OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Work Session was held on August 17, 2026 at the Spring Lake Park City Hall, 1301 81st Ave NE, at 5:30 PM.

1. CALL TO ORDER

Mayor Nelson called the meeting to order at 5:30 PM.

MEMBERS PRESENT:
Councilmember Ken Wendling
Councilmember Barbara Goodboe-Bisschoff
Councilmember Lisa Dircks
Councilmember April Moran
Mayor Robert Nelson

STAFF PRESENT:
Public Works Director George Linngren, Police Chief Josh Antoine, Building Official Jeff Baker, Recreation Director Anne Scanlon, Administrator, Clerk/Treasurer Daniel Buchholtz

OTHERS PRESENT:
Kristi Cobbs 8085 Jefferson Street NE Spring Lake Park MN

2. DISCUSSION ITEMS

A. 2027 General Fund Budget Discussion *(Buchholtz)*

Administrator Buchholtz reviewed the corrected 2027 General Fund budget and two alternatives prepared in response to Council direction. He stated that the Revised Administrator Budget corrected an omitted $17,500 appropriation for contractual electrical inspection services while maintaining a balanced General Fund budget of $6,508,463 through offsetting reductions elsewhere in the General Fund.

Scenario 1 reduced the General Fund budget to $6,455,615 and produced a 5.00% total levy increase. The scenario included reductions to the Forestry Fund transfer, Parks seasonal staffing and maintenance, legal services, Police training, Public Works supplies, and other operating accounts, along with revised revenue estimates. Scenario 2 retained most of those adjustments, restored $10,000 to the Forestry Fund transfer and $2,500 for labor-related legal services, and increased the Parks and Recreation Office Support Specialist position from 28 to 40 hours per week. Scenario 2 totaled $6,507,615 and produced a 6.04% total levy increase.

Administrator Buchholtz reported that all three alternatives were balanced without using General Fund balance. For a median-value homesteaded property of $296,180,

assuming the average 6.1% valuation increase, the estimated annual City tax increase ranged from approximately $79 under Scenario 1 to $96 under Scenario 2 and $100 under the Revised Administrator Budget.

Chief Antoine discussed the proposal to use an Administrative Sergeant rather than an Administrative Captain in 2027. He emphasized that the change would not reduce Police Department staffing and that the department would continue to budget for 13 full-time employees. The Administrative Sergeant could perform most proposed administrative duties while retaining flexibility to cover patrol shifts and assist with training new officers. The Chief also explained that the $5,000 training adjustment reflected a shift from an in-person platform to less costly online training and did not eliminate required officer training. Staff noted that $125,000 in one-time Public Safety Aid was planned to phase in the added position. The Chief recommended revisiting the Captain position after staffing stabilizes and noted that delaying the position would preserve the City's ability to apply again for a federal COPS grant.

Parks and Recreation Director Scanlon described the administrative and financial workload created by the department's expanding programs. She reported that changes to the summer childcare program had reduced the program's annual shortfall from approximately $30,000-$40,000 to approximately $5,000 in its first year under the revised model, and stated that the full-time Office Support Specialist would help support continued program development, registration, payments, marketing, and financial reporting.

Councilmembers discussed the timing and ongoing cost of the full-time Office Support Specialist, the need for operating flexibility, forestry and legal-services funding, Police staffing, and anticipated future activity in neighboring Blaine. Mayor Nelson and Councilmember Goodboe-Bisschoff favored Scenario 1. Councilmembers Moran and Dircks favored Scenario 2, and Councilmember Wendling supported Scenario 2 provided the levy could be reduced further.

Council consensus was to use Scenario 2 as the basis for the preliminary 2027 budget and levy, with staff to evaluate additional reductions before the preliminary levy is presented. Council also supported Chief Antoine's recommendation to proceed with an Administrative Sergeant rather than an Administrative Captain for 2027.

B. Terrace Park Building Update (*Buchholtz/Scanlon)*

Administrator Buchholtz reported that the City had secured a $450,000 Anoka County Community Development Block Grant and committed $246,335 from Fund 226 toward replacement of the Terrace Park building. Based on pre-bid estimates, the total project cost was approximately $955,229-$1,055,229, leaving an estimated gap of $258,894-$358,894 before applying the $91,664 balance in Fund 225. If the full Fund 225 balance were used, the remaining estimated gap would be $167,230-$267,230.

Administrator Buchholtz stated that utility improvements had been estimated at approximately $194,000, substantially above the original estimate. Potential cost reductions included televising the existing sanitary sewer service before determining whether replacement was necessary, routing the water connection through the hockey-rink area, and removing the rink consistent with the park master plan. These changes could reduce the utility work to approximately $85,000-$90,000. Staff also discussed unsuitable soils beneath the proposed building and the potential need to replace approximately four and one-half feet of material.

The Council reviewed the alternatives described in the staff memorandum: discontinue the project and return the CDBG award; reject the bids, modify the project, and rebid; proceed with additional City funding while pursuing cost reductions; or delay pending a decision on potential federal funding. Administrator Buchholtz stated that bids would be opened on August 18 and that staff would return with updated information for the August 24 special meeting.

Councilmembers expressed a preference to preserve the CDBG funding and continue the project if a manageable funding plan could be developed. The Council also expressed support for making a reasonable effort to retain participation by the Spring Lake Park Schools Construction Trades Program, while recognizing that the City may need to reject and rebid the project without that component if it caused a material cost increase or schedule risk. No final project or funding decision was made pending the bid opening.

C. Review of Discussion from the Floor Agenda Placement (Goodboe-Bisschoff)

Councilmember Goodboe-Bisschoff proposed moving Discussion from the Floor later in the regular meeting agenda. She stated that doing so could allow residents to observe departmental reports and scheduled business before commenting, reduce comments on matters already listed on the agenda, and lessen disruption at the beginning of meetings.

Administrator Buchholtz stated that cities use several approaches, including placing public comment later in the agenda, requiring advance requests for agenda placement, or limiting Council discussion during public comment and directing staff to follow up afterward. Councilmembers agreed that the topic required additional review. Staff was directed to research options and place the matter on a future work session agenda.

3. REPORT

A. City Council and Staff Reports - None

4. ADJOURN

Mayor Nelson adjourned the meeting at 6:49 PM.

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer