which will encourage development of the potential ability of each employee.
 - To properly compensate employees who meet job performance expectations and reward employees who perform beyond expectations.
- C. To have a program of salary administration with flexibilities sufficient to meet current and changing economic and competitive conditions.
- D. To maintain salary relationships among positions which are internally consistent in recognizing the important relative differences in position requirements.
 - To recognize and re-evaluate positions where responsibilities have changed noticeably.
- E. To establish and maintain salary levels which will compare favorably with salaries paid in government and businesses for positions of comparable levels of responsibility, educational background, and experience.
- F. To comply with the Minnesota Local Government Pay Equity Act of 1984.

SALARY POLICY GUIDELINES

SECTION II. SALARY STRUCTURE AND PRINCIPLES OF APPLICATION

A. Salary Structures

The structure shall consist of salary ranges which progress in an orderly alignment from the lowest to the highest responsibility level positions.

B. Salary Ranges

Minimum		Maximum
Zone 1	Zone 2	Zone 3

1. Minimum Salary: The salary normally paid an individual whose performance meets the minimum requirements of the position.
 - Salary payments below the minimum salary rate may be made where the new hire or promoted person lacks the experience and/or background required for the position. Such a person will be considered as being in a status of "qualifying" for a particular position. (See Section IV for treatment of employees who meet all job requirements but are compensated below minimum.)
2. Zone 1: This salary zone provides fair and equitable compensation for those employees who are new in the position, are in a development stage, or have a definite area of weakness in performance.
3. Zone 2: This salary zone provides opportunity to recognize those employees who consistently perform in a manner which "meets or exceeds performance requirements" of the position. This zone establishes the maximum salary for positions in which performance is not a major factor in determining compensation.
4. Zone 3: This salary zone is reserved for those employees who perform in a consistently "outstanding" manner, all the areas of accountability and responsibilities of their position.
5. Maximum Salary: The highest salary justified for a position within a responsibility level.
6. The level of demonstrated performance in relation to overall delegated responsibilities of the position is the principal determinant of where a position is placed within a range.
7. Midpoint of Zone 2 is the middle of the range for each responsibility level. Zone 2 extends 7.5 percent above and below the midpoint; the entire range extends 15 percent above and below the midpoint for each responsibility level.
8. The overall structure will be reviewed annually and adjustments made, as justified, to ensure competitive salary levels are maintained.

SALARY POLICY GUIDELINES

SECTION III. ADMINISTRATION PROCEDURES AND POLICIES

A. Responsibilities for Administration

1. The City Manager shall be accountable to the City Council for overall administration of the salary program, and will report on such administration annually or more often, as requested.
2. The overall salary structure and supporting administration policies will be reviewed annually by the City Manager with appropriate reporting to the City Council relative to the status of the program.

Continuing responsibilities will include:

- a. Maintenance of position job descriptions. Update as necessary.
- b. Maintenance of current records providing salaries, salary revisions, and other pertinent data.
- c. Making periodic analysis of the salary program to determine internal equity and external competitiveness.

B. Performance Reviews and Salary Reviews for Employees not Covered by Collective Bargaining Agreement.

1. The performance review program provides a planned and orderly means of evaluating individual performance in a position in relation to the areas of accountability as defined in each job description. Performance reviews will be scheduled independent of salary reviews. If possible, they should be scheduled six months prior to the employee's annual salary review date and should be no later than three months prior to the salary review date.
2. Salary reviews will be made by supervisory personnel for the purpose of determining what, if any, salary adjustment is to be recommended. The results of the performance review and the related conference conducted with each position incumbent will be an important consideration in this decision. If the employee has improved markedly since the performance review, the improvement shall be taken into consideration as a positive factor when considering the salary increase.
3. In discussions of salary with personnel, supervisors are encouraged to generally speak in terms of the salary range for Zone 2 for each position without emphasis of Zone 3 established for the position. If a supervisor is meeting with an employee who has been given evidence of becoming an outstanding performer, it may be explained that continued outstanding work performance will be recognized as justification for payment of a salary above Zone 2.
4. The term "performance review" as used in this policy statement means a "person to person" discussion of on-job performance.

C. Performance Reviews and Wage/Salary Determination for Positions Included in Collective Bargaining Agreements.

1. Job related performance of employees in positions included in collective bargaining agreements shall be evaluated not less than once annually according to the procedure set forth in appendix A of this policy.
2. To the extent provided in the appropriate collective bargaining agreement or in a manner not inconsistent with a contract the results of the performance evaluation shall be applied to determine compensation.

SECTION IV. SALARY ADJUSTMENTS FOR IMPROVED PERFORMANCE

A. Frequency of Salary Reviews

1. All personnel will have their salaries reviewed at least once each year and their current salary shall be maintained until changes are approved.
2. Salary adjustments, however, shall be made only when earned, based on identifiable improvement in performance, supported by the recommendation of the immediate supervisor of the department in which the position is located.
3. It is important to emphasize that the recommended increase not be communicated to the employee until it has received final approval.
4. The following guidelines will be used in determining when an employee is eligible for salary review:
 - a. An employee receiving a salary below the minimum rate for the responsibility level in which the position is classified will typically have a salary review at six month intervals until performance justifies a salary within Zone 1.
 - b. An employee receiving a salary within Zone 1 established for the position may normally expect to have a salary review at 12-month intervals. In those cases where outstanding performance is demonstrated, a review may be requested by the appropriate department head and approved by the City Manager before the end of the 12-month interval. A salary review will not be made before six months have elapsed from the date of the last salary review.
 - c. An employee receiving a salary within Zone 2 or higher will have a salary review annually.
 - d. If, at the time of a scheduled salary review, the department head determines that a salary adjustment has not been earned based on performance, the salary review may be rescheduled for a later date when performance will be re-evaluated. Subsequent salary reviews will then be scheduled six or 12 months after the revised date, depending upon the incumbent's salary relative to the salary range assigned to the particular responsibility level.

B. Effective Date of Salary Adjustment

1. The determination as to the effective date of a salary increase should be related as closely as possible to the time when a meaningful improvement in performance occurred or when mutually agreed upon achievement goals have been attained.
2. To achieve the maximum incentive values from salary adjustments, the intent of this policy is to place less emphasis on the passing of time (months or years). Of greater importance, therefore, is whether an employee has earned a salary increase as a result of performance not how much time has elapsed since the last adjustment. However, as stated in this policy, each salary will be reviewed annually.
3. Salary adjustments will not be approved and placed into effect unless a performance review interview has been conducted in accordance with the established performance review procedures.

C. Amount of Salary Adjustments

1. After the level of demonstrated performance has been reviewed, the supervisor should determine what, if any, salary adjustment is to be made.
2. The chart on the last page of this section provides guidelines for the amount of individual salaries. This chart will be reviewed annually and will take into consideration salary increases provided as a result of changing economic conditions.

D. Procedure for Recommending Salary Adjustments

1. The responsibility for initiating a salary adjustment recommendation is delegated to the immediate supervisor. All recommendations must be approved by the department head before referral to the City Manager for review and approval.
2. Recommendations made within the guidelines of this policy and the salary structure adopted by the City Council shall be placed in effect upon approval of the City Manager.
3. The City Council, on recommendation of the City Manager, will review and approve or reject any salary adjustment which exceeds the established guidelines. Compensation beyond the maximum may be considered only when required by extraordinary market conditions.

E. Salary Adjustments Resulting from Economic and Competitive Compensation Patterns.

1. It is the established policy of the City of White Bear Lake to review the salary structure annually in relation to the changes which may be occurring in the economy and/or competitive compensation practices. The salary structure referred to herein was developed based on data available to the City concerning salaries for positions of comparable responsibilities.
2. A change, if any, in the salary structures will be made following the annual review of the City's compensation and on the recommendation of the City Manager to the City Council.

3. Adjustments to salary ranges will be taken into consideration when increases for improved performance are recommended.
4. Employees whose performance has stabilized and who are receiving fair compensation for services rendered may receive consideration for salary adjustments in line with economic changes when their annual salary review is scheduled.

F. Salary Adjustments Resulting from Promotions and "step" adjustments.

The objective of this policy is to provide a promoted employee with a salary adjustment sufficient to bring compensation up to a minimum of the new salary range. Such an adjustment would normally be made at the time of promotion, or within a reasonable period if a question as to qualifications for the position is involved.

A reasonable and fair promotion adjustment should be made in connection with each promotion. The adjustment, however, should normally not result in a salary which would exceed Zone 1 established for the position.

Employees in a position which are rated as fully satisfying the requirements of the position but compensated at a rate below mid-range or well below that of comparable positions may have their salary reviewed on a six month basis as a "step" adjustment in addition to annual adjustments.

Salary Policy Guidelines

Salary Adjustment Guide Chart 2019

Summary Evaluation of Overall Performance	Salary Reviews at 6-month Interval	Salary Reviews at 12-month Intervals			
		Zone 1	Zone 2	Zone 3	Beyond Zone 3
V New in position and/or has serious weaknesses or Performance stabilized below level desired	1.75%	2.00%	1.75%	1.50%	1.25%
IV Making satisfactory progress	2.25%	2.50%	2.25%	2.00%	1.75%
III Meets all performance requirements Considered to be a fully qualified performer for salary zone to which assigned	3.00%	3.25%	3.00%	2.75%	2.50%
II Exceeds overall position performance requirements	3.25%	3.50%	3.25%	3.00%	2.75%
I Consistently performs at a level well beyond that expected	3.50%	3.75%	3.50%	3.25%	3.00%

SALARY POLICY GUIDELINES

SECTION V. PAY EQUITY

A. Statement of Intent.

It is the intent of the City of White Bear Lake to assure that:

1. Compensation for job positions bear a reasonable relationship to others of comparable work value within the City's employment;
2. Compensation for job positions bear a reasonable relationship to similar positions of other public and private employees; and
3. Compensation for job positions bear a reasonable relationship with position of greater or lesser work value within the City's employment.
4. Compensation shall be considered to bear a reasonable relationship between positions if:
 - a) Compensation for positions which require comparable skill, effort, responsibility, working conditions and other relevant work related criteria is comparable; and
 - b) The compensation for positions which require differing skill, effort, responsibility, working conditions and other relevant work related criteria is proportional to the skill, effort, responsibility, working conditions and other relevant work related criteria required.

B. Assignment of Responsibility Level.

The City has analyzed and evaluated the required skill, effort, responsibility, working conditions and other relevant work related criteria of each position of the City using the HR FOCUS methodology developed by the Control Data Corporation. The primary product of this evaluation is a Time Spent Profile (TSP) for each position which will serve as the basis of the job description for each position. The secondary product of this evaluation is a point value which is determined by multiplying the time spent data of the TSP by weighted task values considering complexity, importance/responsibility and unfavorability. Each position of the City is placed in one of the thirty-three responsibility levels based on its point value as illustrated in Tables A and B following this section.

TSP's will be reviewed periodically to determine whether they remain accurate.

C. Determination of Equitable Compensation Relationship.

1. Positions for which top compensation falls within Zone 2 of its responsibility level and for which entry level compensation is at or above the minimum for its responsibility level shall be deemed to be within an equitable relationship with other positions in the City's employment if the employee meets performance requirements.
2. Positions for which compensation falls below the minimum for its responsibility level, or top compensation falls below Zone 2, shall be deemed to not have an equitable relationship with other positions of the City's employment if the employee meets performance requirements.

SALARY POLICY GUIDELINES

3. Positions for which compensation exceeds the maximum for its responsibility level, or top compensation exceeds Zone 2, and job performance or merit are not a significant factor in determining compensation nor does an extraordinary market condition exist, shall be deemed to not have an equitable relationship with other positions of the City's employment.

D. Establishment of Equitable Compensation Relationship.

1. Positions for which an equitable compensation relationship does not exist due to the fact that it is compensated below the minimum for its responsibility level or its top compensation is below Zone 2, shall:
 - a) Be eligible for six month salary adjustments guided by the chart in Section IV which will result in annual adjustments of two times the average adjustments for other employees of the city at similar performance levels if the position is not included in a collective bargaining agreement; or
 - b) Be the topic of negotiation for compensation under a collective bargaining agreement whereby said position shall be considered for a compensative adjustment approximately two times that of the average adjustment provided by the City for that year.
2. Positions for which an equitable compensation relationship does not exist due to the fact that it is compensated beyond the maximum for its responsibility level or its top compensation exceeds Zone 2 and performance or merit are not significant factors in determining compensation shall:
 - a) Be granted an annual salary or wage adjustment of not more than one-half the average amount granted for other position of the City if the position is not included in a collective bargaining agreement; or
 - b) Be the topic of negotiation for compensation under a collective bargaining agreement whereby said position shall be considered for a compensation adjustment approximately one-half the amount of average adjustments provided by the City for that year.

E. Schedule for Implementation of Pay Equity Plan.

Beginning January 1, 1988, this plan and policy shall serve as the basis of establishing compensation for non-bargaining positions of the City and shall serve as the basis for determining the City's position in collective bargaining.

It is the City's contention that this plan will provide an equitable compensation relationship among positions of the City within four years.

SALARY POLICY GUIDELINES

RESPONSIBILITY LEVEL ASSIGNMENT

Table A

<u>Responsibility Level</u>	<u>Points</u>
1	36 - 38
2	39 - 41
3	42 - 44
4	45 - 47
5	48 - 50
6	51 - 53
7	54 - 56
8	57 - 59
9	60 - 62
10	63 - 65
11	66 - 68
12	69 - 71
13	72 - 74
14	75 - 77
15	78 - 80
16	81 - 83
17	84 - 86
18	87 - 89
19	90 - 92
20	93 - 95
21	96 - 98
22	99 - 101
23	102 - 104
24	105 - 107
25	108 - 110
26	111 - 113
27	114 - 116
28	117 - 119
29	120 - 122
30	123 - 125
31	126 - 128
32	129 - 131
33	132 - 134

SALARY POLICY GUIDELINES

WHITE BEAR LAKE JOINT COMPENSATION STUDY JOB HIERARCHY

Table B *adopted 12/11/18*

	<u>Pts.*</u>	<u>Level</u>
City Manager	132	33
Director of Public Works	123	30
Police Chief	114	27
Finance Director	114	27
Fire Chief	109	25
Community Development Director	108	25
Assistant City Manager*	100	22
Public Works Supt.	99	22
Police Lieutenant/Captain	99	22
Assistant Fire Chief	98	21
Police Sergeant	91	19
Assistant City Engineer	90	19
Assistant Finance Director	89	18
Building Official	89	18
Civil Engineer	85	17
Arena Manager	83	16
Patrol Officer	81	16
Information Technology Coordinator	81	16
Planning and Zoning Coordinator	81	16
Housing and Econ Development Coordinator	81	16
Firefighter/Paramedic	80	15
Senior Engineer Technician	79	15
Quality Assurance Technician II	78	15
Fire Inspector	77	14
Building Inspector	77	14
License Bureau Supervisor	76	14
Rental Housing Inspector	73	13
Public Works Maintenance	71	12
Maintenance III (Sewer)	71	12
Maintenance III (Water)	69	12
Engineering Tech III	69	12
Maintenance III (Streets/Parks)	68	11
Administrative Assistant/City Clerk*	67	11
Environmental Specialist	67	11
Human Resource Specialist	67	11
Quality Assurance Technician	66	11
Paramedic*	65	10
Engineering Tech II	65	10
Code Enforcement I	64	10
Maintenance II Public Wks	63	10
Sports Center Maintenance	62	9

	<u>Pts.*</u>	<u>Level</u>
Utility Clerk	61	9
Building Permit Clerk	60	9
Planning Technician	60	9
Account Payable Clerk	60	9
Engineering Secretary	60	9
Police Records Tech	60	9
Police Assistant	60	9
License & Passport Clerk	60	9
License Bureau Dealer Clerk	59	8
EMT*	59	9
Fire Secretary	59	8
Public Works Office Clerk	59	8
Cashier/Receptionist (SC)	57	8
Recept./Clerk** (City Hall)	54	8
Maintenance I	52	6
Intern I	47	4
Build/Grounds Maintenance	47	4
Public Works Aid II	39	2
General Custodian	37	1
Public Works Aid	37	1
Skate Guard/Maintenance	36	1

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NOTE: For conversion between original (old) FOCUS value and new value apply the following formula:

To compute a new job value when an old job value is known:

1. Multiply the old job value by 1.184
2. Subtract 10.23 from the value obtained in step #1. The result is an estimate of the new job value.

To compute an old job value when a new job value is known:

1. Add 10.23 to the new job value.
2. Divide the value obtained in step #1 by 1.184. The result is an estimate of the old job value.

APPENDIX A

PERFORMANCE REVIEW PROGRAM

A performance review determines how well an employee is performing in the assigned areas of responsibility for his/her position and should encourage improved performance and personal development.

I. OBJECTIVE

Regular performance reviews are essential if the following basic objective is to be achieved:

- To stimulate improved performance on the part of each employee in municipal government to achieve the highest possible level of excellence in service for the citizens.

The success of the total program will depend upon each supervisor recognizing a continuing responsibility to motivate and guide assigned employees. In practice, discussions of performance should occur:

- During the formal performance review, which, in turn, will lay the foundation for day-to-day relationships which a good supervisor develops with each associate.

The performance review is used to evaluate total performance in a position for a specified period of time. The discussion should be scheduled in advance so the incumbents overall performance is fully considered and the review session is prepared for.

II. PURPOSE OF PERFORMANCE DISCUSSIONS

A discussion of job performance provides a positive demonstration that employees work assignment is of significant importance to warrant individual attention. The employee also learns:

- The importance of the position within the framework of the City.
- What the immediate supervisor expects in the way of performance.
- How the supervisor evaluates the employees performance.
- It answers the persistent question, "How am I doing?"
- Where and how improved performance can be achieved.

The supervisor learns:

- How the employee views the responsibilities assigned to the position.

- Where the employee feels performance improvement may be achieved.
- What ideas and suggestions each employee may have that will benefit the City and/or the functioning of the department.

The success of the discussion will depend upon:

- The climate in which the discussion is held--sincerity and frankness are more important than technique.
- The planned and objective review of the areas of accountability assigned to each employee as identified in the job description--this provides the logical foundation for the discussion to follow.
- The manner in which the supervisor guides the performance review discussion.
- The supervisor's ability to motivate employees to improve their performance.

III. CONTENT OF THE PERFORMANCE REVIEW

It is not the employee's personality which is being reviewed, rather it is the performance as related to the stated objectives of the position and the important areas of accountability as defined in the job description for that employee's position.

The concept of the review procedure will result in a performance review which will be constructive and will lay the groundwork for a mutually beneficial discussion between the subordinate and the supervisor.

The best source of information is personal observation. Some supervisors may, however, find it necessary to supplement their observations with information gained from other City administrative personnel. This would be true when the employee being evaluated performs services for, or comes in frequent contact with, personnel from more than one area of City operations. Because examples of good and poor performance are easily forgotten if not systematically recorded, brief notes should be kept. These will prove very useful when preparing the review report and when in conference with the person being reviewed. Reviews based on limited information or hearsay are likely to be inaccurate and lead to unfair judgement.

Specific notes are most helpful, and make the review easier and more objective. While an impression may be helpful, the specific incidents which form the opinion are more meaningful. While notes are helpful, it is not intended that all facts can or should be recorded. Only those which are significant and add meaning for planning action to improve the performance or compliment past performance should be used. Isolated incidents or unusual circumstances must not unduly influence judgement.

The review period must be clearly designated, and review based on performance only during that period. Performance previous to that period, and predictions of future performance, should not be allowed to influence the review.

INSTRUCTIONS FOR COMPLETING PERFORMANCE EVALUATION REPORT FORMS

The purpose of this section is to provide specific instructions regarding the procedure to be followed to complete a performance review report form (a copy of such a form is included at the end of this section).

A. MAJOR AREAS OF ACCOUNTABILITY

The job descriptions have numbers assigned to each major area of accountability. In evaluating performance, relate the number on the job description to the same number on the performance review form. The Judgment as to the level of performance rendered for each "area of accountability" should be noted by a check mark at the appropriate place on the graphic scale.

Where the check mark on the graphic scale indicates "deficient" or "outstanding" performance, explanatory comments should be given. Where the performance is identified as "meets requirements," it is not necessary to make any comments, but it will be helpful to do so.

Whenever there is a lack of specific information concerning performance in a particular area, there may be a tendency to indicate "average" performance. It is recommended that such implied judgment be omitted rather than indicate a conclusion not based on actual performance.

The completed review form will indicate individual strengths as well as areas where improvement can be made. Every effort should be made to emphasize these differences on the graphic scales through proper use of both high and low check marks. This critical evaluation is an important reason for having the review.

B. PERSONAL CHARACTERISTICS TO BE CONSIDERED

In the space provided, the supervisor may note any important personal attributes and characteristics possessed by the person being reviewed which to a "marked degree," either add to or detract from the person's overall performance. The following are illustrations of attributes or characteristics which may exist and could be considerable:

Positive examples -- "add to"

- This person's natural enthusiasm, pleasant and cooperative manner is stimulating to his associates.

Negative examples -- "detract from"

- Creates impression of being reluctant to cooperate with other members of the department.
- Tends to discourage new ideas because of a negative attitude.

C. OTHER FACTORS TO BE CONSIDERED

Recognize and comment upon any condition or other influence which, to a noticeable degree, affects performance.

Specific examples indicating how performance was affected will help to make the valuation more meaningful. An employee's newness on a job or perhaps some particularly adverse working conditions are examples of other factors to be considered.

D. SIGNIFICANT CHANGES IN PERFORMANCE TO BE NOTED

To achieve the purpose of this review program, it is essential that recognition be given to any significant change in performance which has occurred since the previous review--favorable or unfavorable.

Specific references and/or illustrations should be given here rather than vague generalizations. Therefore, identify progress made toward "achievement goals" that have been agreed on.

E. IDENTIFY KEY AREAS WHERE PERFORMANCE CAN BE IMPROVED

The supervisor should clearly identify and note the specific phases of performance where improvement can be achieved. The next logical step is to reach agreement and develop a plan of action for achieving the desired level of performance. The exact plan agreed upon need not be recorded on the performance review form, but a written record of the plan should be prepared and retained. A series of goals and objectives may be suitable in many cases.

F. SUGGESTIONS FOR EMPLOYEE ACTION TO IMPROVE

Comment should be made on matters discussed with the employee which would contribute to improved performance. Such matters might include specific night school or correspondence courses, outside reading and study, etc.

G. DIFFERENCES OF OPINION

It is not unusual for differences of opinion to appear during a performance review discussion. In fact, they may be anticipated in the beginning of the program. One of the objectives of the review program is to discover disagreements or areas of misunderstanding so they can be "brought out in the open" and discussed.

The opportunity to discuss (not argue) existing differences in thinking usually encourages a stronger relationship. Lack of discussion may be an indication of indifference or fear of the consequence of disagreeing with the supervisor.

SUMMARY EVALUATION OF OVERALL PERFORMANCE

The statement in the job description which identifies the "primary objective of the position" should be used as a guide in reaching a conclusion as to the overall level of performance being rendered. Care should be taken to give proper consideration to the actual "on job" performance of the person reviewed in relation to expected level of performance.

The check mark should be checked in the appropriate space on the graphic scale at the point which best represents the level of actual performance being rendered.



City of White Bear Lake
City Manager's Office

M E M O R A N D U M

To: Ellen Hiniker, City Manager

From: Kara Coustry, City Clerk

Date: December 4, 2018

Subject: **Recommendation for Revocation of Massage Therapist Establishment License – Red Dragonfly Massage LLC**

BACKGROUND

On April 24, 2018, Donggen Liu first became licensed as a massage therapist working at Peaceful Lake Therapeutic Massage located at 1350 Highway 96, Suite 16, White Bear Lake. The owners of Peaceful Lake Massage had amended their lease agreement with Birch Lake Square on April 19, 2018, which assigned the lease to Donggen Liu. Peaceful Lake intended to sell their business to Mr. Liu assuming he passed the Massage Therapy Establishment background investigation. On May 22nd, Donggen Liu successfully passed the background check and was licensed by the City for a massage therapy establishment. Peaceful Lake closed their business and Donggen Liu opened Red Dragonfly Massage LLC, located at 1350 Highway 96, Suite 16, White Bear Lake.

SUMMARY

Since being approved for a Massage Therapist Establishment license at Red Dragonfly on May 22, 2018, Mr. Liu has been the only licensed massage therapist at this location. Below represents the applicants for this business and the outcomes for each. Applicant 1 had technically applied at Peaceful Lake Massage in April; however, Mr. Liu listed her on his establishment application for Red Dragonfly as one of two therapist who were to begin working for him.

Application	Name	Outcome	Outcome
4/20/18	Donggen Liu	Massage Establishment Lic. – Red Dragonfly	5/22/18
4/13/18	Applicant 1	Unable to prove education requirement met	5/1/18
4/20/18	Applicant 2	Unable to prove education requirement met	5/4/18
5/21/18	Applicant 3	Unable to prove education requirement met	7/2/18
10/4/18	Applicant 1	Uncovered an arrest for prostitution which was dismissed due to conditions being met/expired. Also uncovered two places of massage employment, (one owned by applicant 1) but not disclosed on her application.	10/29/18
11/2/18	Applicant 4	A site visit by WBLPD found only Applicant 1 working, unlicensed.	On hold

Upon PD's discovery that an unlicensed therapist had been providing massages for several months at Red Dragonfly, the business was told to close immediately. On 11/19, a certified letter was mailed to the Donggen Liu, the business owner, describing the violation and providing notice of an upcoming City Council meeting in which the business license would be recommended for revocation.

Applicable portions of Municipal Code §1127 include:

§1127.030, LICENSES REQUIRED, Subd. 1, no person shall perform as a massage therapist without first having secured a license as provided for in this chapter.

§1127.050, LICENSE REQUIREMENTS, Subd. 4 Massage Therapist Business, B) All massage therapists at licensed location are duly licensed by the City.

§1127.090 VIOLATIONS AND PENALTIES. Every person violating any provision of this chapter is guilty of a misdemeanor and upon conviction shall be punished not more than the maximum penalty for a misdemeanor as prescribed by Minnesota state law. Additionally;

Subd. 1. Any violation of this chapter shall be a basis for the suspension or revocation of any license granted hereunder. In the event that the City Council proposes to revoke or suspend the license, the licensee shall be notified in writing of the basis for such proposed revocation or suspension. The Council shall hold a hearing for the purpose of determining whether to revoke or suspend the license, which hearing shall be within 30 days of notice.

Subd. 2. The City Council shall determine whether to suspend or revoke a licensee within 30 days after the close of the hearing or within 60 days of the date of the notice, whichever is sooner, and shall notify the licensee of its decision within that period.

§1127.100 UNLAWFUL ACTS. It shall be unlawful for: Subd. 1. Any person to engage in or conduct massage therapy without a valid license issued pursuant to this chapter.

§1127.110 ADVERSE LICENSE ACTION; GROUNDS. It shall be grounds for denial, revocation, nonrenewal, suspension or any other appropriate adverse license sanction if:

Subd. 1. The applicant or licensee is not complying with, or has a history of violations of, the laws and ordinances that apply to public health, safety and morals.

Subd. 6. The licensee is found to be violating provisions of this chapter.

RECOMMENDATION

According to the ordinance, the City Council shall hold a hearing for the purpose of determining whether to revoke or suspend the license. Staff recommends Council adopt the attached resolution revoking Red Dragon Massage LLC's massage therapy establishment license.

ATTACHMENTS

Resolution

Supporting documentation - confidential



City of White Bear Lake
Police Department

MEMORANDUM

To: Ellen Hiniker, City Manager
From: Julie Swanson, Chief of Police
Date: December 6, 2017
Subject: Red Dragon Massage, Case Number 18023060

On November 13th around 3:00 pm, Administrative Captain Dale Hager stopped into Red Dragon Massage, located at 1350 Highway 96 #16. The purpose for his visit was to verify who was working as we had previous massage therapist applications for the business, but none of them had been approved to date.

Captain Hager spoke with a female employee, identified as Applicant 1. Applicant 1 was the only employee present at the business. Captain Hager is familiar with Applicant 1 as she was a past applicant for a massage therapist license for another business in White Bear Lake. Applicant 1's previous application was denied due to an incident involving prostitution and failure to disclose all massage therapist employment within the past five years.

While at the business, Applicant 1 indicated she had been working at Red Dragon for approximately three to four months, and she was providing massage services to customers on a regular basis. She confirmed that she had given at least three massages on the day of Captain Hager's visit, and that she was expecting another customer at 3:30 pm. The customer arrived at the business while Captain Hager was present, and the customer was asked to leave.

Applicant 1 called the owner, Donggen Liu, and he arrived at the business a short while later. Captain Hager spoke with Mr. Liu, and he confirmed that Applicant 1 was an employee for him at Red Dragon Massage. Captain Hager advised Mr. Liu and Applicant 1 that they were in violation of White Bear Lake City Ordinance, Chapter 1127, and that the incident would be forwarded to the City Manager for review by the City Council.

RESOLUTION NO.

**RESOLUTION REVOKING MASSAGE THERAPY ESTABLISHMENT
LICENSE FOR RED DRAGONFLY MASSAGE LLC**

WHEREAS, Red Dragonfly, located at 1350 Highway 96, Suite 16, became a licensed massage therapist establishment in the City of White Bear Lake, MN on May 22, 2018; and

WHEREAS, the White Bear Lake Police Department conducted a site visit to the business on November 13, 2018, upon which an unlicensed massage therapist admitted to have been providing massage in that business for the past three months; and

WHEREAS, pursuant Municipal Code 1127.050, Subd. 4B, all massage therapists at licensed location are duly licensed by the City; and

WHEREAS, pursuant Municipal Code 1127.090, Subd. 1, any violation of this chapter shall be a basis for the suspension or revocation of any license granted hereunder.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the massage establishment license issued to Red Dragon Massage LLC be revoked; and

BE IT FURTHER RESOLVED that the City Council retains the right to review the license status for this business if it receives additional information related to the alleged activities at Red Dragonfly Massage LLC.

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 Engineer's Office

MEMORANDUM

To: Ellen Hiniker, City Manager

From: Paul Kauppi, Public Works Director/City Engineer

Date: December 5, 2018

Subject: **Feasibility Report for Proposed 2019 Street Reconstruction and 2019 Mill & Overlay Projects**
City Project Nos. 19-01, 19-04, 19-06, 19-13

BACKGROUND / SUMMARY

The City of White Bear Lake has been reconstructing streets since the mid-1980's, replacing deteriorated streets with new engineered gravel bases, concrete curb and gutter and bituminous pavements. Street reconstruction projects also include improvements to the storm sewer system and installation of storm water treatment facilities. The reconstruction program is ongoing and with completion of the 2019 street reconstruction project, the City has reconstructed over 92% of its streets (78 miles) which leaves 7 miles remaining to be improved to current engineering standards.

Each year the City Council selects streets for inclusion in the City's Street Reconstruction Program. The Council receives recommendations for reconstruction projects from the Engineering and Public Works Departments based upon pavement conditions among other factors. The proposed 2019 Street Reconstruction is highlighted in the color red on the Proposed Street Reconstruction Project Map included with this memo.

Based upon our analysis, the following streets are recommended to the City Council for inclusion in a Feasibility Report for the 2019 Street Reconstruction:

19-01 Streets being considered:

Morehead Avenue
(Lake Avenue to Seventh Street)

Johnson Avenue
(Fourth Street to Seventh Street)

Fourth Street
(Stewart Avenue to Lake Avenue)

Fifth Street
(Stewart Avenue to Lake Avenue)

Sixth Street
(Stewart Avenue to Lake Avenue)

Seventh Street
(Stewart Avenue to Lake Avenue)

Alleys
(Various Alleys throughout the project area)

19-04 Streets being considered:

Glen Oaks Avenue
(County Road D to Sumac Ridge)

Aspen Court
(Glen Oaks Avenue to Cul-de-sac)

Sumac Court
(Glen Oaks Avenue to Cul-de-sac)

Sumac Ridge
(Glen Oaks Avenue to Cul-de-sac)

19-06 Streets being considered:

Garden Lane
(Lemire Lane to Bald Eagle Avenue)

Once streets have been reconstructed to current engineering standards, they can be maintained by routine maintenance techniques such as crack sealing, sealcoating and minor patching. These maintenance techniques should keep bituminous pavements in good condition for approximately 25 years before another major rehabilitation technique such as milling and overlaying is necessary. The life of the pavements between major rehabilitation techniques depends largely on traffic types and volumes. Streets which carry larger vehicles with heavy loads and higher daily volumes of traffic wear out faster than low volume residential streets.

There are streets in the City in which the wearing course (top surface of pavement) is deteriorating to the point where routine patching is no longer able to maintain the street in an acceptable driving condition, making milling and overlaying necessary. Milling and overlaying is a process where the upper 1-1/2" to 2" of asphalt is "milled" (removed with a large grinding machine) and then a new bituminous wearing course is placed, creating a new road surface. Use of this pavement maintenance technique is necessary to ensure the preservation of our street pavements. This type of project extends the length of time required between street reconstructions. As reconstructed pavements age, the City will need to increase the number of mill and overlay projects in order to maintain the serviceability of its pavement infrastructure.

The City has reached a point in its pavement management program where the implementation of a mill and overlay program is necessary to preserve the investment it has made in its street infrastructure. The City incorporated a mill and overlay component into its overall Pavement Management Program for the first time in 2011. The mill and overlay program is a technique by which streets will be rehabilitated in the future when total reconstruction of the roadway is not necessary but just pavement rehabilitation. The mill & overlay program is starting now even though we have not yet completed the street reconstruction program (approximately 8% or 7 miles

of streets remain). The City will be challenged as it works to complete the street reconstruction program while undertaking mill and overlay projects at the same time to maintain streets reconstructed 20 – 30 plus years ago. We anticipate that the two programs could overlap for 5 to 7 years before the street reconstruction program is completed and we are just undertaking mill and overlay projects.

Similar to the Street Reconstruction Program, each year the City Council will need to select streets for inclusion in the City’s Mill & Overlay Program. The Council receives recommendations for mill and overlay projects from the Engineering and Public Works Departments based upon pavement conditions among other factors. The proposed 2019 Mill & Overlay Project is highlighted in the color blue on the Proposed Mill & Overlay Program Map included with this memo.

Based upon our analysis, the following streets are recommended to the City Council for inclusion in a Feasibility Report for the 2019 Mill & Overlay Project:

19-13 Streets being considered:

Campbell Avenue
(Tenth Street to Eleventh Street)

Campbell Circle
(Campbell Avenue to End Cul-de-sac)

Debra Lane
(Ninth Street to Parking Lot)

Eleventh Street
(End Cul-de-sac to End Cul-de-sac)

Lemire Circle
(Lemire Lane to End Cul-de-sac)

Lemire Lane
(Tenth Street to Garden Lane)

Tenth Street
(Georgia Lane to Wood Avenue)

Tenth Street
(Campbell Avenue to Bald Eagle Avenue)

Thury Court
(Debra Lane to End Cul-de-sac)

Walnut Street
(Ninth Street to Tenth Street)

Chicago Avenue
(Stewart Avenue to Morehead Avenue)

Morehead Avenue
(State 96 to Chicago Avenue)

Stewart Avenue
(State 96 to Chicago Avenue)

Alley
(Chicago Avenue to South)

Alley
(Chicago Avenue to North)

Also included in the 2019 Mill & Overlay Project, the City will be reconstructing trail segments as part of a Ramsey County Cooperative Project. The trail segments included in the cooperative project are on Hwy 96 (from White Bear Parkway to Speedway) and on White Bear Avenue (from

Highway 61 to South Shore Boulevard). No assessments are anticipated as the part of this trail reconstruction.

The next step in the improvement process is the preparation of a Feasibility Report to determine if the projects are advisable from an engineering standpoint and how they could best be constructed and funded.

A portion of the project cost will be assessed to benefitting properties in accordance with the City's Special Assessment Policy. The assessment rates for 2019 will be reviewed in consultation with the City's appraisal consultant and presented in the Feasibility Report.

The proposed assessment roll is being reviewed by the appraisal firm of Dahlen, Dwyer, Foley and Tinker, Inc. to ensure the proposed assessments are fair, uniform and provide benefit in the amount of the proposed assessments. We have asked the appraiser to specifically look at the large and irregular shaped parcels. Copies of the appraisal reports will be provided to the City Council when it is complete.

RECOMMENDED COUNCIL ACTION

Staff recommends that the Council adopt the resolution and order preparation of a Feasibility Report for the 2019 Street Reconstruction Project and the 2019 Mill & Overlay Project.

ATTACHMENTS

Resolution

Proposed Street Reconstruction Project Maps

Proposed Mill & Overlay Project Maps

RESOLUTION NO.:

**RESOLUTION ORDERING PREPARATION OF A FEASIBILITY REPORT
FOR THE 2019 STREET RECONSTRUCTION PROJECT
AND THE 2019 MILL & OVERLAY PROJECT**

CITY PROJECT NOs. 19-01, 19-04, 19-06 & 19-13

WHEREAS, the City has made a commitment to improving and preserving its bituminous pavement street system by reconstructing deteriorated streets and undertaking maintenance programs such as patching, crack sealing, sealcoating, and milling & overlaying; and

WHEREAS, streets which have been reconstructed and maintained with routine maintenance techniques still require periodic major rehabilitation to maintain a smooth driving surface and protect the integrity of the structural components of the road; and

WHEREAS, it is proposed to improve Morehead Avenue (from Lake Avenue to Seventh Street), Johnson Avenue (from Fourth Street to Seventh Street), Fourth Street (from Stewart Avenue to Lake Avenue), Fifth Street (from Stewart Avenue to Lake Avenue), Sixth Street (from Stewart Avenue to Lake Avenue), Seventh Street (from Stewart Avenue to Lake Avenue), Alleys (Various alleys throughout the project area), Glen Oaks Avenue (from County Road D to Sumac Ridge), Aspen Court (from Glen Oaks Avenue to Cul-de-sac), Sumac Court (from Glen Oaks Avenue to Cul-de-sac), Sumac Ridge (from Glen Oaks Avenue to Cul-de-sac) and Garden Lane (from Lemire Lane to Bald Eagle Avenue) by installation of utility, storm sewer improvements and street reconstruction, and to assess the benefited properties for all or a portion of the cost of the improvements, pursuant to Minnesota Statutes, Chapter 429; and

WHEREAS, it is proposed to improve Campbell Avenue (from Tenth Street to Eleventh Street), Campbell Circle (from Campbell Avenue to End Cul-de-sac), Debra Lane (from Ninth Street to Parking Lot), Eleventh Street (from End Cul-de-sac to End Cul-de-sac), Lemire Circle (from Lemire Lane to End Cul-de-sac), Lemire Lane (from Tenth Street to Garden Lane), Tenth Street (from Georgia Lane to Wood Avenue), Tenth Street (from Campbell Avenue to Bald Eagle Avenue), Thury Court (from Debra Lane to End Cul-de-sac), Walnut Street (from Ninth Street to Tenth Street), Chicago Avenue (from Stewart Avenue to Morehead Avenue), Morehead Avenue (from State 96 to Chicago Avenue), Alley (from Chicago Avenue to South) and Alley (from Chicago Avenue to North) by milling and overlaying the bituminous pavement, and to assess the benefited properties for all or a portion of the cost of the improvements, pursuant to Minnesota Statutes, Chapter 429.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota that:

The proposed improvements be referred to the City Engineer for study and that he is instructed to report to the City Council with all convenient speed advising the Council in a preliminary way as to whether the proposed improvements are feasible and as to whether they should best be made as proposed or in connection with some other improvements, and the estimated cost of the improvements as recommended.

RESOLUTION NO.:

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

2019 Street Reconstruction Project 19-01



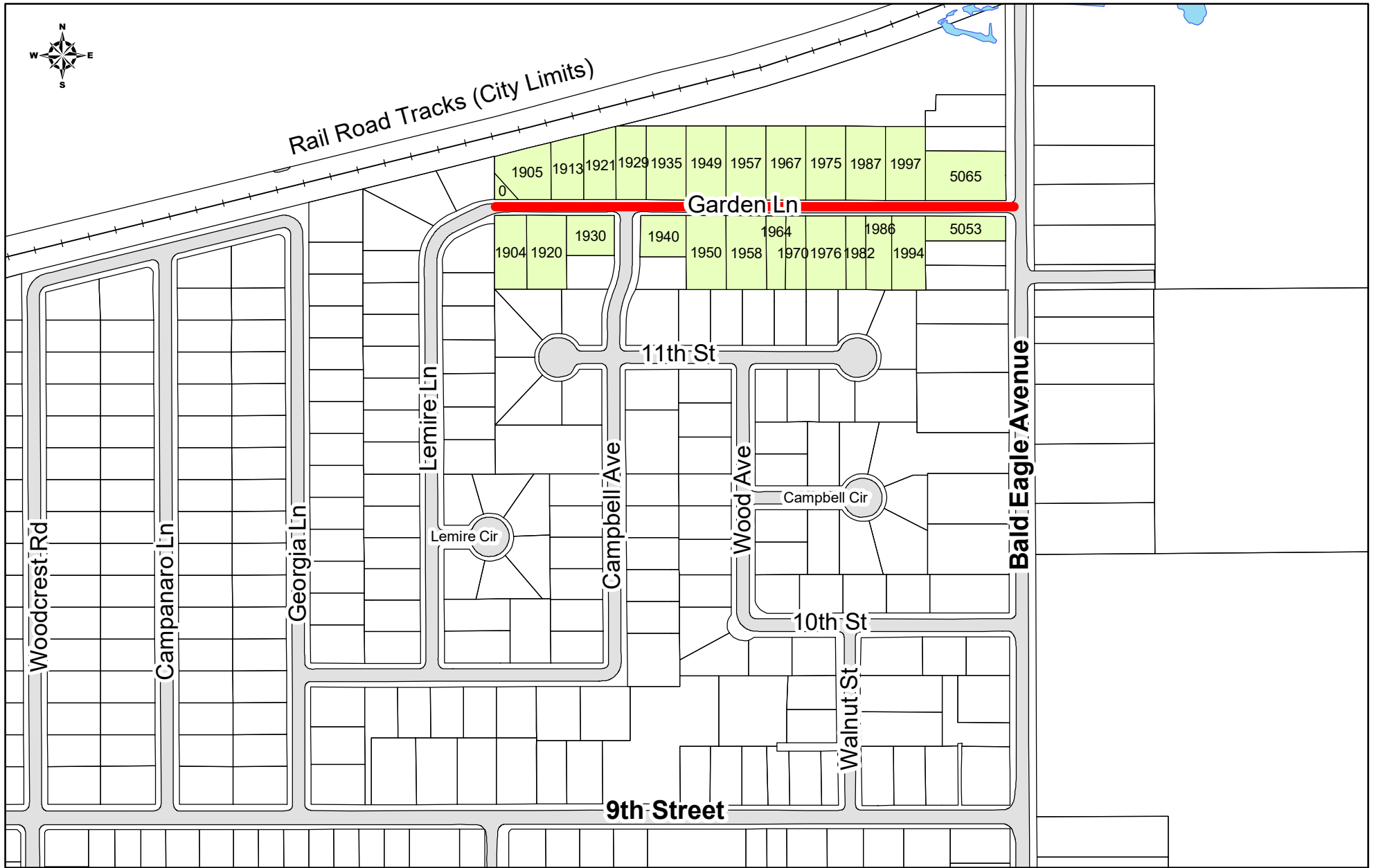
 Reconstruction

2019 Street Reconstruction Project 19-04



Partial Reconstruction

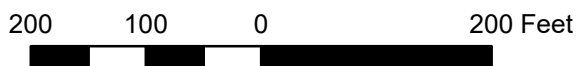
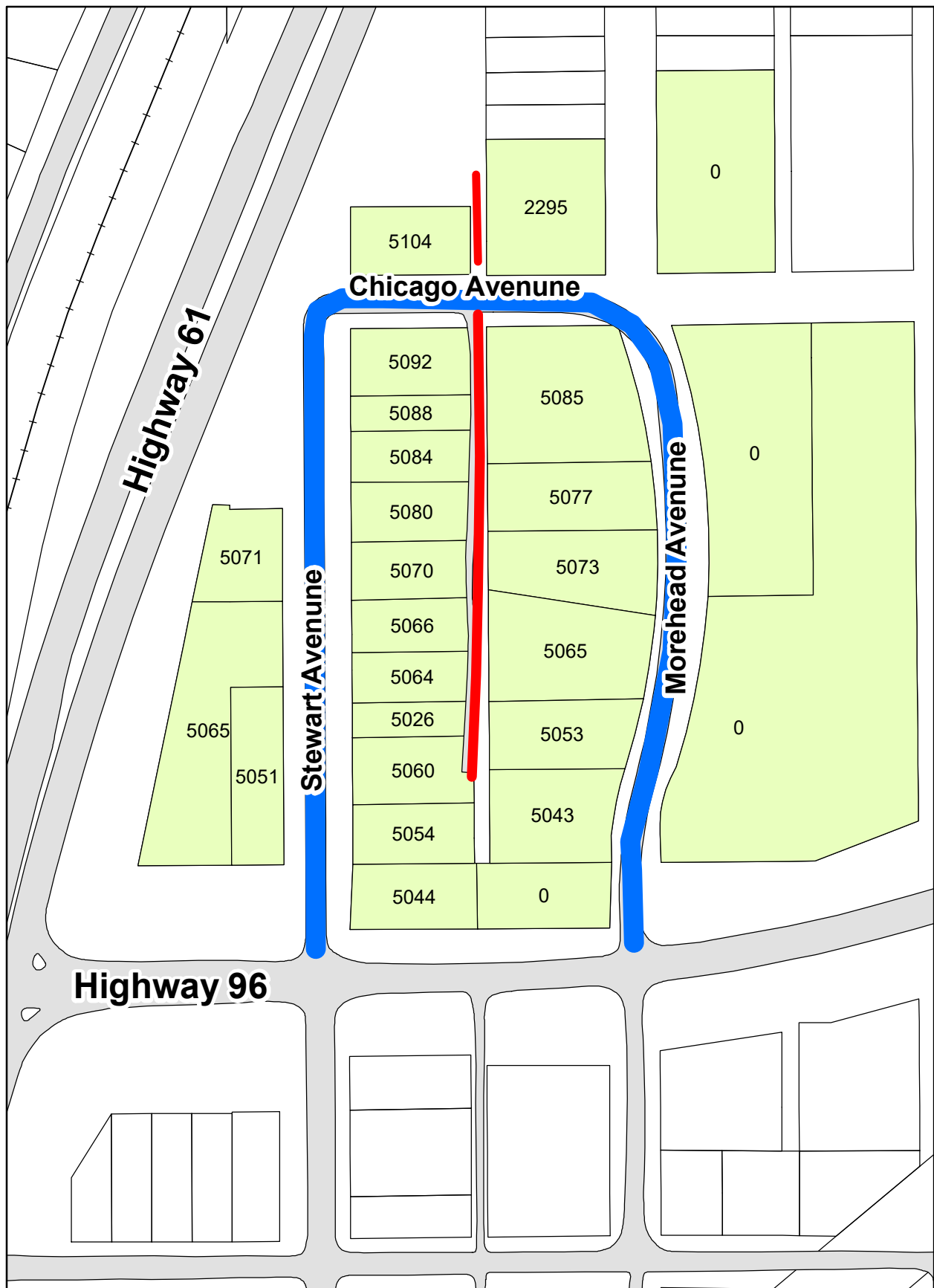
2019 Street Reconstruction Project 19-06



570 285 0 570 Feet

 Reconstruction

2019 Mill & Overlay Project 19-13



 Mill & Overlay

 Alley Reconstruction



City of White Bear Lake
City Manager's Office

MEMORANDUM

To: Ellen Hiniker, City Manager
From: Don Rambow, Finance Director
Date: December 5, 2018
Subject: **YMCA Conduit Revenue Debt Authorization**

BACKGROUND / SUMMARY

The City has authorized the Greater Twin City YMCA through Kennedy & Graven the ability to issue revenue bonds as taxable or tax-exempt in principal amount not to exceed \$22 million. The bonds will consolidate (refund) several outstanding issues refinancing recreational facilities in White Bear Lake and various communities in the greater metropolitan area.

The bonds will be issued according to Minnesota Statutes 469.152 – 469.1655 and 471.656. The bonds will not constitute either a general or a moral obligation of the City. Any taxing authority or power of the City will not secure the bonds. The bonds will have no impact on the City's credit rating. The bonds will not be issued as bank-qualified and will have no impact on the City's previously issued bonds or future bond issues.

RECOMMENDATION

It is recommended the City Council adopt the attached resolution authorizing the issuance of revenue obligations by the City of White Bear Lake for the benefit of the Greater Twin Cities YMCA and the execution of related documents.

ATTACHMENTS

Letter
Resolution

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS FOR THE BENEFIT OF THE YOUNG MEN'S CHRISTIAN ASSOCIATION OF THE GREATER TWIN CITIES AND AUTHORIZING THE EXECUTION OF DOCUMENTS IN CONNECTION THEREWITH

BE IT RESOLVED by the City Council of the City of White Bear Lake, Minnesota (the "City"), as follows:

Section 1. Recitals.

1.01. The City is authorized and empowered under Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act"), to issue its revenue bonds to finance or refinance, in whole or in part, the cost of the acquisition, construction, reconstruction, improvement, betterment, or extension of any properties, real or personal, used or useful in connection with a revenue-producing enterprise, whether or not operated for profit.

1.02. Minnesota Statutes, Section 471.656, as amended, authorizes a municipality to issue obligations to finance or refinance the acquisition or improvement of property located outside of the corporate boundaries of such municipality if the governing body of the city in which the property is located consents by resolution to the issuance of such obligations.

1.03. On June 28, 2006, the City of Lino Lakes, Minnesota issued its Revenue Note (YMCA Project), Series 2006A (the "Series 2006A Lino Lakes Note"), in the original aggregate principal amount of \$3,500,000 and loaned the proceeds thereof, along with the proceeds of the Revenue Note (YMCA Project), Series 2006B, issued by the City of Lino Lakes, Minnesota in the original aggregate principal amount of \$500,000, to the Young Men's Christian Association of the Greater Twin Cities, a Minnesota nonprofit corporation doing business as the YMCA of the Greater Twin Cities (the "Borrower"), as successor to the YMCA of Greater Saint Paul, to finance a portion of the costs of the acquisition, construction, and equipping of an approximately 45,000 square foot recreational facility located at 7690 Village Drive, Lino Lakes, Minnesota (the "Lino Lakes Facility").

1.04. On January 25, 2007, the Hastings Economic Development and Redevelopment Authority (as successor to the Housing and Redevelopment Authority in and for the City of Hastings, Minnesota) issued its Commercial Development Revenue Note, Series 2007 (the "Series 2007 Hastings EDRA Note"), in the original aggregate principal amount of \$2,200,000 and loaned the proceeds thereof to the Borrower, as successor to the YMCA of Greater Saint Paul, to finance the acquisition, construction, and equipping of an athletic and wellness facility located at 85 Pleasant Drive, Hastings, Minnesota (the "Hastings Facility").

1.05. On December 18, 2008, June 25, 2009, and December 23, 2010, the Minnesota Agricultural and Economic Development Board (the "Board") issued its Variable Rate Demand Revenue Bonds (YMCA of Metropolitan Minneapolis Project), Series 2008 (the "Series 2008 MAEDB Bonds"), in three tranches in the original aggregate principal amount of \$18,000,000 and loaned the proceeds thereof to the Borrower, as successor to the YMCA of Metropolitan Minneapolis, to finance the acquisition, construction, and equipping of the following facilities: (i) Southdale YMCA Facility, 7355 York Avenue South, Edina, Minnesota (the "Edina Facility"); and (ii) Prior Lake YMCA Facility, County Road 42 and McKenna Road (3575 North Berens Road), Prior Lake, Minnesota (the "Prior Lake Facility").

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

1.06. On September 9, 2013, the City issued its Recreational Facilities Revenue Refunding Bonds (YMCA of the Greater Twin Cities Project), Series 2013 (the “Series 2013 White Bear Lake Bonds”), in the original aggregate principal amount of \$3,067,219.55 and loaned the proceeds thereof to the Borrower to refinance the construction and equipping of an approximately 30,000 square foot expansion to the Borrower’s existing recreation facility located at 2100 Orchard Lane in the City (the “City Facility”), and additional improvements to the facility by refinancing the City’s Recreational Facilities Revenue Note (YMCA Project), Series 2009.

1.07. On July 29, 2015, the City of Forest Lake, Minnesota issued its Recreational Facilities Revenue Note (YMCA Project), Series 2015 (the “Series 2015 Forest Lake Note”), in the original aggregate principal amount of \$4,250,000 and loaned the proceeds thereof to the Borrower to finance the acquisition, construction, and equipping of an approximately 50,000 square foot recreational facility, including without limitation pool, splash pad, fitness center, gymnasium, kitchen, office, locker room, and play area facilities located at 19845 Forest Road North, Forest Lake, Minnesota (the “Forest Lake Facility”).

1.08. The Borrower has proposed that the City issue its revenue bonds, in one or more series, as taxable or tax-exempt obligations (the “Bonds”), in a principal amount not to exceed \$22,000,000, for the purposes of (i) refinancing the Lino Lakes Facility, the Hastings Facility, the Edina Facility, the Prior Lake Facility, the City Facility, and the Forest Lake Facility (collectively, the “Facilities”); (ii) funding required reserve funds; and (iii) paying certain costs of issuance of the Bonds.

1.09. The Borrower has represented to the City that it is exempt from federal income taxation under Section 501(a) of the Internal Revenue Code of 1986, as amended (the “Code”), as a result of the application of Section 501(c)(3) of the Code.

1.10. Section 147(f) of the Code, and regulations promulgated thereunder, and Section 469.154, subdivision 4 of the Act require that prior to the issuance of the Bonds, the City Council approve the issuance of the Bonds after conducting a public hearing thereon preceded by publication of a notice of public hearing (in the form required by Section 147(f) of the Code and applicable regulations) in the official newspaper of the City at least fourteen (14) days prior to the public hearing date. A notice of public hearing was published at least fourteen (14) days before the regularly scheduled meeting of the City Council in the *White Bear Press*, the official newspaper of and a newspaper of general circulation in the City, with respect to the required public hearing under Section 147(f) of the Code and the Act.

1.11. On the date hereof, the City Council conducted a duly noticed public hearing on the issuance of the Bonds to refinance the Facilities, all in accordance with Section 147(f) of the Code and Section 469.154, subdivision 4 of the Act.

1.12. The Bonds will be issued pursuant to the Act, Minnesota Statutes, Section 471.656, and an Indenture of Trust (the “Indenture”) between the City and U.S. Bank National Association, a national banking association (the “Trustee”). The City will loan the proceeds derived from the sale of the Bonds to the Borrower pursuant to a Loan Agreement (the “Loan Agreement”) between the City and the Borrower.

1.13. The Loan Agreement will require the Borrower to make loan repayments to produce revenue sufficient to pay the principal of, premium, if any, and interest on the Bonds when due. The City will assign its rights to the loan repayments, basic payments, and certain other rights under the Loan Agreement to the Trustee pursuant to the Indenture and the Loan Agreement.

1.14. The City and the Board intend to enter into a Cooperative Agreement (the “Cooperative Agreement”) pursuant to which the Board will consent to the issuance of the Bonds to refinance the Edina

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

Facility and the Prior Lake Facility by refinancing the outstanding Series 2008 MAEDB Bonds. In addition, the governing bodies of the City of Lino Lakes, Minnesota, the City of Hastings, Minnesota, and the City of Forest Lake, Minnesota have consented to the issuance of the Bonds to refinance the Lino Lakes Facility, the Hastings Facility, and the Forest Lake Facility, respectively, by refinancing the outstanding Series 2006A Lino Lakes Note, the outstanding Series 2007 Hastings EDRA Note, and the outstanding Series 2015 Forest Lake Note.

Section 2. Issuance of the Bonds.

2.01. The City Council hereby finds, determines, and declares that:

(a) The issuance and sale of the Bonds, the execution and delivery by the City of the Indenture and the Loan Agreement and the performance of all covenants and agreements of the City contained in the Indenture and the Loan Agreement are undertaken pursuant to the Act.

(b) For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Bonds in an original aggregate principal amount not to exceed \$22,000,000. The Bonds shall bear interest, shall be numbered, shall be dated, shall mature, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Indenture, in substantially the form now on file with the City.

(c) The loan repayments to be made by the Borrower under the Loan Agreement shall be fixed to produce revenues sufficient to provide for the prompt payment of principal of, premium, if any, and interest on the Bonds issued under this resolution when due, and the Loan Agreement also provides that the Borrower shall pay all expenses of the operation and maintenance of the Facilities described therein, including, but without limitation, adequate insurance thereon and insurance against all liability for injury to persons or property arising from the operation thereof and all lawfully imposed taxes and special assessments levied upon or with respect to the Facilities and payable during the term of the Loan Agreement.

2.02. As provided in the Loan Agreement, the Bonds shall be special, limited obligations of the City payable solely from the revenues provided by the Borrower pursuant to the Loan Agreement and other funds pledged pursuant to the Indenture and shall not be payable from or charged upon any funds other than the revenues or funds and assets pledged to their payment, nor shall the City be subject to any liability thereon, except as otherwise provided in this paragraph. No holder of the Bonds shall ever have the right to compel any exercise by the City of its taxing powers to pay any of the Bonds or the interest or premium thereon, or to enforce payment thereof against any property of the City except the interests of the City in the Loan Agreement and the revenues and assets thereunder, which will be assigned to the Trustee under the Indenture. The Bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City, except the interests of the City in the Loan Agreement, and the revenues and assets thereunder, which will be assigned to the Trustee under the Indenture. The Bonds shall recite that the Bonds are issued pursuant to the Act, that the Bonds, including interest and premium, if any, thereon, are payable solely from the revenues and assets pledged to the payment thereof, and that the Bonds shall not constitute a debt of the City within the meaning of any constitutional or statutory limitations.

2.03. All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Bonds shall be substantially in the form on file with the City, which is hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the principal amount of the Bonds, the determination of the

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

interest rates on the Bonds, and changes to the terms of redemption of the Bonds) as the Mayor and the City Manager, in their discretion, shall determine. The execution of the Bonds with the manual or facsimile signatures of the Mayor and the City Manager and the delivery of the Bonds by the City shall be conclusive evidence of such determination.

2.04. The City Council of the City hereby authorizes and directs the Mayor and the City Manager to execute and deliver the Indenture to the Trustee, hereby authorizes and directs the execution of the Bonds in accordance with the terms of the Indenture, and hereby provides that the Indenture shall provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the owners of the Bonds, the City and the Trustee as set forth therein.

2.05. All of the provisions of the Indenture, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Indenture shall be substantially in the form on file with the City, which is hereby approved, with such necessary and appropriate variations, omissions, and insertions as do not materially change the substance thereof, or as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determination.

2.06. The Mayor and the City Manager are hereby authorized and directed to execute and deliver the Loan Agreement, the Cooperative Agreement, and the Bond Purchase Agreement (the “Bond Purchase Agreement”) between the City, the Borrower, and Piper Jaffray & Co. (the “Underwriter”). All of the provisions of the Loan Agreement, the Cooperative Agreement, and the Bond Purchase Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Loan Agreement, the Cooperative Agreement, and the Bond Purchase Agreement shall be substantially in the forms on file with the City which are hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determination.

2.07. The Trustee is hereby appointed as paying agent and bond registrar for the Bonds.

2.08. The Mayor, the City Manager, and the Finance Director of the City and other officers, employees, and agents of the City are hereby authorized and directed to prepare and furnish to Kennedy & Graven, Chartered, as bond counsel to the City (“Bond Counsel”), and the Trustee certified copies of all proceedings and records of the City relating to the issuance of the Bonds, including a certification of this resolution. Such officers, employees, and agents are hereby authorized to execute and deliver, on behalf of the City, all other certificates, instruments, and other written documents that may be requested by Bond Counsel, the Trustee, or other persons or entities in conjunction with the issuance of the Bonds. Without imposing any limitation on the scope of the preceding sentence, such officers, employees, and agents are specifically authorized to execute and deliver a certificate of the City, an endorsement of the City to the tax certificate of the Borrower, an Information Return for Tax-Exempt Private Activity Bond Issues, Form 8038, and all other documents and certificates as shall be necessary and appropriate in connection with the issuance, sale, and delivery of the Bonds. The City hereby authorizes Bond Counsel to prepare, execute, and deliver one or more approving legal opinions with respect to the Bonds.

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

2.09. The City hereby authorizes the Borrower to provide such security for payment of its obligations under the Loan Agreement and for payment of the Bonds as is agreed upon by the Borrower and the Trustee, and the City hereby approves the execution and delivery of such security.

2.10. The City hereby ratifies the distribution by the Underwriter of the Preliminary Official Statement (the "Preliminary Official Statement") in the sale of the Bonds. The City also consents to the preparation and distribution by the Underwriter of an Official Statement (the "Official Statement") following the sale of the Bonds. The Preliminary Official Statement and the Official Statement are the sole materials consented to by the City for use in connection with the offer and sale of the Bonds.

Section 3. Miscellaneous.

3.01. All agreements, covenants, and obligations of the City contained herein and in the above-referenced documents shall be deemed to be the agreements, covenants, and obligations of the City to the full extent authorized or permitted by law, and all such agreements, covenants, and obligations shall be binding on the City and enforceable in accordance with their terms. No agreement, covenant, or obligation contained in this resolution or in the above-referenced documents shall be deemed to be an agreement, covenant, or obligation of any member of the City Council, or of any officer, employee, or agent of the City in that person's individual capacity. Neither the members of the City Council nor any officer executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance of the Bonds.

3.02. Except as herein otherwise expressly provided, nothing herein or in the Indenture or the Loan Agreement, expressed or implied, is intended or shall be construed to confer upon any person, firm, or corporation other than the City and the registered and beneficial owners of the Bonds, any right, remedy, or claim, legal or equitable, under and by reason of this resolution or any provision hereof or of the Indenture or the Loan Agreement or any provision thereof; this resolution, the Loan Agreement, the Indenture and all of their provisions being intended to be, and being for the sole and exclusive benefit of the City and the registered and beneficial owners of the Bonds issued under the provisions of this resolution and the Indenture, and the Borrower to the extent expressly provided in the Indenture and the Loan Agreement.

3.03. In case any one or more of the provisions of this resolution, other than the provisions contained in Section 2.02 hereof, or of the documents mentioned herein, or of the Bonds issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, or of the aforementioned documents, or of the Bonds, but this resolution, the aforementioned documents, and the Bonds shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein. If for any reason the Mayor or the City Manager, or any other officers, employees, or agents of the City authorized to execute certificates, instruments, or other written documents on behalf of the City, shall for any reason cease to be an officer, employee, or agent of the City after the execution by such person of any certificate, instrument, or other written document, such fact shall not affect the validity or enforceability of such certificate, instrument, or other written document. If for any reason the Mayor or the City Manager is unable to execute and deliver the documents referred to in this resolution, such documents may be executed by any member of the City Council or any officer of the City delegated the duties of the Mayor or the City Manager with the same force and effect as if such documents were executed and delivered by the Mayor or the City Manager.

3.04. The Borrower has agreed to pay directly or through the City any and all costs paid or incurred by the City in connection with the transactions authorized by this resolution, whether or not the Bonds are issued.

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

3.05. This resolution shall be in full force and effect from and after its passage.

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

Ayes:

Nays:

Passed:

Approved by the City Council of the City of White Bear Lake, Minnesota, this 11th day of December, 2018.

Jo Emerson, Mayor

Attest:

Kara Coustry, City Clerk



Offices in
Minneapolis 470 U.S. Bank Plaza
200 South Sixth Street
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JULIE A. EDDINGTON
Attorney at Law
Direct Dial (612) 337-9213
Email: jeddington@kennedy-graven.com

December 4, 2018

Don Rambow, Finance Director
City of White Bear Lake
4701 Highway 61
White Bear Lake, MN 55110

Re: Resolution providing approval to the issuance of revenue obligations by the City of White Bear Lake for the benefit of the Young Men's Christian Association of the Greater Twin Cities and the execution of documents in connection therewith

Dear Don,

As you know, the Young Men's Christian Association of the Greater Twin Cities, a Minnesota nonprofit corporation doing business as the YMCA of the Greater Twin Cities (the "Borrower"), has proposed that the City of White Bear Lake (the "City") issue its revenue bonds, in one or more series, as taxable or tax-exempt obligations (the "Bonds"), in a principal amount not to exceed \$22,000,000, and loan the proceeds thereof the Borrower for the purposes of refinancing the following recreational facilities owned by the Borrower (collectively, the "Facilities"): (a) an approximately 30,000 square foot expansion to the Borrower's existing recreation facility located at 2100 Orchard Lane in the City; (b) an approximately 45,000 square foot recreational facility located at 7690 Village Drive, Lino Lakes, Minnesota; (c) an athletic and wellness facility located at 85 Pleasant Drive, Hastings, Minnesota; (d) the Forest Lake YMCA, 19845 Forest Road North, Forest Lake, Minnesota; (e) Southdale YMCA Facility, 7355 York Avenue South, Edina, Minnesota; and (f) Prior Lake YMCA Facility, County Road 42 and McKenna Road (3575 North Berens Road), Prior Lake, Minnesota. The Facilities were initially financed and refinanced with revenue obligations issued by the City, the City of Lino Lakes, the City of Hastings, the City of Forest Lake, and the Minnesota Agricultural and Economic Development Board.

The Bonds will be issued under the terms of Minnesota Statutes, Sections 469.152 through 469.1655, as amended (the "Act"), Minnesota Statutes, Section 471.656, as amended, and an Indenture of Trust (the "Indenture") between the City and U.S. Bank National Association, as trustee. The proceeds of the Bonds will be loaned to the Borrower under a Loan Agreement (the "Loan Agreement"). Before the Bonds may be issued, however, the City of Lino Lakes, the City of Hastings, and the City of Forest Lake, Minnesota will need to provide "host approval" to the issuance of the Bonds. The City of Lino Lakes and the City of Hastings have provided host approval, and the City of Forest Lake is expected to provide host approval on December 10, 2018. In addition, the Borrower has requested that the City and the Minnesota Agricultural and Economic Development Board execute a Cooperative Agreement (the "Cooperative Agreement") pursuant to which the Minnesota Agricultural and Economic Development Board will consent to the issuance by the City of the Bonds to refinance, in part, the facilities initially financed with the proceeds of the revenue obligations issued by the Minnesota Agricultural and Economic Development Board.

Pursuant to Section 469.154, subdivision 4 of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the City Council is required to conduct a public hearing on the issuance of the Bonds, which will be held on December 11, 2018. Following the public hearing, the City Council will be asked to consider the enclosed resolution, which provides approval to the issuance of the Bonds and authorizes the execution and delivery of the related loan documents, including the Indenture, the Loan Agreement, and the Cooperative Agreement.

The Bonds will be conduit revenue bonds issued under the Act and Minnesota Statutes, Section 471.656, and will be secured solely by the revenues derived from the Loan Agreement or other security provided by the Borrower. The Bonds will not constitute a general or moral obligation of the City and will not be secured by or payable from any property or assets of the City (other than the interests of the City in the Loan Agreement) and will not be secured by any taxing power of the City. The Bonds will not be subject to any debt limitation imposed on the City and the issuance of the Bonds will not have any adverse impact on the credit rating of the City, even in the event that Borrower encounters financial difficulties with respect to the Facilities.

Each year the City has the ability to designate up to \$10,000,000 in tax-exempt bonds as "qualified tax-exempt obligations" (sometimes referred to as "bank-qualified bonds") for purposes of Section 265(b)(3) of the Code. Earlier this year, the City issued its own bank-qualified general obligation bonds. The Bonds proposed to be issued for the benefit of the Borrower will not be issued as bank-qualified bonds but will not negatively affect the bank-qualified general obligation bonds issued by the City earlier this year.

Under the terms of the Loan Agreement, the Borrower will agree to pay to the City an administrative fee in connection with the issuance of conduit bonds and the out-of-pocket expenses of the City with respect to these transactions.

I will attend the City Council meeting on December 11, 2018 and can answer any questions that may arise during the meeting. Please contact me with any questions you may have prior to the City Council meeting.

Sincerely,

Julie A. Eddington



City of White Bear Lake
Finance Department

MEMORANDUM

To: Ellen Hiniker, City Manager
From: Don Rambow, Finance Director
Date: December 6, 2018
Subject: Century Hills Housing Revenue Conduit Debt Authorization

BACKGROUND/SUMMARY

Century Hills Partners is proposing to acquire, rehabilitate, and equip a 55 unit existing multifamily rental facility located at 3525 Century Ave. Century Hills is requesting the City authorize and issue one or a series of tax-exempt conduit revenue bonds up to a maximum of \$6 million. The bonds require a public hearing related to the issuance. The bonds would be required to receive a bonding authority allocation from the State of Minnesota.

The City Council is being requested to adopt a resolution, which authorizes appropriate action to prepare the housing program and application in accordance with Section 146 of the Code and the allocation act. If a public hearing were conducted at a future council meeting, the Council would then be asked to consider approving a resolution authorizing the issuance of bonds.

The bonds will not constitute either a general or a moral obligation of the City. Any taxing authority or power of the City will not secure the bonds. The bonds will have no impact on the City's credit rating. The bonds will not be issued as bank-qualified and will have no impact on the City's future bond issues. Century Hills agrees to pay all out of pocket expenses as well as the City's administrative fee. Julie Eddington of Kennedy & Graven will be present to address any questions related to the bonds.

RECOMMENDATION

It is recommended the City Council adopt the attached resolution authorizing the preliminary approval to issue revenue obligations in connection to acquire, rehabilitate, and equip a 55 unit existing multifamily rental facility located at 3525 Century Ave.

ATTACHMENTS

Resolution
Supporting letter

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

RESOLUTION PROVIDING PRELIMINARY APPROVAL TO THE ISSUANCE OF REVENUE OBLIGATIONS UNDER MINNESOTA STATUTES, CHAPTERS 462C AND 474A, AS AMENDED, AND TAKING OTHER ACTIONS IN CONNECTION THEREWITH

BE IT RESOLVED by the City Council (the “City Council”) of the City of White Bear Lake, Minnesota (the “City”), as follows:

Section 1. Recitals.

1.01. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Housing Act”), the City is authorized to carry out the public purposes described in the Housing Act by providing for the issuance of revenue bonds to provide funds to finance or refinance multifamily housing developments.

1.02. Century Hills Partners, a Minnesota limited partnership or an affiliate (the “Borrower”), has proposed to acquire, rehabilitate, and equip an approximately 55-unit existing multifamily rental housing facility located at 3525 Century Avenue in the City (the “Project”).

1.03. The Borrower is requesting that the City issue revenue obligations, in one or more series, as taxable or tax-exempt obligations (the “Bonds”), in the approximate principal amount of \$6,000,000, in order to (i) finance the Project; (ii) fund any required reserve funds; (iii) finance capitalized interest during the construction of the Project; and (iv) pay the costs of issuing the Bonds.

1.04. As a condition to the issuance of such revenue bonds, the City must prepare and adopt a housing program providing the information required by Section 462C.03, subdivision 1a of the Housing Act (the “Housing Program”). The Council must also grant preliminary approval of the issuance of revenue bonds to finance the multifamily rental housing development referred to in the Housing Program.

1.05. Under Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), prior to the issuance of the Bonds, the City Council must conduct a public hearing after one publication of notice in a newspaper circulating generally in the City at least fourteen (14) days before the hearing. Under Section 462C.04, subdivision 2 of the Housing Act, a public hearing must be held on the Housing Program after one publication of notice in a newspaper circulating generally in the City at least fifteen (15) days before the hearing.

1.06. Pursuant to Section 146 of the Code, the Bonds must receive an allocation of the bonding authority of the State of Minnesota. An application for such an allocation must be made pursuant to the requirements of Minnesota Statutes, Chapter 474A, as amended (the “Allocation Act”). The City Council must grant preliminary approval to the issuance of the Bonds to finance the Project and authorize the submission of an application to the office of Minnesota Management & Budget for an allocation of bonding authority with respect to the Bonds to finance the Project.

Section 2. Preliminary Findings. Based on representations made by the Borrower to the City to date, the City Council hereby makes the following preliminary findings, determinations, and declarations:

(a) The Bonds will finance a multifamily housing development designed and intended to be used for rental occupancy.

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

(b) The proceeds of the Bonds will be loaned to the Borrower and the proceeds thereof, along with other available funds, will be used to finance the Project, finance capitalized interest during the construction of the Project, fund required reserve funds, and pay costs of issuing the Bonds. The City will enter into one or more loan agreements (or other revenue agreement) with the Borrower requiring loan repayments from the Borrower in amounts sufficient to repay the loan of the proceeds of the Bonds when due and requiring the Borrower to pay all costs of maintaining and insuring the Project, including taxes thereon.

(c) In preliminarily authorizing the issuance of the Bonds, the City's purpose is and the effect thereof will be to promote the public welfare of the City and its residents by retaining and improving multifamily housing developments and otherwise furthering the purposes and policies of the Housing Act.

(d) The Bonds will be special, limited obligations of the City payable solely from the revenues pledged to the payment thereof, will not be a general or moral obligation of the City, and will not be secured by or payable from revenues derived from any exercise of the taxing powers of the City.

Section 3. Submission of an Application for an Allocation of Bonding Authority. The City Council hereby authorizes the submission of an application for allocation of bonding authority with respect to the Bonds in the approximate principal amount of \$6,000,000 pursuant to Section 146 of the Code and the Allocation Act in accordance with the requirements of the Allocation Act. City staff and Kennedy & Graven, Chartered, acting as bond counsel to the City ("Bond Counsel"), shall take all actions, in cooperation with the Borrower, as are necessary to submit an application for an allocation of bonding authority to the office of Minnesota Management & Budget.

Section 4. Public Hearing. The Council shall meet at a future date to be determined by City staff to conduct a public hearing on the Housing Program, the Project, and the issuance of the Bonds by the City. Notice of such hearing (the "Public Notice") will be published as required by Section 462C.04, subdivision 2 of the Act and Section 147(f) of the Code. Bond Counsel is hereby authorized and directed to publish the Public Notice, in substantially the form attached hereto as EXHIBIT A, in the *White Bear Press*, the official newspaper of and a newspaper of general circulation in the City, at least fifteen (15) days before the meeting of the City Council at which the public hearing will take place. At the public hearing reasonable opportunity will be provided for interested individuals to express their views, both orally and in writing, on the Project, the Housing Program, and the proposed issuance of the Bonds.

Section 5. Housing Program. Bond Counsel shall prepare and submit to the City a draft Housing Program to authorize the issuance by the City of up to \$6,000,000 in revenue bonds to finance the acquisition, rehabilitation, and equipping of the Project by the Borrower. Bond Counsel is further authorized and directed to submit the Housing Program on behalf of the City to the Metropolitan Council for review and comment pursuant to Section 462C.04, subdivision 2 of the Act.

Section 6. Preliminary Approval. The City Council hereby provides preliminary approval to the issuance of the Bonds in the estimated principal amount not to exceed \$6,000,000, subject to: (i) a public hearing as required by the Housing Act and Section 147(f) of the Code; (ii) final approval following the preparation of bond documents; (iii) receipt of an allocation of bonding authority from the office of Minnesota Management & Budget; and (iv) final determination by the City Council that the financing of the Project and the issuance of the Bonds are in the best interests of the City.

Section 7. Reimbursement of Costs under the Code.

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

7.01. The United States Department of the Treasury has promulgated regulations governing the use of the proceeds of tax-exempt bonds, all or a portion of which are to be used to reimburse the City or the Borrower for project expenditures paid prior to the date of issuance of such bonds. Those regulations (Treasury Regulations, Section 1.150-2) (the “Regulations”) require that the City adopt a statement of official intent to reimburse an original expenditure not later than sixty (60) days after payment of the original expenditure. The Regulations also generally require that the bonds be issued and the reimbursement allocation made from the proceeds of the bonds occur within eighteen (18) months after the later of: (i) the date the expenditure is paid; or (ii) the date the project is placed in service or abandoned, but in no event more than three (3) years after the date the expenditure is paid. The Regulations generally permit reimbursement of capital expenditures and costs of issuance of the Bonds.

7.02. To the extent any portion of the proceeds of the Bonds will be applied to expenditures with respect to the Project, the City reasonably expects to reimburse the Borrower for the expenditures made for costs of the Project from the proceeds of the Bonds after the date of payment of all or a portion of such expenditures. All reimbursed expenditures shall be capital expenditures, costs of issuance of the Bonds, or other expenditures eligible for reimbursement under Section 1.150-2(d)(3) of the Regulations and also qualifying expenditures under the Housing Act.

Based on representations by the Borrower, other than (i) expenditures to be paid or reimbursed from sources other than the Bonds, (ii) expenditures permitted to be reimbursed under prior regulations pursuant to the transitional provision contained in Section 1.150-2(j)(2)(i)(B) of the Regulations, (iii) expenditures constituting preliminary expenditures within the meaning of Section 1.150-2(f)(2) of the Regulations, or (iv) expenditures in a “de minimis” amount (as defined in Section 1.150-2(f)(1) of the Regulations), no expenditures with respect to the Project to be reimbursed with the proceeds of the Bonds have been made by the Borrower more than sixty (60) days before the date of adoption of this resolution of the City.

7.03. Based on representations by the Borrower, as of the date hereof, there are no funds of the Borrower reserved, allocated on a long term-basis or otherwise set aside (or reasonably expected to be reserved, allocated on a long-term basis or otherwise set aside) to provide permanent financing for the expenditures related to the Project to be financed from proceeds of the Bonds, other than pursuant to the issuance of the Bonds. This resolution, therefore, is determined to be consistent with the budgetary and financial circumstances of the Borrower as they exist or are reasonably foreseeable on the date hereof.

Section 8. Costs. The Borrower will pay the administrative fees of the City and pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Bonds, whether or not the Bonds are issued.

Section 9. Commitment Conditional. The adoption of this resolution does not constitute a guaranty or firm commitment that the City will issue the Bonds as requested by the Borrower. The City retains the right in its sole discretion to withdraw from participation and accordingly not to issue the Bonds, or issue the Bonds in an amount less than the amount referred to herein, should the City at any time prior to issuance thereof determine that it is in the best interest of the City not to issue the Bonds, or to issue the Bonds in an amount less than the amount referred to in Section 6 hereof, or should the parties to the transaction be unable to reach agreement as to the terms and conditions of any of the documents required for the transaction.

Section 10. Effective Date. This resolution shall be in full force and effect from and after its passage.

CITY OF WHITE BEAR LAKE, MINNESOTA

RESOLUTION NO.

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

Ayes:
Nays:
Passed:

Adopted by the City Council of the City of White Bear Lake, Minnesota this 11th day of December, 2018.

Mayor

ATTEST:

City Clerk

EXHIBIT A

NOTICE OF PUBLIC HEARING

CITY OF WHITE BEAR LAKE, MINNESOTA

NOTICE OF PUBLIC HEARING ON THE APPROVAL OF A HOUSING PROGRAM FOR A MULTIFAMILY HOUSING DEVELOPMENT AND THE ISSUANCE OF REVENUE BONDS UNDER MINNESOTA STATUTES, CHAPTER 462C, AS AMENDED

NOTICE IS HEREBY GIVEN that the City Council of the City of White Bear Lake, Minnesota (the “City”) will hold a public hearing on Tuesday, _____, 2019, at or after 7:00 p.m. at City Hall, located at 4701 Highway 61 in the City, to consider a proposal that the City approve and authorize the issuance of its revenue bonds, in one or more series, as taxable or tax-exempt obligations (the “Bonds”), pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Act”), for the purposes of (i) financing the acquisition, rehabilitation, and equipping an approximately 55-unit existing multifamily rental housing facility located at 3525 Century Avenue in the City (the “Project”); (ii) funding any required reserve funds; (iii) financing capitalized interest during the construction of the Project; and (iv) paying the costs of issuing the Bonds. Century Hills Partners, a Minnesota limited partnership or an affiliate (collectively, the “Borrower”), will own the Project. The aggregate principal amount of the proposed Bonds is estimated not to exceed \$6,000,000.

Following the public hearing, the City Council will consider a resolution approving a housing program prepared in accordance with the requirements of the Act and granting approval to the issuance of the Bonds.

The Bonds will be special, limited obligations of the City, and the Bonds and interest thereon will be payable solely from the revenues and assets pledged to the payment thereof. No holder of any Bond will have the right to compel any exercise of the taxing power of the City to pay the Bonds or the interest thereon, nor to enforce payment against any property of the City except money payable by the Borrower to the City and pledged to the payment of the Bonds. Before issuing the Bonds, the City will enter into an agreement with the Borrower, whereby the Borrower will be obligated to make payments at least sufficient at all times to pay the principal of and interest on the Bonds when due.

At the time and place fixed for the public hearing, the City Council will give all persons who appear at the hearing an opportunity to express their views with respect to the proposal. In addition, interested persons may direct any questions or file written comments respecting the proposal with the City Manager, at or prior to said public hearing.

Dated: [Date of Publication]

/s/ Kara Coustry
City Clerk
City of White Bear Lake, Minnesota



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Saint Paul (612) 337-9310 fax
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St. Cloud Affirmative Action, Equal Opportunity Employer

GINA FIORINI

Attorney at Law
Direct Dial (612) 337-9210
Email: gfiorini@kennedy-graven.com

December 4, 2018

Don Rambow, Finance Director
City of White Bear Lake
4701 Highway 61
White Bear Lake, MN 55110

Re: Resolution providing preliminary approval of the issuance of multifamily housing revenue bonds for the benefit of Century Hills Partners

Dear Don,

Century Hills Partners, an Minnesota limited partnership or any of its affiliates (the "Borrower"), is proposing to acquire, rehabilitate, and equip an approximately 55-unit existing multifamily rental housing facility located at 3525 Century Avenue (the "Project") in the City of White Bear Lake, Minnesota (the "City"). In order to provide for the financing of the Project, the Borrower is requesting that the City issue one or more series of tax-exempt conduit revenue bonds (the "Bonds") in a principal amount not to exceed \$6,000,000. Enclosed is a resolution to be considered by the City Council on Tuesday, December 11, 2018, providing preliminary approval on the issuance of the Bonds and taking other actions related to the issuance of the Bonds.

The Bonds, if authorized by the City, will be issued in one or more series as housing revenue bonds under Minnesota Statutes, Chapter 462C, as amended (the "Act"). In accordance with the Act, the City will be required to conduct a public hearing on the issuance of the Bonds and the approval of a housing program. Additionally, Section 146 of the Internal Revenue Code of 1986, as amended (the "Code") requires that the Bonds receive an allocation of bonding authority of the State of Minnesota. An application for this allocation must be made pursuant to Minnesota Statutes, Chapter 474A, as amended (the "Allocation Act"). The enclosed resolution authorizes the City to take actions to prepare the housing program and an application for allocation in accordance with Section 146 of the Code and the Allocation Act.

If the City Council adopts the enclosed resolution, the City Council will be asked to conduct the public hearing required under the Act and the Code at a City Council meeting to be held on a future date. Following the public hearing, the City Council will be asked to consider a resolution approving the housing program, providing final approval for the issuance of the Bonds, and authorizing the execution of documents in connection with the Bonds.

If issued, the Bonds will be secured solely by the revenues derived from the loan agreement to be executed by the Borrower and the city and from other security provided by the Borrower. The Bonds will not constitute a general or moral obligation of the City and will not be secured by or payable from any property or assets of the City (other than the interests of the City in the loan agreements) and will not be secured by

any taxing power of the City. The Bonds will not be subject to any debt limitation imposed on the City, and the issuance of the Bonds will not have any adverse impact on the credit rating of the City, even in the event that the Borrower encounters financial difficulties with respect to the Project to be financed with the proceeds of the Bonds.

The Borrower will agree to pay the out-of-pocket expenses of the City with respect to this transaction as well as the City's administrative fee.

Please contact me with any questions you may have.

Sincerely,

Gina Fiorini



City of White Bear Lake
City Manager's Office

M E M O R A N D U M

To: Mayor and City Council

From: Ellen Hiniker, City Manager
Rick Juba, Assistant City Manager

Date: December 5, 2018

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

BACKGROUND

The Local 49 representing the City of White Bear Lake Public Works and staff have reached a tentative agreement for a two-year contract, 2019-2020. Union membership has ratified the proposal, which will become final upon City Council approval. Following are the highlights of the proposed contract:

Article XIX. Insurance

In alignment with the approved 2019 contributions to the non-bargaining employees, the City's premium contributions have been adjusted to cover the cost of the 12.5% increase in premiums to the City's overall health insurance program. The following are the City's proposed premium contributions:

The monthly impact on employee's selecting **single coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	606.37	554.00	552.57
City Contribution*	523.21	521.67	545.27
Employee Cost	83.16	32.33	7.30

* *City's contribution assumes non-smoking incentive*

The monthly impact on employee's selecting **Employee + 1 coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	1333.34	1218.19	1215.03
City Contribution*	965.20	962.03	1,013.90
Employee Cost	368.14	256.16	201.13

* *City's contribution assumes non-smoking incentive*

The monthly impact on employee's selecting **Multiple Dependent coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	1,695.17	1,548.77	1,544.79
City Contribution*	1,141.09	1,137.06	1,203.06
Employee Cost	554.08	411.71	341.73

* *City's contribution assumes non-smoking incentive*

Also in line with non-bargaining employee benefits, annual contributions to the employees' Health Savings Account (HSA) will be increased \$200 for employees on single HSA plans and \$400 for employees on family HSA plans. This will cover the increased cost of changing to an embedded deductible which allows benefits to start when a single member of a family plan reaches the single deductible limit versus having to reach the entire family deductible amount.

2020 – Opener to negotiate insurance contributions when 2020 rates is provided.

Article XXV. Standby Pay

2019 - Increase all Standby Pay from \$210/week to \$225/week

2020 – Increase all Standby Pay from \$225/week to \$250/week

Article XXVI. Safety Shoes and Work Clothing

Increase from \$300/annually to \$400/annually

Wages and Job Titles

The existing IOU 49ers contract includes six position classifications. With the exception of a Sports Center position, the mechanic and the division lead positions, all employees are Maintenance II. However, the Maintenance II employees receive Maintenance III pay for running equipment that have in the past been determined to require higher skillsets, such as the front-end loader, street sweeper and Vactor truck. While this has been a long-standing practice, it can create conflict among employees, creates significant payroll inefficiencies, and is a barrier to employee growth.

Union representatives and management worked together to seek a solution to these concerns. It is proposed that the pay differential between Maintenance II and Maintenance III work performed be eliminated, with all receiving the same rate of pay throughout the day. With the exception of the Sport Center position, all public works employees would be trained on use of all equipment, and the Maintenance II and Maintenance III positions would merge to become general Public Works Maintenance positions; pay differentials for division lead positions remain would in place. This change results in a 3% increase in the hourly rate of pay for Public Works maintenance workers; an addition 1% market adjustment in 2019 is recommended to elevate the rate of pay to more closely correspond to comparable communities for positions with similar job responsibilities and skill requirements. In 2020, a 3% increase is recommended with no other changes to the contract, with the exception of an opener to discuss health insurance benefits.

In addition to the regular wage adjustments, increases in differential pay for the more specialized divisions are proposed in response to market demands and reflective of the growing technical demands in the water and sewer divisions.

Water and Sewer license differential pay increase from \$.20/hr to \$.30/hr
 Sports Center Refrigeration differential pay increase from \$.15/hr to \$.25/hr

The proposed pay structure below results in an overall averaged increase of 3.19% for Division Lead positions for 2019 (currently \$1.35 - \$1.80 additional pay per hour), with a 3% increase recommended for 2020:

Mechanic	\$2.25	additional	pay	per	hour
Streets	\$2.25	“	“		
Parks	\$2.25	“	“		
Water	\$2.75	“	“		
Sewer	\$2.75	“	“		

Miscellaneous

- Memorandum of Understanding – drug testing policy revisions expected in 2019
- Memorandum of Understanding – fitness incentive eliminated, tobacco incentive remains
- Memorandum of Understanding – flexible work schedule agreement

RECOMMENDED COUNCIL ACTION

City staff and the Union have reached the proposed agreement through good faith negotiations. Staff recommends approval of the attached resolution.

ATTACHMENTS

Resolution

RESOLUTION NO. _____

**RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF THE 2019-2020
CONTRACT WITH INTERNATIONAL UNION OF
OPERATING ENGINEERS LOCAL NO. 49; PUBLIC WORKS**

WHEREAS the proposed 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, 2019 through December 31, 2020; 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

Two-year Labor Agreement (2019-2020)

Article XIX – Insurance

2019

The monthly impact on employee's selecting **single coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	606.37	554.00	552.57
City Contribution*	523.21	521.67	545.27
Employee Cost	83.16	32.33	7.30

* *City's contribution assumes non-smoking incentive*

The monthly impact on employee's selecting **Employee + 1 coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	1333.34	1218.19	1215.03
City Contribution*	965.20	962.03	1,013.90
Employee Cost	368.14	256.16	201.13

* *City's contribution assumes non-smoking incentive*

The monthly impact on employee's selecting **Multiple Dependent coverage** would be as follows:

Item	1,000 CMM	2,000 CMM	2,500 H.S.A.
Premium	1,695.17	1,548.77	1,544.79
City Contribution*	1,141.09	1,137.06	1,203.06
Employee Cost	554.08	411.71	341.73

* *City's contribution assumes non-smoking incentive*

2020

Re-open for negotiation

RESOLUTION NO. _____

Attachment A-- Wages

2019

Merge all current Maintenance II employees to Maintenance III pay scale and rename "Public Works Maintenance"

General 1% Increase

Sports Center Maintenance 3% increase

Differential Pay

Water and Sewer license differential pay \$.20 to \$.30

Sports Center Refrigeration differential pay \$.15 to \$.25

Existing Lead pay \$1.30 – \$1.80 range

Proposed Lead pay structure:

Mechanic \$2.25

Streets \$2.25

Parks \$2.25

Water \$2.75

Sewer \$2.75

2020

3% General Increase

Article XXV- Stand By Pay/Laptop pay

2019 Increase from \$210 to \$225

2020 Increase from \$225 to \$250

Article XXVI- Safety Shoes and Work Clothing

Increase from \$300 to \$400

Miscellaneous

Memorandum of Understanding – drug testing policy revisions expected in 2019

Memorandum of Understanding – fitness incentive eliminated, tobacco incentive remains

Memorandum of Understanding – flexible work schedule agreement

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 2019-2020 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:

RESOLUTION NO. _____

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 Hiniker, City Manager

Date: November 8, 2018

Subject: **Invitation to ClimateSmart exchange program**

BACKGROUND

ClimateSmart is a grant program funded by the Federal Republic of Germany in collaboration with the University of Minnesota's Environmental Studies Department. The purpose of the program is to facilitate an exchange of information between select cities in Minnesota and Germany, with a focus on initiatives supporting a more efficient energy footprint. Five cities including Duluth, Elk River, Morris, Rochester and Warren have been participating in this exchange for the past three years.

Earlier this fall, Sabine Engel, Executive Director of International Partnerships with the Institute on the Environment at the University of Minnesota, indicated that additional grant funding was available and suggested the possibility of the City's participation in this program. The Mayor and City Manager attended an event on Monday, October 1st to learn more about the program and, later that week, hosted a delegation of five people from the City of Ludenscheid, Germany.

SUMMARY

The City of White Bear Lake has since received a formal invitation from the University of Minnesota's Institute on the Environment to pair with the City of Ludenscheid, Germany for 2019 and 2020. Details and expectations of the exchange program are provided in the attached invitation.

A commitment by the City would require the following:

- Remain fully-engaged over the program's two-year run time and participate in all elements at the leadership level.
- Provide funds to cover your City representatives' airfare to Germany.
- Commit to accelerating its clean energy transition and will create a plan with benchmarks.
- Mentor other MN communities.

Initiatives the City would seek to undertake through this exchange include energy efficiency projects, electric vehicle charging infrastructure throughout the city, and electrification of the

City fleet. Many of the initiatives discussed are already underway in the City and would not necessarily be new. Each year, a German University Student has come to the United States to work as an intern for one of the participating cities. White Bear Lake has been offered this opportunity for 2019. If accepted, the student would require a small stipend, as yet to be determined.

The program grant includes food and lodging for any member of the Council interested in participating as a delegate to Germany; the City would then be required to pay for round trip airfare. If approved, staff would work with Council members to determine individual levels of interest in serving as a delegate and coordinate accordingly.

Dates for the 2019 are as follows:

- June 8-15, 2019--the Germans will be in MN
- September 20-28, 2019--the Minnesotans will be in Germany

RECOMMENDATION

Attached is a resolution accepting the invitation to ClimateSmart Municipalities for Council's consideration.

ATTACHMENTS

Resolution

Information sheets from participating cities

Invitation

RESOLUTION NO.

RESOLUTION ACCEPTING CLIMATESMART MUNICIPALITIES' INVITATION TO PARTICIPATE IN THE PROGRAM EXCHANGE IN YEARS 2019 AND 2020

WHEREAS, The City of White Bear Lake has been invited to participate in ClimateSmart Municipalities, a program funded through the Federal Republic of Germany, to facilitate the exchange of energy efficient information; and

WHEREAS, The City of White Bear Lake seeks to undertake energy efficiency projects as identified through this program.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake, that the City accept the invitation to participate in ClimateSmart Municipalities; and

BE IT FURTHER RESOLVED that in support of this invitation, the City of White Bear Lake agrees to commit to the following program requirements:

- Provide airfare for City participants in the summer delegation to Germany in each of the two project years (2019 and 2020);
- Conduct virtual meetings with the municipal project partner in Germany;
- Connect with experts and researchers at the University of Minnesota to accelerate the City's progress toward a lower carbon footprint;
- Share findings and experiences with other MN communities at MN forum events;
- Designate one individual, City Manager Hiniker, to provide continuity across both project years and participate in each year's delegation.

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

November 30, 2018
Mayor Jo Emerson
City of White Bear Lake
4701 Highway 61
White Bear Lake, MN 55110

Dear Mayor Emerson,

Thank you for having followed the Climate-Smart Municipalities program for the past year and a half and for hosting partners from the German City of Luedenscheid in your community this past fall. Those meetings were a great experience.

The University of Minnesota Institute on the Environment would like to invite the City of White Bear Lake to join the Climate-Smart Municipalities program as a formal partner for 2019 and 2020 and to be paired up with the City of Luedenscheid.

CSM in a nutshell

Climate-Smart Municipalities is a unique multi-partner international collaboration between Minnesota and Germany, and part of the German government's renowned Transatlantikprogramm. "Climate-Smart Municipalities: Modeling Integrated Energy Communities for the 21st Century" is inspired by the Paris Climate Accord. It brings together stakeholders and leaders in local and state government, politics, business, the nonprofit sector, academia, and the public to learn from each other and to accelerate the transition to a more sustainable, efficient and climate-friendly future at the local level. Cities play a special role. They will model the transition to a more resilient and climate-smart economy. They are in the driver's seat. But they also need help. The CSM tag line reads "Together, we are stronger!" It captures the experience over the past two and a half years of everyone involved. Together, we command deeper expertise, are able to look at things from a much broader range of perspectives, and create better and more imaginative solutions.

Climate-Smart Municipalities is the only such project supported by the German government in the USA. It taps and develops energy expertise in Minnesota and the German state of North Rhine-Westphalia (NRW) to model what communities of different sizes, with specific micro-economies and distinct local government structures can do to reduce their carbon footprints while assuring economic prosperity. Economic growth, recent data suggests, no longer is inextricably tied to increasing emissions.

Eventually, we hope, the experience of the City of White Bear Lake and the five existing program cities of Duluth, Elk River, Morris, Rochester, and Warren will inspire additional cities across Minnesota and the entire Upper Midwest.

Feedback from the MN partners in municipal and state government and the private sector on their experience with the CSM project (date: May 2018)

What we'd like the German government partners to know about our CSM involvement and how it has mattered

“Warren is a changed community due to the CSM involvement. The experience opened our eyes to the different possibilities that can be implemented in a small Minnesota city. We approach every project differently in terms of climate protection measures. We are continually engaged in conversations that center around how can we be more energy efficient. What can be implemented to save residents and the city money? The thermal imaging program would not have been considered if it was not for the CSM opportunity.”

Shannon Mortenson, City Administrator, City of Warren

“You have shown us how to take charge of our future and to live in a responsible way using renewable and sustainable energy. The solutions you have found can be easily implemented here, but will take a cultural change in how we think about what we use and where it comes from. Education is the key to that cultural change and you have given us a great deal of information to share with our citizens. “

Blaine Hill, City Administrator, City of Morris

“I have witnessed during our delegation trips to North Rhine Westphalia, that **being climate smart is imbedded into most of your lives and especially the youth.** Germany has set the foundation for generations of people who act with a conservation ethic. Now, we are also beginning to lay this foundation. This program has sparked this transition and provided the inspiration for on-going efforts to develop and solidify a conservation ethic within our citizens. “

Mike Reese, renewable energy director, University of Minnesota
West Central Research and Outreach Center at Morris

“This program has created a relationship that would not have been possible on our own and has provided information sharing beyond anything we could experience here in Minnesota. Germany’s energy system and public mindset related to climate protection differs from the US so drastically and that has been very interesting to learn about. We continue to apply what we learned from our Germany partners to our work at the City of Elk River. “

Cal Portner, City Administrator, City of Elk River

“Rochester’s Climate-Smart Municipalities involvement has offered us the ability to see firsthand how Germany is navigating the transition to a sustainable future. We are able to learn what has worked and what has not. **This exchange of information has helped us see what is possible** and how to avoid potential pitfalls.”

Mark Kotchevar, general manager, Rochester Public Utilities

“The CSM program has jump started MN credit unions’ look at ways to encourage MN consumers to go green. The involvement has **led to the creation of several loan products** and credit unions doing their own energy improvement upgrades.”

Brian Volkman, chief financial officer, Affinity Plus Credit Union

“It was refreshing in NRW to see the sustainability efforts at the local, state and national level integrated and moving in the same direction toward common sustainability goals. As someone who lived in Germany from 1986-1989 it was very apparent that there has been significant effort to reduce the reliance on fossil fuels that previously had negative effects on the environment and society. **It would be my desire to establish a cooperative alliance for all levels of government in Minnesota** where we can share best practices, remove barriers and develop partnerships where possible **to model after what we witnessed in NRW.**“

Larry Herke, director, State of Minnesota Office of Enterprise Sustainability

“The City of Duluth greatly appreciates the opportunity to gain the knowledge shared by our new friends in Germany. Without the funding support granted to the University of Minnesota’ Institute on the Environment this would not have been possible. Thank you very much! Please understand that the politics in Washington DC don’t impact the importance of climate change for the City of Duluth.“

Erik Birkeland, manager, Properties & Facilities, City of Duluth

The Climate-smart Municipalities Program has 4 elements.

Element #1 collaborative workshop-study tour for MN municipal leaders and stakeholders to NRW to meet with partner communities and experts

A one-week intensive seminar and fact-finding study tour connects the delegation members to state-of-the art examples in NRW that demonstrate how to integrate sustainable strategies and achieve maximum value for the community and local economy. Each of the partnering cities from MN participates annually with two representatives. To assure continuity, at least one of these representatives is expected to participate both years. In consultation with the U of M program leader, up to two additional seats can be made available to key WBL community leaders who will help accelerate the effort.

Element #2 tailored work programs established by partnered municipalities and connected to research at U of M and NRW research institutions

Each twinned community will establish and work through a catalogue of measures and actions to reduce the community’s carbon footprint and achieve resilience and economic benefits. Communities will conduct regular virtual meetings to exchange notes and updates. It is hoped that WBL and Luedenscheid will participate in at least one of the topic areas that were identified as a strategic focus in October 2018 (community climate education; building efficiency; renewable energy; electrification of transportation). In 2019, WBL is invited to host an intern from Germany who would bring additional technical expertise. The intern from Applied University Muenster is available for five months beginning in late March. Help with a stipend and with finding housing would be important.

Element #3 forum events in Minnesota to share information and learning with broad community

Presentations by program municipalities at 2-3 regional stakeholder conferences; participation in CSM cohort meetings.

Element #4 Study tour for NRW partner community leaders and experts to Minnesota

A matching one-week intensive workshop-study tour for a delegation from Germany that includes two days' time for the twinned communities to work together and strengthen the cooperative relationship between them.

The program will be run with these elements in both 2019 and 2020.

Confirmed Partners for January 2019 through December 2020:

Cities of Elk River, Duluth, Morris, Rochester, and Warren
Minnesota Environmental Quality Board
Minnesota Department of Agriculture
Minnesota Department of Administration
Minnesota Pollution Control Agency
MN Credit Union Network; Hiway Federal Credit Union; Affinity Plus Federal Credit Union
Ever-Green Energy
University of Minnesota, Institute on the Environment; and Natural Resources research Institute
5 cities in Germany's state of North Rhine-Westphalia: Arnsberg, Iserlohn, Muenster, Saerbeck, Siegen.
Germany's Federal Foreign Office
Germany's Federal Ministry of Economic Affairs and Energy
NRW state ministries of Environment MULNV and Energy MWIDE

What is expected of WBL and the other participating municipalities?

- You commit to being fully engaged over the program's two-year run time and participate in all elements at the leadership level
- You will provide funds to cover your community representatives' airfare to Germany. Estimated transatlantic airfare during summer is \$1,800/person.
- You are committed to accelerating your community's clean energy transition and will create a plan with benchmarks
- You are eager to tap expertise and technical help from partners
- You are willing to mentor other MN communities

We very much hope you will accept this invitation. To do so, please submit these two items:

1. a one-page description of the climate-smart project you hope to undertake as a community in partnership with Luedenscheid.
2. a statement on support that covers these requirements:
 - your city will make available funding for two members of the city's leadership to participate in the summer delegation to Germany in each of the two project years;
 - your city will conduct regular virtual meetings with the municipal project twin in Germany;
 - your city will connect with experts and researchers at the University of Minnesota to accelerate your community's progress toward a lower carbon footprint;
 - your city will share findings and experiences with other MN communities at MN forum events;
 - your city will designate one individual to provide continuity across both project years and participate in each year's delegation.

Sincerely,



Dr. Sabine Engel

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: City of Morris

Year you became involved in project: 2015

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

1. Signed Climate Protection Partnership Agreement with Saerbeck, German in 2015.
2. Began the Morris Model organization to collaborate with local partners in 2016.
2. Converted our city buildings to LED in 2016.
3. Converted our downtown street light to LED in 2017.
4. Began retrofitted of Library ground source heat pumping system to current standards 2017.
5. Studied the possibility of solar energy projects for city buildings in 2017.
6. Started collaboration with high schools in Saerbeck, German and Morris, Minnesota in 2017.
7. Worked with Ottertail Power to begin an LED street lighting project for the rest of Morris in 2018.
8. Partnered with Ottertail Power and Willies Super Valu to put in a Level 2 EV charging station in 2018.
9. Awarded GreenCorps Servicemember to work on our issues in 2018.

plans/ideas for next steps:

1. Develop a communications system of information to share with the public.
2. Plan and implement solar projects on key city buildings.
3. Study building use and share information with public, particularly rental housing.
4. Study and possibly fund an EV transit bus.
5. Solicit a community solar system from Ottertail Power.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

We learned a great deal about energy production and use and what things we need to think about for the future. This includes reducing our reliance on fossil fuels by moving into renewable and sustainable fuels like wind, solar and biomass energy production. A cultural shift needs to take place with regards to how we live and we have seen a solution that works.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

You have shown us how to take charge of our future and to live in a responsible way using renewable and sustainable energy. The solutions you have found can be easily implemented here, but will take a cultural change in how we think about what we use and where it comes from. Education is the key to that cultural change and you have given us a great deal of information to share with our citizens.

Any other comments:

Climate-Smart Municipalities info sheet—May 2018

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: University of Minnesota West Central Research and Outreach Center / Morris

Year you became involved in project: 2015

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2017

- Received funding for an EV DC Fast Charger System
- Worked with Morris Model Team to develop the 100 project list. A list of aspirational projects.
- Worked with public high school officials on plans and grant proposals for a solar PV system

2018

- Installed and commissioned EV DC Fast Charger System at WCROC
- Submitted grant proposals to help fund a new city staff person to focus on the Morris Model and the 100 project list.
- Submitted grant proposal for a CSM Strategic Planning Retreat for the Morris community
- After receiving grants, Morris Area Public Schools will install a roof mounted solar PV system. This effort was modeled off of Saerbeck's school as it was a student led group, the robotics team. The team will be allowed to use the net income to support the robotics program.

plans/ideas for next steps:

- Continue to pursue projects on the 100 project list.
- Move forward on a Climate Smart Municipality Strategic Planning Retreat for the Morris community.
- Continue to work with the school system to connect students with students in Saerbeck.
- Assist Morris Area Public School to complete the solar PV project.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

Our participation in CSM has offered a new perspective in how we think about our community. What we have learned about from our friends in Saerbeck and others in Germany, there are common sense, practical, and non-partisan approaches to solving issues related to energy and the environment in which we live. These approaches can be distilled down to educating citizens (especially young students) and, where possible, take action.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

I have witnessed during our delegation trips to North Rhine Westphalia, that being climate smart is imbedded into most of your lives and especially the youth. Germany has set the foundation for generations of people who act with a conservation ethic. Now, we are also beginning to lay this foundation. This program has sparked this transition and provided the inspiration for on-going efforts to develop and solidify a conservation ethic within our citizens.

Any other comments:

Climate-Smart Municipalities info sheet—May 2018

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: City of Duluth

Year you became involved in project: 2016

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

- Solar PV/EV charging station in Canal Park-2016/17
- Steam Plant Coal reduction Strategy-2017 (don't burn coal from April-October)
- Bought 420 kW shares in Minnesota Power's Community solar garden. Cost ~\$900,000.00
Estimated annual kWh of 562,812. 493 tons CO₂e/yr
- Steam Plant Coal reduction by converting from coal to Renewable Fuel Oil which is a biomass bi product-2018
- Building Control upgrades at Public Utility. Modelling shows 28% reduction in energy use-2018
- Numerous lighting upgrades-2016-2018
- University of Minnesota Duluth and University of Siegen Intern exchange-2017 and 2018
- Research and develop a Hybrid energy system study for the Lake Wood Water Treatment plant.
-2107

plans/ideas for next steps: Plans for the future include the expanding of our intern exchange. We would like UMD students to go to Germany in fall of 2018. This seems to be the most promising opportunity for continued collaboration.

We continue to search out funding opportunities for the Hybrid energy system at Lakewood. This is a high priority for me. It offers great resiliency aspects and will ensure potable water for approximately 150k residents in four communities.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

We would like other communities to understand that this is not an academic exercise. It is a very affordable avenue to share strategies to gain carbon reductions and put your City in a better place to deal with sustainability and climate challenges. You will get out of this program as much as you put into it.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

The City of Duluth greatly appreciates the opportunity to gain the knowledge shared by our new friends in Germany. Without the funding support granted to the University of Minnesota's Institute on the Environment this would not have been possible. Thank you very much! Please understand that the politics in Washington DC don't impact the importance of Climate change for the City of Duluth.

Any other comments:

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: City of Elk River

Year you became involved in project: 2016

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2016: Elk River developed a strong relationship with our CSM partner city of Iserlohn and learned from their successes. Elk River further developed our Energy City 10-year Action Plan by including goals to explore neighborhood energy systems, district heating systems and achieve renewable energy goals. We began electric vehicle education and an in-depth feasibility study.

2017: Elk River completed the electric vehicle study and budgeted for a plug-in hybrid electric vehicle for 2018. In partnership with our municipal utility, the city now has two public charging stations and has significantly increased education and outreach to our community. We worked to expand and advance environmental education with the help from an intern Jonas Schulz from Germany as part of the CSM partnership.

2018: This year we continue to expand our education related to EVs with the lease of a PHEV vehicle and additional public charging station. We hope to increase our residential recycling and organics participation through online marketing and an educational app. We also plan to discuss changing waste markets with our Germany partners as Elk River faces potential challenges related to a waste to energy plant in our community.

plans/ideas for next steps:

Elk River plans to continue working on our Energy City 10-year Action Plan with specific focus on waste reduction, electric vehicles and a solar power demonstration site. Our partnership and regular communication with our Germany partners will continue beyond this program.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

CSM has allowed Elk River to expand our world vision for climate protection and sustainability. Our partnership with Iserlohn has provided us with practical examples of what another local government is doing to meet the needs of their community while also prioritizing environmental protection and energy efficiency. The program has also provided Elk River relationships with other Minnesota cities that have shown commitment to their energy and sustainability goals, which has been an additional resource.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

This program has created a relationship that would not have been possible on our own and has provided information sharing beyond anything we could experience here in Minnesota. Germany's energy system and public mindset related to climate protection differs from the US so drastically and that has been very interesting to learn about. We continue to apply what we learned from our Germany partners to our work at the City of Elk River.

Any other comments:

Climate-Smart Municipalities info sheet—May 2018

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: Rochester

Year you became involved in project: 2016

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2016 –City hires part time Sustainability Coordinator.

2016 – Rochester Energy Commission prepares Energy Action Plan.

2017 – Offered a residential community solar program which resulted in 210 residents subscribing to 861 panels.

2017 Council adopted new design guidelines for buildings that are part of the Destination Medical Center initiative.

2017 – Began the process of converting existing HPS street lighting to LED. Currently 15.7 % of lights are LED.

2017 – City Council adopted Energy Action Plan that calls for 30% reduction in greenhouse gas emissions by 2030 and 80% reduction by 2050.

2018 – City Council approved update to City Comprehensive Plan that includes land use and transportation planning.

2018 – RPU Board makes commitment to study 100% renewable options for power supply post 2030.

plans/ideas for next steps:

Develop a community solar offering for commercial customers.

Study potential benefits of aggressive demand side management through direct load control and/or different rate structures.

Focus on electrification of transportation including electric busses.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)
Rochester's involvement with the Climate Smart Cities program has built relationships with people that have a wide variety of skill sets. We have been able to leverage other's knowledge across a diverse landscape from policy making to hands on project implementation. Each City has selected different projects to work on and we all share information about the various projects.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

Rochester's Climate Smart Municipalities involvement has offered us the ability to see firsthand how Germany is navigating the transition to a sustainable future. We are able to learn what has worked and what has not. This exchange of information has helped us see what is possible and how to avoid potential pitfalls.

Any other comments:

Climate-Smart Municipalities info sheet—May 2018

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: City of Warren

Year you became involved in project: 2016

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2016-Removed all Styrofoam and plasticware from City Hall, started conversation with Arnsberg and Northland Aeronautics to conduct thermal imaging using drones, began looking at sustainability measures that would work in Warren, reviewed plans for new buildings to include climate protection measures

2017-began drone flight for thermal imaging, obtained a GreenCorp service member, implemented a B3 Benchmarking program and mandatory city-wide recycling pickup, energized RiverWatch group to clean up Snake River and clear out kayak landings.

2018-compare thermal imaging results with Arnsberg and look at different construction practices in each country, implement a funding mechanism to assist homeowners in energy efficiency upgrades using thermal imaging data, construct a net zero community facility and encourage community to clean up all the Snake River. Education is the buzzword for 2018.

plans/ideas for next steps:

Continue comparing thermal imaging data and programs in each country to assist residents in energy efficiency upgrades. Really dig into the construction of homes in each country to see what is the more effective construction practice for energy efficiency.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

The partnership in CSM brought sustainability to the forefront in conversations with residents. The partnership drew much attention to the residents since we traveled to Germany to learn climate protections they are pursuing. There has been much community support for the thermal imaging and the curbside recycling pickup that can be attributed to CSM involvement. For the two staff that have participated it has been a life altering experience and has provided different ideas to use in Warren for climate protection.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

Warren is a changed community due to the CSM involvement. The experience opened our eyes to the different possibilities that can be implemented in a small Minnesota city. We approach every project differently in terms of climate protection measures. We are continually engaged in conversations that center around how can we be more energy efficient. What can be implemented to save residents and the city money? The thermal imaging program would not have been considered if it was not for the CSM opportunity.

Any other comments: Warren is extremely grateful for the opportunity and can't say enough about the change of thought process that has taken place over the entire city.

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: Minnesota Credit Union CU Green Initiative

Year you became involved in project: 2016

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2016- MN Credit Unions became involved with CSM. Because of the trip to Germany started looking at areas to provide financing for clean energy projects.

2017- Identified financing areas and started lead by example energy improvements in their own facilities.

2018- Launched CUGreen as the umbrella for MN Credit Union Credit Union activities. Will roll-out a consumer website that contains information on adding solar in tandem with a solar loan product.

plans/ideas for next steps:

CUGreen and MN Credit Unions will continue working on the three tracks that they have identified:

- 1) Lead by Example
- 2) Consumer Energy Lending
- 3) Business Energy Lending

To push those three tracks forward will continue to identify partnerships, products and opportunities to encourage MN Credit Union members and consumers to make green decisions. Consumer website and solar loan product will be launched in August to provide MN consumers more information about adding solar to their homes.

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

Minnesota credit unions' values and not-for-profit status makes them ideal to participate in climate-focused efforts. We're local businesses, member owned and focused, with the shared values of investing in our communities. As an industry we are well positioned to collaborate with like-minded organizations on clean energy financing strategies and meeting consumer demand and underserved markets in this arena.

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

The CSM program has jump started MN credit unions' look at ways to encourage MN Consumers to go green. The involvement has led to the creation of several loan products and credit unions doing their own energy improvement upgrades.

Any other comments:

Due date: May 22

(email to lonE-int@umn.edu)

Name of your organization/city: State of Minnesota, Office of Enterprise Sustainability

Year you became involved in project: June 2017

(short) list of accomplishments connected to your CSM involvement (Please organize by year):

2017 – Green Leases Template with 12 distinct sustainable requirements built in

2017 – Executive Order 17-12 (Directing state agencies to conserve energy and water, and reduce waste to save money)

2018 – First on-site Solar PV on the Capital Complex in St. Paul – MN Senate Building (133 kW DC)

2018 – White Roofs on State Buildings

plans/ideas for next steps:

2018 – Electric bicycle master contract

2019 – Building Information System (automated metering systems) with displays in building to influence behavior programs

2019 – Local government use of the Sustainable Report Tool (SRT)

2019 – Renewable/Bio Diesel integration for medium and heavy fleet vehicles

2022 – Hydrogen Fuel Cell station with public/private use by organizations with fleet vehicles

What we'd like other MN cities and organizations to know about our CSM involvement (2-3 sentences)

State master contracts are available for use by Cooperative Purchasing Venture (CPV) members (local governments):

1. Recycling containers
2. Compostable bags
3. Solid Waste Signage for recycling and organics (free from MPCA)
4. Electric Vehicle Charging infrastructure (Level 2 and DC Fast Chargers)
5. Electric Vehicles – Mitsubishi Outlander (AWD), Chevy Bolt and Nissan Leaf
6. Sustainable solid waste haulers contract
7. On-site solar PV contract

Solar Possible – On-site Solar PV collaborative in Xcel, MN Power and Otter Tail Power service areas

What we'd like the German government partners to know about our CSM involvement and how it has mattered (2-3 sentences)

It was refreshing in NRW to see the sustainability efforts at the local, state and national level integrated and moving in the same direction toward common sustainability goals. As someone who lived in Germany from 1986-1989 it was very apparent that there has been significant efforts to reduce the reliance on fossil fuels that previously had negative effects on the environment and society. It would be my desire to establish a cooperative alliance for all levels of government in Minnesota where we can share best practices, remove barriers and develop partnerships where possible to model after what we witnessed in NRW.

Any other comments:



**MINUTES OF THE MEETING OF THE
HOUSING AND REDEVELOPMENT AUTHORITY
OF WHITE BEAR LAKE, MINNESOTA
HELD ON TUESDAY, FEBRUARY 13, 2018**

1. CALL TO ORDER AND ROLL CALL

HRA Chair Biehn convened the meeting of the Housing and Redevelopment Authority at 7:45 p.m.

Members Doug Biehn, Kevin Edberg, Steven Engstran, Dan Jones, Bill Walsh were present.

2. APPROVAL OF THE MINTUES

It was moved by Member **Walsh** seconded by Member **Engstran** to approve the minutes of the January 9, 2018 HRA meeting.

The motion carried unanimously.

3. APPROVAL OF THE AGENDA

It was moved by Member **Walsh** seconded by Member **Engstran**, to approve the agenda as presented.

The motion carried unanimously.

4. CONSIDERATION OF CROSS PARKING AND ACCESS EASEMENT AGREEMENT WITH OAK RIDGE AND 4TH STREET VENTURES

Executive Director Richter relayed that in preparation for sale of the Oak Ridge Center building, the title company identified the building was non-conforming due to parking deficiencies. Prior to this discovery, neither staff nor the owners were aware of this deficiency. Ms. Richter stated that the plan submitted to the 1999 City Council was similar to what was constructed, but a further review of the plans revealed a miscalculation on the net leasable floor area, which resulted in a deficit of parking stalls required.

Ms. Richter described the Council attempted to fix this issue through a variance approved in November 2017, which waived the parking stall requirement. She explained however, that the buyers' lending institution felt strongly that the building have the code required number of parking stalls. Ms. Richter referenced a parking lot directly south of Oak Ridge, which the City leases to 4th Street Ventures through the HRA as a result of a 1995 developer's agreement. If approved by the HRA, 27 of these stalls would be made available to Oak Ridge Center through a cross parking and access easement with 4th Street Ventures. This agreement also included some compensation for maintenance costs between Oak Ridge Center and 4th Street Ventures.

Ms. Richter stated this was a complicated negotiation and as a result, 4th Street Ventures has asked for a 15-year extension to the term of the lease. The current lease covered a 60-year period (expiring 2056), broken down into four 15-year terms so that maintenance of the property could be addressed accordingly. Extending this lease for another 15-year term would make 2071 the new expiration. Ms. Richter stated, that while the cost for replacing any stalls deleted would be borne by the City under the current lease, staff recommends an amendment

to the lease, which requires that costs be assessed to benefitting properties if anything were to occur during the added fifth, 15-year extension (post-2056).

Ms. Richter referenced Council's desire to place a value on parking and conveyed the difficulty in applying a future value on parking, especially considering dramatic changes in transportation suggest that vehicle parking is likely to become less of a commodity in the future.

Member Jones stated that the Council needs to establish a policy for assigning value to its various parcels of land, not staff. He did not feel a monetary value was appropriate at this time.

Member **Walsh** motioned, seconded by Member **Engstran** to approve **HRA Resolution No. 18-02** the cross parking and access easement agreement with Oak Ride and 4th Street Ventures.

The motion carried unanimously.

5. ADJOURNMENT

It was moved by Member **Walsh**, seconded by Member **Jones**, to adjourn the HRA. There being no further business before the HRA, Chair Biehn adjourned the meeting at 7:58 p.m.

Doug Biehn, Chair of HRA

Ellen Richter, Executive Director



City of White Bear Lake
Finance Department

MEMORANDUM

To: Ellen Hiniker, Executive Director
From: Don Rambow, Finance Director
Date: December 4, 2018
Subject: HRA Tort Liability Limit – 2019 coverage year

BACKGROUND

As the Housing and Redevelopment Authority (HRA) seeks to renew its general liability insurance for fiscal year 2019, it must determine the level of liability coverage it seeks. The League of Minnesota Cities Insurance Trust (LMCIT), the HRA's insurance provider, offers two options for structuring the HRA's liability insurance coverage. The first option provides maximum coverage of \$500,000 per claimant and \$2,000,000 per occurrence tort liability. The LMCIT has adopted a policy of providing a policy limit which is \$500,000 higher than Minnesota Statutes requires. The LMCIT has adopted the higher coverage level in response to overall industry coverage requirements. The second option is for the HRA to waive the statutory and league limits, and possibly incur higher settlements than what is established in state statutes and league limits while assuming higher premiums. These liability limits apply whether the claim is against the HRA, against the individual officer or employee, or against both. These liability limits do not apply to actions brought in federal court including civil rights cases.

SUMMARY

The HRA's renewal liability coverage through LMCIT provides a limit of \$2,000,000 per occurrence which is \$500,000 higher than the statutory. The LMCIT has realized that a common contract requirement has been to establish an insurance liability limit at \$2,000,000. The HRA's and LMCIT liability coverage would meet its requirement. The \$500,000 per claimant part of the statutory liability is not automatically waived. Thus, under the basic coverage form, the HRA through LMCIT would be able to use the \$500,000 per claimant limit as a defense where it applies.

Beside the overall LMCIT coverage limit of \$2,000,000 per occurrence, there are also annual aggregate limits (that is, limits on the total amount of coverage for the year regardless of the number of claims) for certain specific risks. Aggregate limits apply to the following:

Products/Completed Operations	\$3,000,000 annually
Limited pollution claims*	\$3,000,000 annually
Failure to supply utility services	\$3,000,000 annually
Data security breaches	\$3,000,000 annually
Land use regulation and development litigation*	\$1,000,000 annually

*The limit applies to both damages and defense costs. Defense costs and damages in land use regulation and development litigation are covered on a sliding scale percentage basis.

The result is that the HRA will have \$2,000,000 of coverage available for most claims. On those claims to which the statutory limits apply, the HRA and LMCIT will be able to use the statutory tort liability limit to limit an individual claimant's recovery to no more than \$500,000. As mentioned above, there are some claims to which the statutory liability limits don't apply. Some examples are as follows:

- *Claims under federal civil rights laws.* These include Section 1983, the Americans with Disabilities Act.
- *Claims for tort liability that the HRA has assumed by contract.* This occurs when a HRA agrees in a contract to defend and indemnify a private party.
- *Claims for actions in another state.* This might occur in border communities that have mutual aid agreement with adjoining states, or when a HRA official attends a national conference.
- *Claims based on a "taking" theory.* Suits challenging land use regulation frequently include an "inverse condemnation" claim, alleging that the regulation amounts to a "taking" of the property.

The HRA maintains a separate general liability policy due, in part, to the independent nature of its activities, and the potential of the City and HRA being named in the same civil action, and also due to the relatively low premium cost for the HRA. The HRA's \$2.0 million coverage requires a premium cost of approximately \$2,200.

Options/Alternatives

The HRA, through the LMCIT, would be purchasing additional \$500,000 liability coverage. This additional coverage would be consistent with industry contract standard language. The LMCIT liability limit change will not directly impact the HRA's overall premiums.

If the HRA would choose not to waive the statutory limit, the LMCIT additional \$500,000 liability coverage would only be applicable to those types of claims that are not covered by the statutory liability limit.

By establishing a \$2,000,000 municipal tort liability, the HRA will limit the taxpayer's liability by capping the possible expenditure of funds at the LMCIT basic coverage limit.

Excess liability insurance would act as umbrella coverage for claims not limited by statutes or in the extreme case where the presiding judge would interpret state law as too restrictive and waive the limit. The second option is considered extremely remote and would ultimately be determined by a higher court. Each \$1 million of excess liability coverage would cost approximately \$35,000 - \$55,000 depending upon the dollar level of coverage selected. The HRA has not currently incurred any claims exceeding the statutory or LMCIT limits; however, purchasing \$1 million excess liability coverage represents 2.2 cents per dollar of umbrella coverage. The HRA is saving approximately \$25,000 for each \$1 million in excess liability coverage over the state statutory limit it does not purchase.

RECOMMENDED COUNCIL ACTION

It is recommended that the HRA continue to choose to not waive the statutory limit. This choice would avoid the need for the HRA to purchase excess liability coverage, which would cost approximately \$25,000 for each one-million of coverage.

This recommendation is consistent with prior years' coverage and would limit individual claimants to recover no more than \$500,000 and limit all claimants to \$1,500,000 for a single occurrence on any statutory tort limit claim against the HRA. The HRA would have \$2,000,000 of coverage for those claims which are not subject to the statutory limit.

ATTACHMENTS

Resolution

Related excerpt from League of MN Cities

RESOLUTION NO.

RESOLUTION NOT WAIVING THE MONETARY LIMITS ON MUNICIPAL TORT LIABILITY ESTABLISHED BY MINNESOTA STATUTES 466.04 FOR THE HOUSING AND REDEVELOPMENT AUTHORITY

WHEREAS, Minnesota Statutes 466.04 limits the Housing and Redevelopment Authority liability of any single occurrence to \$1,500,000 after January 1, 2019; and

WHEREAS, the Housing and Redevelopment Authority provides coverage up to \$500,000 per individual claimant and up to \$1,500,000 per occurrence.

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSING AND REDEVELOPMENT AUTHORITY (HRA) OF THE CITY OF WHITE BEAR LAKE, that the HRA does not waive the statutory liability limits for the Fiscal Year January 1, 2019 – December 31, 2019:

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

Ayes:

Nays:

Passed:

Doug Biehn, Chair

ATTEST:

Ellen Hiniker, Executive Director

RELEVANT LINKS:

See Section III.K, *Liquor liability*.
See Section III.T, *Special events*.

See Section III.T, *Special events*.

See Section III.T, *Special events*.

Minn. Stat. § 466.04.

See Section II.D.3.a, *Statutory limits may not apply*.

See Section II.D.3, *Purchasing higher liability limits*.

D. Coverage limits

LMCIT gives members options for structuring their liability coverage. Members can also choose either to waive or not to waive the monetary tort caps the statutes provide. It can also select from among several liability coverage limits.

1. LMCIT primary liability limits

The statutory municipal tort liability is limited to a maximum of \$500,000 per claimant and \$1.5 million per occurrence. These limits apply whether the claim is against the city, against the individual officer or employee, or against both. LMCIT's liability coverage provides a standard limit of \$2 million per occurrence. Higher limits are in place for a couple reasons.

First, the statutory liability limit caps the city's liability for many types of claims. But some types of liability claims aren't subject to the statutory tort caps, so the city's potential liability is unlimited for some types of claims.

Second, it's increasingly more common to see contracts require more than the statutory limit. A more common figure is \$2 million. LMCIT's higher limit meets this requirement, but if even higher limits are required, there is the option to carry LMCIT's excess liability coverage. LMCIT can in some cases also issue an endorsement to increase the city's coverage limit only for claims relating to a particular contract.

RELEVANT LINKS:

See Section III.B, *Data security breach and computer-related risks.*

See Section III.J, *Land use and special risk litigation.*

See Section III.D, *Employees' activities in outside organizations.*

Minn. Stat. § 466.04.

See *Summary of LMCIT Liability Coverage Options* and the effects of choosing the various coverage structure options.

In addition to the LMCIT coverage limit of \$2 million per occurrence, there are annual aggregate limits, or limits on the total amount of coverage for the year regardless of the number of claims.

A \$3 million annual aggregate applies for the following:

- Products.
- Failure to supply utilities (water, electricity, gas, steam service, and phone and internet or other electronic data transmission services.)
- Data security breaches (a \$250,000 sublimit, which is part of and not in addition to the \$3 million aggregate, applies for Payment Card Industry fines and penalties and data security breach regulatory fines and penalties resulting from a data security breach claim.)
- Electromagnetic fields.
- Limited contamination (sudden and accidental release of pollutants; herbicide and pesticide applications; sewer ruptures, overflows, and backups; lead and asbestos claims; mold claims; organic pathogen claims; hostile fire claims; and excavation and dredging claims, which are also subject to an annual \$250,000 sublimit.)

A \$1 million annual aggregate applies to land use and special risk litigation. This coverage is provided on a sliding scale percentage basis, which is based on participation in LMCIT's land use incentive.

A \$100,000 annual aggregate applies for employees' activities in outside organizations.

2. Statutory liability limits

The statutory municipal tort cap is limited to a maximum of \$500,000 per claimant and \$1.5 million per occurrence. These limits apply whether the claim is against the city, against the individual officer or employee, or against both. The LMCIT liability coverage provides a standard limit of \$2 million per occurrence.

At the city's coverage renewal each year, it must decide whether to waive or not waive the statutory limits. There is no right or wrong answer, and it's a discretionary decision each governing body must make.

RELEVANT LINKS:

See Section II.D.3,
*Purchasing higher liability
limits.*

See Section II.D.3.a,
*Statutory limits may not
apply.*

Minn. Stat. § 3.736.

a. Waiving the statutory limit

Members who waive the statutory limits are waiving the protection of the statutory limits, up to the amount of coverage the city has. A claimant could recover up to the LMCIT standard limit of \$2 million, rather than the statutory limit of \$500,000 per claimant. Because the waiver increases the exposure, the premium is a bit higher for coverage under the waiver option.

A city may choose to pay more in premium for the waiver option because the statutory liability limit only applies in cases where the city is in fact liable and the injured party's actual proven damages are greater than the statutory limit. Some cities may want to have more assets available to compensate their citizens for injuries caused by the city's negligence.

In those cases where the city waives the statutory limit, but also purchases the LMCIT excess liability coverage, a claimant could potentially recover more. If, for example, the city has \$1 million of excess coverage and chooses to waive the statutory tort caps, the claimant or claimants could recover up to \$3 million in damages in a single occurrence.

The cost of the excess liability coverage is higher if the city waives the statutory tort caps. The cost difference is proportionally greater than the cost difference at the primary level because for a city that carries excess coverage, waiving the statutory tort caps increases both the per claimant exposure and the per occurrence exposure.

b. Not waiving the statutory limit

For cities who choose not to waive the statutory limits, the city's liability is limited by the statute to no more than \$500,000 per claimant and \$1.5 million per occurrence. LMCIT's higher coverage limits would only come into play on those types of claims that aren't covered by the statutory limit.

3. Purchasing higher liability limits

LMCIT makes available the option of carrying higher coverage limits than the basic limit of \$2 million per occurrence. The LMCIT excess liability coverage is available in \$1 million increments up to a maximum of \$5 million. There are several reasons why cities may consider carrying LMCIT's excess liability coverage.

a. Statutory limits may not apply

The statutory tort caps do not or may not apply for the following types of claims:

RELEVANT LINKS:

42 U.S. Code § 1983.

42 U.S. Code § 1983.

See Section II.D, *Coverage limits.*

- Claims under federal civil rights laws, including Section 1983, the Americans with Disabilities Act.
- Claims for tort liability the city has assumed by contract, which occurs when a city agrees in contract to defend and indemnify a private party.
- Claims for actions in another state, which may occur in border cities that have mutual aid agreements with adjoining states or when a city official attends a national conference.
- Claims based on liquor sales, which mostly affects cities with municipal liquor stores, but it could also relate to beer sales at a fire relief association fundraiser, for example.
- Claims based on a “taking” theory, which are suits challenging land use regulations frequently include an “inverse condemnation” claim, alleging the regulation amounts to a “taking” of the property.

b. Annual limits apply in LMCIT’s coverage for specific risks

Besides LMCIT’s overall coverage limit of \$2 million per occurrence, there are annual aggregate limits for certain risks. If the city has a loss or claim in one of these areas, there might not be enough limits remaining to cover the city’s full exposure if there is another similar loss during the year.

There are, however, a couple important restrictions on how the excess coverage applies to risks that are subject to aggregate limits. The excess coverage does not apply to the following:

- Failure to supply utilities.
- Mold.
- Lead and asbestos.
- Excavation and dredging.
- Sudden and accidental release of pollutants below ground or within or on the surface of any body of water.
- Auto no-fault claims.
- Uninsured/underinsured motorist claims.
- Workers’ compensation, disability, or unemployment claims.
- Claims under the medical payments coverage.
- Claims arising from the activities of outside organizations.
- No-fault sewer backup.
- Liquor liability, unless the city has specifically requested it.



CONNECTING & INNOVATING
SINCE 1913

LIABILITY COVERAGE – WAIVER FORM

LMCIT members purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage. Please return the completed form to your underwriter or email to pstech@lmc.org

This decision must be made by the member's governing body every year. You may also wish to discuss these issues with your attorney.

League of Minnesota Cities Insurance Trust (LMCIT) members that obtain liability coverage from LMCIT must decide whether to waive the statutory tort liability limits to the extent of the coverage purchased. The decision has the following effects:

- *If the member does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$500,000 on any claim to which the statutory tort limits apply. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,500,000. These statutory tort limits apply regardless of whether the city purchases the optional excess liability coverage.
- *If the member waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$2,000,000 for a single occurrence. (Under this option, the tort cap liability limits are waived to the extent of the member's liability coverage limits, and the LMCIT per occurrence limit is \$2 million.) The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$2,000,000, regardless of the number of claimants.
- *If the member waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

LMCIT Member Name _____

Check one:

- The member **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04.
- The member **WAIVES** the monetary limits on municipal tort liability established by Minnesota Statutes, Section 466.04 to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council/governing body meeting _____

Signature _____ Position _____

REGULAR MEETING OF THE WHITE BEAR LAKE CONSERVATION DISTRICT
7:00 pm White Bear Lake City Hall
Minutes of October 16, 2018

APPROVAL DATE: Not approved

1. **CALL TO ORDER** the October 16, 2018 meeting of the White Bear Lake Conservation District was called to order by Vice Chair Mark Ganz at 7:00 pm in the White Bear Lake City Hall Council Chambers.
2. **ROLL CALL** Present were: Vice Chair Mark Ganz, Directors: Scott Costello, Mike Parenteau, Geoff Ratte, Barton Winter, Marty Rathmanner, and Susie Mahoney absent was Chair Bryan DeSmet, Secretary/Treasurer Diane Longville, and Director Brady Ramsay. A quorum was present.
3. **AGENDA** – Vice Chair Ganz asked for any changes to agenda, Director Parenteau would like to move the item McComas Report under Lake Quality Committee to November. Motion (Ganz/Second) move to approve agenda with changes all aye passed.
4. **APPROVAL OF MINUTES OF** – September 18 , 2018 board meeting Motion (Ganz/Second) Moved to approve all aye passed.
5. **PUBLIC COMMENT TIME** – None
6. **NEW BUSINESS** - None
7. **UNFINISHED BUSINESS** - None
8. **REPORTS/ACTION ITEMS**
 - Executive Committee** – The executive committee did not meet. In process of setting up meeting with Commercial Bay owners by Novembers meeting.
9. **Lake Level Resolution Committee – Barton Winter**

Committee made an attempt to have a meeting but had some difficulties. At this time many of the committee members feel this committee does not need to continue to meet. Committee will be on hold until further notice.
10. **Lake Quality Committee – Mike Parenteau**
 - **Lake Level** – as of today 924.11 foot higher than last year. Highest level since 2003.
 - **Lake water temperature** – 54 degrees, last year was 54 degrees.
 - **Non-Native Phragmites** - Spoke to the DNR regarding treatment and by the time it could be done it would be too late this year. DNR was not concerned as the areas they have found are small and can be treated next year. Authorities say best time to be treated is late August September, so we will have treated in August of 2019. We will ask Ramsey County to help with the funding of this treatment. We are to apply for a permit in January.
11. **Lake Utilization Committee – Mark Ganz**
 - **PaddleTap** – reviewed application. It is a boat that people do the paddling to operate. Has been on Lake Minnetonka for several years without any issues. He will park at Admiral D's. Moved to approve with contingents that he must provide copy of his insurance, a copy of his lease with Brian McGoldrick where it will be parked and copy of agreements with City to have alcohol on the boat. The people bring their own drinks. The boat must be run by a Captain. Also, must submit application fee. He stated they will be selling nothing just rental of the boat. Motion (Ganz/Second) all aye passed.

- Keith Denhardt of Tally's attended the meeting to discuss the reconfiguration of his fueling dock. He was looking for advice. Would like to have a fuel barge with pump closer to shore to avoid having to run 100 ft of hose. This is currently a work in progress.

12. Lake Education – Scott Costello

- New website going well. We were able to get some more pictures of different seasons. Will keep trying to get event photos as well.

13. Treasurer's Report – Motion (Ganz/Second) approval of October 16, 2018 Treasurer's report and payment of check numbers 4525-4531 All Aye passed.

14. Board Counsel

No updates

15. Consent Agenda – Motion (Ganz/Second) Move to accept the consent agenda. All Aye Passed. Website domain renewal how many years would we like to purchase at this time? Move (Ganz/Second) to renew for 20 years at \$659.80. All aye passed.

16. Announcements – We had an audit from State Unemployment. Passed with no concerns.

17. Adjournment – Motion (Ganz/Second) Move to adjourn. All aye Passed.

Meeting adjourned at 7:35 pm

ATTEST:

Kim Johnson _____
Executive Administrative Secretary

Date: _____

Bryan DeSmet _____
Board Chair

Date: _____

**MINUTES
PLANNING COMMISSION MEETING
CITY OF WHITE BEAR LAKE
November 26, 2018**

The regular monthly meeting of the White Bear Lake Planning Commission was called to order on Monday, November 26, 2018, beginning at 7:00 p.m. in the White Bear Lake City Hall Council Chambers, 4701 Highway 61, White Bear Lake, Minnesota by Chair Jim Berry.

1. CALL TO ORDER/ROLL CALL:

MEMBERS PRESENT: Jim Berry, Ken Baltzer, Marvin Reed, Peter Reis, Mary Alice Divine, Mark Lynch, and Erich Reinhardt.

MEMBERS EXCUSED: None.

MEMBERS UNEXCUSED: None.

STAFF PRESENT: Anne Kane, Community Development Director, Samantha Crosby, Planning & Zoning Coordinator, Tracey Shimek, Housing & Economic Development Coordinator & Ashton Miller, Planning Technician.

OTHERS PRESENT: Tom Wilson, Kathy Dixon, Anne Lindgren, Laura Kunde, Deb Steele, Susan Schleusner, Joyce Hall, Timothy Orf, and Steve Engstran.

2. APPROVAL OF THE NOVEMBER 26, 2018 AGENDA:

Member Reed moved for approval of the agenda. Member Reis seconded the motion, and the agenda was approved (7-0).

3. APPROVAL OF THE OCTOBER 29, 2018 PLANNING COMMISSION MEETING MINUTES:

Member Reis moved for approval of the minutes. Member Baltzer seconded the motion, and the minutes were approved (7-0).

4. CASE ITEMS:

A. **Case No. 18-18-V:** A request by **Tom Wilson** for a variance for a third accessory structure, per Code Section 1302.030 Subd.4.i, in order to allow a roofed pergola at 2103 East County Road F.

Miller discussed the case. Staff recommended approval of the case.

Member Reis asked if the structure is attached. Miller responded that no, it is detached; it is located six inches from the house. Member Reis then inquired if the pergola would be allowed were it attached to the house. Kane replied that it would be permitted if it were an

extension of the garage. However, the building code probably precludes merely connecting the pergola to the garage with long screws.

Berry opened the public hearing. As no one came forward, Berry closed the public hearing.

Member Reis moved to recommend approval of Case No. 18-18-V. Member Baltzer seconded the motion. The motion passed by a vote of 7-0.

- B. Case No. 18-1-CPA:** A **City-initiated** request for a Comprehensive Plan Amendment to reguide five parcels of land located in the northwest quadrant of County Road E and Linden Avenue from “Commercial” to “High Density Residential”. The request is being made in order to allow for the future possibility of redevelopment of 17XX, 1709, 1713, 1715 County Road E and the land-locked parcel adjacent thereto: PID 3273022440199.

Crosby discussed the case.

Member Divine inquired about the new “Mixed Use Transit Oriented” land use category and how staff envisioned mixed use. Kane explained that initially the mix was to include commercial and housing. What we have learned is that commercial on the bottom floor with housing on top is very challenging in the suburbs. Presently, higher density residential without the commercial component is most important. More rooftops in the area will help the existing commercial properties along this corridor.

Member Divine asked if more areas in the City will be given this designation. Kane said yes, to supplement existing commercial, to support businesses and if constructed the Rush Line along Highway 61.

Member Divine commented that even though staff anticipates the property to provide market rate housing, without a proposal, that may not necessarily occur. It could mean that senior or low-income housing is developed instead. She asked if the zoning code made specifications for senior or low-income housing. Kane replied that special provisions are given for senior housing projects. Crosby added that the code is lenient, but the market is fairly saturated with high density senior, so not likely.

Member Reed questioned the increase in units per acre allowed in transit-oriented areas, noting that the height implications for such a density was a bit of a concern. Crosby informed that for multiple reasons higher density residential makes transit-oriented development work better.

Member Reis asked what the offset would be if greater density was allowed under a Planned Unit Development (PUD). Crosby replied that we cannot be sure, but the process will be guided by the question, “how will the project go above and beyond what the zoning code requires?” and will result in a little give and take on all sides.

Member Reis asked about the Homeowners Association’s continued maintenance of the strip of land along the west side of Linden Avenue. Crosby replied that all homeowners maintain their boulevard.

Member Lynch commented that he likes the opportunity this land-use regarding presents. He believes that a new multi-family building will provide young people the opportunity to

move to White Bear Lake without having to buy property. He mentioned that he visited Linden Avenue and cited the calming effects of driving on the curved road and low speeds. He believes that traffic will divert to other, faster roads should the corner be developed.

Based on limited research, Member Lynch found that property values in the area have returned to where they were in 2008. If we do this right, it will further help to improve property values and complement Bus Rapid Transit (BRT) going in. He remarked how we have the opportunity to make this intersection great and truly appreciates all the feedback from the public.

Member Lynch concluded by asking what rent would be based on median income. Unsure of rates, Crosby provided numbers on the household income needed to afford market rate, noting it is relatively high. Member Berry commented that market rate does not mean cheap.

Member Reinhardt clarified that there is not a proposed development right now. We are debating turning a closed door into a cracked door by providing new opportunity for development. Crosby affirmed that is the intent of the request.

Berry opened the public hearing.

Susan Schleusner, 3824 Linden Avenue. She expressed concern with the amount of traffic a development in the area would produce. She informed the Commission that when The Waters senior housing was proposed, the neighbors were told traffic would only increase by five cars a day. The neighborhood has a lot more than five cars a day; it has five buses an hour. Further, Linden Avenue is not good to drive in the winter. Parking is only on one side and cars do not move for the plows. It is dangerous. She is interested in what the traffic study will say, because Linden Avenue cannot handle an increase in traffic.

She mentioned that she did not receive notice for the Planning Commission meeting, only a notice from the developer. It is not good that only a few residents on Linden received notification. She urged the Commission to consider current Linden residents when making decisions on this project.

Member Lynch responded that it is great that the developers contacted the residents before the Planning Commission hears the proposal. This is the opportunity for neighbors to give input and shape the concept plan.

Laura Kunde, 3692 Linden Place, president of the Linden Townhome Association. She asked about the stipulations of who was notified of the meeting and then read the neighborhood meeting invite she had received from the developers. She also brought up concerns with Linden Avenue traffic. Guests to the townhomes have to park along Linden Avenue and cross the street because there is not enough guest parking. During rush hour traffic, it can be very busy and dangerous to cross. She worries a new apartment will exacerbate these problems. She echoed concerns regarding the height of the potential building. She questioned how many higher income people will use the future bus line.

Anne Lindgren, 3616 Linden Avenue. Her greatest concerns are vehicle traffic, foot traffic, vandalism, and the visual impact of the structure. She resides in the first unit on Linden Avenue and has noticed that traffic has tripled in recent years. She described how two

turnarounds were built only for the residents of the townhomes and more traffic means there will be more use of these turnarounds, which are private property. She wanted information on where the parking entrances and exits would be.

Regarding her second concern, she stated that there is now more foot traffic after a new apartment was built in the area. This has resulted in an increase in the number of people walking through private property, dumping garbage, and creating evening disturbances.

Finally, she explained how the developer indicated he will build an apartment. His proposal will put the building directly across from her unit. She does not want to wake up every morning looking at an apartment. She moved away from Saint Paul for that very reason.

Debra Steele, 3641 Willow Lane, HOA secretary. She commented on how the people who live in the apartments are not going to want to experience the lights and sounds of the Stadium. She does not think the apartment will be filled with people at the income level the City is suggesting. Rent will continue to be lowered until we end up with something we did not want, or did not plan for. She is not against low-income housing, but it is not the best option for this property. She reiterated concerns with the use of the private driveway turnarounds and the vehicles that are parked along Linden Avenue in the winter.

Member Reed responded that many of these same concerns regarding vacancies and low-income housing were raised when the Boatworks project was proposed which did not come to fruition. Developers will look at these things and ensure the project is profitable and works long-term. Tonight we are just looking at putting down the framework for people to come in to the area. We need a place for multi-family housing. We want people to move in, love the area, and then move into single-family homes.

Tim Orf, 3737 Little Linden Curve. He shares the concerns of his neighbors. He stated that he appreciates how the City is looking at the grand scheme of things and that the developers have reached out to the community. However, it seems we are giving a lot of latitude to the developers. He estimated that at the density the City is describing, between 41 and 184 units would be allowed on the 4.61 acre property. This is a lot of leeway to grant a developer at the concept phase.

Member Lynch replied that the City is not giving developers anything at this time. Everything needs approval.

As no one else came forward, Berry closed the public hearing.

Member Berry asked if the City has more say over residential projects and PUDs than we do commercial. Kane responded that yes, through the PUD process the City has much more say in how the property is developed. Currently zoned B-4, a commercial use could be proposed for this property and no public hearing would be needed. Regarding to high density residential provides the City more opportunity to regulate how it develops.

Member Baltzer asked if another bar could be built in the area. Kane affirmed that a bar could go in by right. She added that street access to whatever is developed there will be greatly determined by the County because County Road E is under its jurisdiction.

Member Reed confirmed that up to this point, the high density residential definition in the

Comprehensive Plan did not include the language regarding PUDs. The Waters and Boatworks Commons were the exception and not the rule when they were built. He wondered if the additional verbiage is needed. Crosby agreed it is not required, but is proposed in order to be as transparent as possible.

Member Berry pointed out that the text change is not just for this section of property, but for all future high density residential projects.

Kane explained how the Metropolitan Council has guided 1,200 new residential units to White Bear Lake by 2040. In order to achieve this growth, we have identified this area as an opportunity to intensify and provide future multi-family units.

Member Lynch stated the case tonight is exclusively about the commercial to residential switch and the text addition. The development of this property has been talked about a lot, but it is not being decided right now. He urged the public to go to the neighborhood meeting with the developer to influence the decision-making, so that the project addresses the neighbors' concerns and fits in with the community.

Member Berry indicated that anything that gives the City more influence over development is beneficial.

Member Divine stated there is no rezoning proposal tonight, just the reguiding. It will have to be rezoned in the future.

Member Reis opined that an apartment is a fairly benign project in terms of some of the options available in a commercial area. He also noted that the City should not underestimate the import of neighbor input. Member Reis moved to recommend approval of Case No. 18-1-CPA, Member Lynch seconded the motion. The motion passed by a vote of 7-0.

5. DISCUSSION ITEMS:

A. City Council Meeting Minutes of November 13, 2018.

No discussion

B. Park Advisory Commission Meeting Minutes of November 15, 2018.

No discussion

6. ADJOURNMENT:

Member Baltzer moved to adjourn, seconded by Member Reed. The motion passed unanimously (7-0), and the November 26, 2018 Planning Commission meeting was adjourned at 8:22 p.m.

Park Advisory Commission Meeting Minutes

SEPTEMBER 20, 2018

6:30 P.M.

PODVIN PARK

MEMBERS PRESENT	Anastacia Davis, Mike Shepard, Joann Toth
MEMBERS ABSENT	Bill Ganzlin, Bryan Belisle,
STAFF PRESENT	Mark Burch
VISITORS	
NOTE TAKER	Mark Burch

1. CALL TO ORDER

The meeting was called to order at 6:30 pm at the Podvin Park Pavilion.

2. APPROVAL OF MINUTES

Approval of the minutes from August 16, 2018 was moved by Mike Shepard and seconded by Joann Toth. Motion carried.

3. APPROVAL OF AGENDA

Approval of the September 20, 2018 agenda was moved by Mike Shepard and seconded by Anastacia Davis. Motion carried.

4. COMMITTEE REPORTS

None.

5. UNFINISHED BUSINESS

None.

6. NEW BUSINESS

a) Summer Park Tours – Podvin Park

The Park Advisory Commission met at Podvin Park.

b) 2019 Park CIP

Park Advisory Commission reviewed the proposed 2019 Park Improvement Plan and made recommendations on prioritizing projects.

7. OTHER STAFF REPORTS

None.

8. COMMISSION REPORTS

None.

9. OTHER BUSINESS

None.

10. ADJOURNMENT

The next meeting will be held on October 18, 2018 at 6:30 p.m.

There being no further business to come before the Park Commission, the meeting was adjourned. Moved by Anastacia Davis and seconded by Joann Toth.



City of White Bear Lake
Finance Department

MEMORANDUM

To: Ellen Hiniker, City Manager
From: Don Rambow, Finance Director
Date: December 4, 2018
Subject: **Municipal Tort Liability Limit – 2019 coverage year**

BACKGROUND

As the City seeks to renew its general liability insurance for fiscal year 2019, it is required to determine the level of liability coverage it seeks. The League of Minnesota Cities Insurance Trust (LMCIT), the City's insurance provider, offers two options for structuring the City's liability insurance coverage. The first option provides maximum coverage of \$500,000 per claimant and \$2,000,000 per occurrence tort liability. The LMCIT has adopted a policy of providing a policy limit which is \$500,000 higher than Minnesota Statutes requires. The LMCIT has adopted the higher coverage level in response to overall industry coverage requirements. The second option is for the City to waive the statutory and league limits, and possibly incur higher settlements than what is established in state statutes and league limits while assuming higher premiums. These liability limits apply whether the claim is against the City, against the individual officer or employee, or against both. These liability limits do not apply to actions brought in federal court including civil rights cases.

SUMMARY

The City's renewal liability coverage through LMCIT provides a limit of \$2,000,000 per occurrence which is \$500,000 higher than the statutory. The LMCIT has realized that a common contract requirement has been to establish an insurance liability limit at \$2,000,000. The City's and LMCIT liability coverage would meet its requirement. The \$500,000 per claimant part of the statutory liability is not automatically waived. Thus, under the basic coverage form, the City through LMCIT would be able to use the \$500,000 per claimant limit as a defense where it applies.

Beside the overall LMCIT coverage limit of \$2,000,000 per occurrence, there are also annual aggregate limits (that is, limits on the total amount of coverage for the year regardless of the number of claims) for certain specific risks. Aggregate limits apply to the following:

Products/Completed Operations	\$3,000,000 annually
Limited pollution claims*	\$3,000,000 annually
Failure to supply utility services	\$3,000,000 annually
Data security breaches	\$3,000,000 annually
Land use regulation and development litigation*	\$1,000,000 annually

*The limit applies to both damages and defense costs. Defense costs and damages in land use regulation and development litigation are covered on a sliding scale percentage basis.

The result is that the City will have \$2,000,000 of coverage available for most claims. On those claims to which the statutory limits apply, the City and LMCIT will be able to use the statutory tort liability limit to limit an individual claimant's recovery to no more than \$500,000. As mentioned above, there are some claims to which the statutory liability limits don't apply. Some examples are as follows:

- *Claims under federal civil rights laws.* These include Section 1983, the Americans with Disabilities Act.
- *Claims for tort liability that the City has assumed by contract.* This occurs when a City agrees in a contract to defend and indemnify a private party.
- *Claims for actions in another state.* This might occur in border cities that have mutual aid agreement with adjoining states, or when a city official attends a national conference.
- *Claims based on a "taking" theory.* Suits challenging land use regulation frequently include an "inverse condemnation" claim, alleging that the regulation amounts to a "taking" of the property.

The City's HRA, EDA, and port authority are themselves a separate political subdivision. The City's HRA maintains a separate general liability policy due, in part, to the independent nature of its activities, and the potential of the City and HRA being named in the same civil action, and also due to the relatively low premium cost for the HRA. The HRA's \$2.0 million coverage requires a premium cost of approximately \$2,200.

Options/Alternatives

The City, through the LMCIT, would be purchasing additional \$500,000 liability coverage. This additional coverage would be consistent with industry contract standard language. The LMCIT liability limit change will not directly impact the City's overall premiums.

If the City would choose not to waive the statutory limit, the LMCIT additional \$500,000 liability coverage would only be applicable to those types of claims that are not covered by the statutory liability limit.

By establishing a \$2,000,000 municipal tort liability, the City will limit the taxpayer's liability by capping the possible expenditure of funds at the LMCIT basic coverage limit.

Excess liability insurance would act as umbrella coverage for claims not limited by statutes or in the extreme case where the presiding judge would interpret state law as too restrictive and waive the limit. The second option is considered extremely remote and would ultimately be determined by a higher court. Each \$1 million of excess liability coverage would cost approximately \$35,000 - \$55,000 depending upon the dollar level of coverage selected. The City has not currently incurred any claims exceeding the statutory or LMCIT limits; however, purchasing \$1 million excess liability coverage represents 2.2 cents per dollar of umbrella coverage. The City is saving approximately \$25,000 for each \$1 million in excess liability coverage over the state statutory limit it does not purchase.

RECOMMENDED COUNCIL ACTION

It is recommended that the City continue to choose to not waive the statutory limit. This choice would avoid the need for the City to purchase excess liability coverage, which would cost approximately \$25,000 for each one-million of coverage.

This recommendation is consistent with prior years' coverage and would limit individual claimants to recover no more than \$500,000 and limit all claimants to \$1,500,000 for a single occurrence on any statutory tort limit claim against the City. The City would have \$2,000,000 of coverage for those claims which are not subject to the statutory limit.

ATTACHMENTS

Resolution

See 10C for related excerpt from League of MN Cities

RESOLUTION NO.

RESOLUTION NOT WAIVING THE MONETARY LIMITS ON MUNICIPAL TORT LIABILITY ESTABLISHED BY MINNESOTA STATUTES 466.04

WHEREAS, Minnesota Statutes 466.04 limits the City liability of any single occurrence to \$2,000,000 after January 1, 2019; and

WHEREAS, the City provides coverage up to \$500,000 per individual claimant and up to \$2,000,000 per occurrence.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WHITE BEAR LAKE, that the City does not waive the statutory liability limits for the Fiscal Year January 1, 2019 – December 31, 2019:

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

FYI



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

November 19, 2018

Ellen Richter
City Manager
City of White Bear Lake
4701 Highway 61
White Bear Lake, MN 55110-3227

Dear Ms. Richter:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended 2017 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

Michele Mark Levine
Director, Technical Services Center