

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Worksession was held on November 3, 2025 at the City Hall, 1301 81st Ave NE, Spring Lake Park, at 5:30 PM.

1. CALL TO ORDER

MEMBERS PRESENT

Councilmember Ken Wendling
Councilmember Barbara Goodboe-Bisschoff
Councilmember Lisa Dircks
Councilmember April Moran

MEMBERS ABSENT

Mayor Bob Nelson

STAFF PRESENT

Police Chief Josh Antoine, Public Works Director George Linngren, City Engineer Phil Gravel,
Administrator Daniel Buchholtz

2. DISCUSSION ITEMS

A. Police Department Staffing Proposal Update

Administrator Buchholtz and Chief Antoine presented an update on the Police Department request to establish an Administrative Captain position beginning mid-year 2026. Administrator Buchholtz stated that the creation of the Administrative Captain position would be phased-in over two fiscal years, with approximately \$100,443 utilized from the Public Safety Aid account in 2026, and approximately \$86,720 used to offset 2027 costs. Administrator Buchholtz noted that there would also be position adjustments made to help offset the cost of the position.

Chief Antoine reiterated the supervisory need and liability reduction goals, noting sergeants are spending a substantial amount of time on administrative work. He stated that the department will seek to hire a patrol officer in January 2026 so field training can be completed before the Captain promotion, and subsequent Sergeant promotion, take place. He stated that the department will move to nine-hour shifts (five days on, three days off), to allow for a minimum of two police officers on the street between the hours of 9:00 a.m. and 3:00 a.m. daily.

Chief Antoine stated that each Records Technician position would be reduced from 40 hours to 32 hours per week, and that minor adjustments to office window hours may be made as a result. He further noted that when a retirement occurs, the Police Department does not intend to fill the second Records Technician position.

CONSENSUS of the City Council was to direct staff to begin recruitment for a 13th police officer, with the understanding that the Administrative Captain position would be established and filled in July 2026.

Administrator Buchholtz stated that the proposal would be incorporated into the presentation for the 2026 Truth-in-Taxation hearing and included in the final 2026 budget recommendation.

B. 2026 Public Utilities Budget

Administrator Buchholtz presented the proposed 2026 Public Utilities Budget, which includes the operating funds for the City's water, sewer, and stormwater utilities. He stated that the budget is designed to maintain the quality of services while addressing operational and maintenance needs across the utility infrastructure. He reported that total revenues in the Public Utilities Fund are projected to increase by approximately 5.04 percent, primarily due to proposed rate adjustments and higher interest earnings resulting from increased interest rates on the City's cash reserves. He noted that expenditures are also projected to rise by 5.04 percent, largely due to wage and benefit increases, as well as higher costs for system repairs and maintenance. Buchholtz said that Metropolitan Council Environmental Services charges declined slightly, which helped contain overall expense growth.

Administrator Buchholtz stated that a major line item in the budget is the continued contribution to the City's Public Utilities Renewal and Replacement Fund, with over \$250,000 being set aside for future capital improvements to strengthen the long-term fiscal stability of the City's utility enterprise.

Administrator Buchholtz reported that the state's water test fee will increase from \$2.23 to \$3.81 per quarter per connection due to a rate adjustment approved by the Minnesota Legislature, and that the City will pass this increase through to customers.

Administrator Buchholtz provided an overview of the Stormwater Utility budget. He said revenues and expenditures are both budgeted to increase by approximately 48 percent. This reflects rate increases needed to support the stormwater system and help rebuild fund balance following unplanned 2025 expenses, including full-system televising and MS4 permit compliance costs resulting from a recent MPCA audit.

Administrator Buchholtz reviewed the proposed 2026 utility rates. He stated that the proposed rate increases, with the exception of the storm water utility fee, are consistent with the 2023 Utility Rate Study completed by Northland Securities. He noted that after years of stable water, sanitary sewer and stormwater rates, the Utility Rate Study recommended that the City adjust rates to keep up with rising costs of operation, state and federal requirements and the necessary reinvestment into the City's utility infrastructure.

WATER CONSERVATION RATES - ALL PROPERTIES

The City of Spring Lake Park owns and operates water supply, treatment, distribution, and storage facilities that serve the city. Water rates are used for repair and maintenance of the city's municipal water system infrastructure.

Water Service Fee	\$20.42 per quarter, per water connection
MN Test Fee	\$3.81 per quarter, per water connection
Tier 1:	\$2.31 per 1,000 gallons, 0-9,000 gallons per quarter
Tier 2:	\$2.60 per 1,000 gallons, 9,001-18,000 gallons per quarter
Tier 3:	\$4.00 per 1,000 gallons, 18,001 to 27,000 gallons per quarter
Tier 4:	\$4.45 per 1,000 gallons, 27,001 to 36,000 gallons per quarter
Tier 5:	\$4.83 per 1,000 gallons, 36,001 to 45,000 gallons per quarter
Tier 6:	\$5.24 per 1,000 gallons, 45,001+ gallons per quarter

SEWER RATES - ALL PROPERTIES

Metropolitan Council Environmental Services (MCES), a division of the Metropolitan Council, owns and operates the facilities that process wastewater for the metropolitan area. MCES charges a fee to each city for wastewater treatment based on its share of wastewater treated by MCES. Sewer rates reflect this fee as well as funds required for the repair and maintenance of the City's municipal sanitary sewer infrastructure.

Single Family, Duplex, Townhouse & Similar Residential	\$89.91 /unit per quarter
Apartment, Mobile Home, Institutional, Commercial, & Industrial	\$89.91 per quarter per unit for 18,000 gallons and \$5.62 per 1,000 gallons for all usage over 18,000 gallons

OTHER UTILITY BILL CHARGES

Storm Water Utility Fee	\$9.99 per quarter per residential equivalency factor (REF)
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Buchholtz stated that even with the proposed rate adjustments, Spring Lake Park's water, sewer, and stormwater rates remain among the lowest in the North Metro.

Council members expressed support for the budget, noting the importance of maintaining the City's infrastructure and continuing a proactive approach to long-term system reinvestment. The consensus of the City Council was to proceed with the proposed 2026 Public Utilities Budget and to incorporate the updated rates and assumptions into the final 2026 budget.

C. Review of Proposed 2026-2030 Capital Improvement Plan

Administrator Buchholtz presented the draft 2026–2030 Capital Improvement Plan (CIP), explaining that the City updates its five-year plan annually to serve as a roadmap for future investments in infrastructure, facilities, and equipment. He emphasized that the CIP is a planning document rather than a spending authorization, with individual projects brought forward for Council approval through the annual budget process or separate Council action when needed. He said the proposed plan identifies approximately \$7.86 million in capital improvements across all departments and continues the City's focus on maintaining core infrastructure, facility upkeep, and equipment replacement.

He reported that major investments include ongoing street and utility improvements, painting of both City water towers, and renewal of wells, mains, and meters to ensure system reliability. He said the plan also includes key equipment replacements in Public Works, such as a dump truck and sidewalk maintenance unit, to improve operational efficiency. In Parks and Recreation, he noted proposed projects such as reconstruction of the Terrace Park building, rink and lighting upgrades, and future playground replacements at Sanburnol and Westwood Parks. He said Police Department items include fleet and radio replacements, and that

administrative investments focus on technology and copier replacements to maintain secure and efficient operations

Administrator Buchholtz discussed stormwater priorities, highlighting the Terrace and 7th Avenue drainage project and coordination with the watershed district to address localized flooding. He noted that the City has applied for approximately \$900,000 in federal Community Project Funding to implement the Local Surface Water Management Plan, which would support projects such as infiltration swales and stormwater conveyance improvements.

Councilmembers expressed support for the overall direction of the CIP and the emphasis on reinvestment in infrastructure and facilities. Councilmembers discussed potential grant opportunities to fund portions of the CIP. Councilmember Goodboe-Bisschoff inquired about the inclusion of a new mobility van for the Parks and Recreation Department. Administrator Buchholtz explained that the van would transport small program groups more efficiently and reduce rising coach-bus rental costs. He said the proposed vehicle would be accessible for individuals with mobility limitations and operated by staff holding CDL licenses.

CONSENSUS of the City Council was to proceed with the draft 2026–2030 Capital Improvement Plan as presented and to bring a final version forward for approval with the 2026 budget.

3. REPORT

A. Council and Staff Reports - None

4. ADJOURN

The meeting was adjourned at 6:27pm.

Kenneth Wendling, Acting Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer