

OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council Regular was held on December 18, 2023 at the City Hall, at 7:00 PM.

1. CALL TO ORDER

Mayor Nelson called the meeting to order at 7:00 PM.

2. ROLL CALL

MEMBERS PRESENT

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

STAFF PRESENT

Public Works Director Terry Randall, Public Works Director George Linngren, Police Chief Josh Antoine, Building Official Jeff Baker, Recreation Director Kay Okey, Attorney John Thames, Engineer Phil Gravel, Administrator Daniel Buchholtz

VISITORS

| | | |
|-------------------|-------------------------|------------------|
| Marilynn Forsberg | 8015 Benjamin Street NE | Spring Lake Park |
| George Eilertson | Northland Securities | |

3. PLEDGE OF ALLEGIANCE

4. ADDITIONS OR CORRECTIONS TO AGENDA

Administrator Buchholtz requested that Item 10B, Approval of School Resource Officer Contract with Spring Lake Park Schools be removed from the agenda.

5. DISCUSSION FROM THE FLOOR

None

6. CONSENT AGENDA

- A. Approval of Minutes – December 4, 2023 City Council Work Session
- B. Approval of Minutes – December 4, 2023 Council Meeting
- C. Approval of Claims – General Disbursement No 23-121 - \$393,816.25
- D. Statement of Revenue and Expenditures – November 2023
- E. Mayor’s Proclamation – Commending Terry Randall
- F. Resolution 23-49, Accepting Donation from Barbara Yawn

- G. Fourth Quarter Billing for 2024 Payable Property Tax Assessment – Ken Tolzmann
- H. Release Letter of Credit from Hampton Companies for Suite Living Project
- I. Adopt Financial Policies
- J. Contractor’s Licenses
- K. Business Licenses

Mayor Nelson pulled Item 6E, Mayor’s Proclamation – Commending Terry Randall. He read the proclamation and thanked Mr. Randall for his years of service. Councilmember Wendling pulled Item 6F, Resolution 23-49 – Accepting Donation from Barbara Yawn. He thanked Ms. Yawn for her generous donation. Both items were re-added to the Consent Agenda.

Motion made by Councilmember Wendling to approve Consent Agenda.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

7. DEPARTMENT REPORTS

A. Police Report

Police Chief Antoine reported that the Police Department responded to 745 calls for service in November 2023 compared to 693 calls for service for the month of November 2022. He reported that Investigator Bennek handled 28 cases for the month of November, 21 of which were felony in nature and 7 misdemeanors. He said Investigator Bennek is monitoring 5 active forfeiture cases.

Chief Antoine stated that the Police Department has made the decision to cease operations of the Spring Lake Park Reserve program, due to the decline in applicants over the past few years.

Chief Antoine gave an update on the Bikes4Kids. He said that the Police Department was able to donate 10 bikes in November.

B. Recreation Report

Recreation Director Okey stated that in November there were 1,550 participants in the recreation programs. She said that the Tower Days Committee will start meeting on January 30, 2024.

8. PUBLIC HEARING

- A. Intention to Issue General Obligation Capital Improvement Plan Bonds and the Proposal to Adopt a Capital Improvement Plan Therefor

Administrator Buchholtz presented the proposed 2024-2028 Capital Improvement Plan. He said that under M.S. 475.521, a Capital Improvement is a major expenditure or municipal funds for acquisition of public lands, buildings or other improvements used as a city hall, library, public safety or public works facility which has a useful life of 5 years or more. Administrator Buchholtz gave an overview of the projects for 2024-2028. He stated that the City Hall Renovation and Expansion is the only identified project in the plan. He said that there are no major projects as defined under statute until 2029 and beyond.

Administrator Buchholtz stated that the City Hall Renovation was needed for a number of reasons:

- Inefficient heating/cooling (HVAC) systems.
- Inadequate restroom facilities.
- Lack of ADA accessibility in the building.
- Inadequate public meeting spaces.
- No fire suppression system.
- Roof over City Hall leaks and is need of replacement.
- Electric panels are beyond their 30-year service life.
- Water heater was installed in 1983 and is beyond its useful life
- Insufficient exterior wall insulation.
- Lighting is out of compliance with Minnesota State Energy Code requirements
- Lobby and circulation spaces are small, dark and uninviting. Current wayfinding is confusing for the public
- Police Department only accessible down along hallway off the main lobby Police Department locker room is not code compliant and does not accommodate both genders.
- Recreation Department lacks space for fulltime and seasonal employees.

Administrator Buchholtz outlined the benefits of the project, including:

- Enhancing energy efficiency and decreasing costs of building HVAC and electrical systems.
- Enlarging public meeting and program spaces to better serve the community.
- Increasing the number of restroom facilities to accommodate public gatherings of up to 200 people.
- Creating a separate entrance for the Police Dept. and moving the Police lobby to the front of the building.
- Rearranging staff space to increase operational efficiency.
- Improving ADA accessibility throughout the building.
- Strengthening building security for public and staff.
- Expanding technology to promote citizen engagement.

Administrator Buchholtz stated that the proposed project will enlarge City Hall from the current 17,030 square feet to a total of 22,350 square feet. He said that the total budget for the project will be \$8,762,626. He stated that the funding for the project will come from Cash Reserves and the G.O. CIP Bond.

Motion made by Councilmember Wendling to open the public hearing.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried. Mayor Nelson opened the public hearing at 7:36 PM.

Marilyn Forsberg, 8015 Benjamin Street Ne, asked if the parking at City Hall would be changed. Administrator Buchholtz stated that the parking lot will still accommodate the current parking for residents and staff.

Motion made by Councilmember Wendling to close the public hearing.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

Mayor Nelson closed the public hearing at 7:38 PM.

B. Public Hearing on 2024 Fee Schedule

Motion made by Councilmember Wendling to open the public hearing.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

Mayor Nelson opened the public hearing at 7:39 PM.

Administrative Buchholtz provided an overview of the proposed changes to the 2024 Fee Schedule. He outlined the following changes to the fee schedule:

- Section 1. Updating the Building Permit Fee valuation table to more closely align our permit fee table with the State of Minnesota's fee schedule table outlined in M.S. § 326B.153. This will also bring our scale in line with many of our neighboring cities (see attached spreadsheet for details).
- Section 8. Increased the re-inspection fee from \$60.00/hour to \$63.25/hour. Increased the fee for inspections outside of normal business hours from \$60.00/hour to \$63.25/hour. Increased pre-final inspection from \$60.00 to \$63.25. Increased no show fee from \$60.00 to \$63.25.
- Section 13. Updated fee schedule for Lower Potency Hemp Edible Retailer Application Fee and License Fee – both fees will be set at \$125.00/year.
- Section 13. Increased animal license fees for spayed/neutered cats and dogs from \$6.00/year to \$10.00/year and unsprayed/unneutered cats and dogs from \$10.00/year to \$15.00/year to cover increased costs. Dangerous dog registration fee is increased from \$100.00 to \$500.00 to match State Law. Impound fees increased by \$25.00 for each offense to cover increased costs associated with our Humane Society contract.
- Section 14. Updated to add rental fees for Able Park Activity Building. Updated Athletic

Field/Rink Lighting Fees. Updated tax status for athletic field use by youth sports teams. Established fees for tennis/pickle ball court use.

- Section 15. Increased Water Availability Charge to match the 5% increase in the Construction Cost Index.
- Section 15. Deleted 5/8" meter fee as the City no longer sell that size.
- Section 15. Increased SAC administrative fee from \$326 to \$350 per unit to match the 5% increase in the Construction Cost Index.
- Section 15. Increased municipal street light fee from \$17.20/year to \$17.50/year to reflect increased electricity costs.
- Section 15. Increased Storm Water Utility Fee from \$6.00/quarter per REF to \$6.33/quarter per REF. This is to meet the projected expenses outlined in the Public Utilities Financial Plan.

Mayor Nelson asked for public comment. Hearing none, Mayor Nelson closed the public hearing at 7:49 PM.

9. ORDINANCES AND/OR RESOLUTIONS

- A. Resolution 2023-46, Giving Preliminary Approval for the Issuance of General Obligation Capital Improvement Plan Bonds in an Amount Not to Exceed \$8,800,000 and Adopting the City of Spring Lake Park, Minnesota, Capital Improvement Plan Therefor

Administrator Buchholtz gave an overview of the sale of the bonds, once the City Council approves Resolution 2023-46. He stated that a 30-day Public Comment period will run until January 18, 2024. Mr. Buchholtz stated once the comment period is over the City Council will set the sale resolution for bonds adopted and award bids for the project on February 5, 2024.

Administrator Buchholtz said the bond sale will take place on March 4, 2024, and the City will receive the proceeds on April 2, 2024.

Northland Securities Bond Consultant George Eilertson stated that the Council is not issuing debt at this time. He said that the Council is giving preliminary approval to the plan and the future issuance of bonds.

Mr. Eilertson, stated that interest rates are trending lower in the municipal bond market. He said that interest is currently running at 3.75% rate for a 20-year bond.

Motion made by Councilmember Wendling to approve Resolution 2023-46, Giving Preliminary Approval for the Issuance of General Obligation Capital Improvement Plan Bonds in an Amount Not to Exceed \$8,800,000 and Adopting the City of Spring Lake Park, Minnesota, Capital Improvement Plan Therefor.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried

B. Ordinance 489, Adopting 2024 Fee Schedule for the City of Spring Lake Park

Motion made by Mayor Nelson to approval removal of the increase to the street lighting fee.

Voting Nay: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran. Voting Aye: Mayor Nelson. Motion fails.

Motion made by Councilmember Wendling to approve Ordinance 489, Adopting 2024 Fee Schedule for the City of Spring Lake Park.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

C. Resolution 2023-47, Authorizing Application for Community Development Block Grant

Recreation Director Okey stated that staff is asking for approval to seek additional funding through the Community Development Block Grant funds. The funds will be used for Terrace Park Improvements.

Motion made by Councilmember Wendling to approve Resolution 2023-47, Authorizing Application for Community Development Block Grant.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

D. Ordinance 490, Amending Section 11.50.040 of the Spring Lake Park City Code Relating to Limitations on the Sale of Edible Cannabinoid Products

Administrator Buchholtz stated that staff drafted an amendment to the City's edible cannabinoid product ordinance at the direction of the City Council to allow additional licenses. He stated the current ordinance only allows 2 licenses/registrations. The amendment would allow the current four businesses to continue selling cannabinoid products.

Motion made by Mayor Nelson to approve Ordinance 490, Amending Section 11.50.040 of the Spring Lake Park City Code Relating to Limitations on the Sale of Edible Cannabinoid Products.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

E. Resolution 2023-48, Approving Plans and Specifications and Ordering Advertisement for Bids – 2024 Street Improvement Project

Engineer Gravel gave an overview of the 2024 Street Project. He stated that the streets in the project are Sanburnol Drive (85th Ave NE), Elm Drive NE, and 83rd Avenue NE (between University Service Drive and Terrace Road). He stated that the project also includes a short segment of University Service Drive that is entirely in the City of Blaine.

Engineer Gravel stated that once the City Council approves final plans and specifications and authorizes advertisement for bids the plan will be sent to MnDot for final approval. He stated that bids are contingent upon MnDOT final approval of the plans. Engineer Gravel said bids will be opened on January 30, 2024 at 11:00 am.

He stated that the total cost of the project is \$1,495,000 with 41% of the cost being paid by the City of Blaine. Councilmember Goodboe-Bisschoff asked for clarification on Blaine's cost. Engineer Gravel stated tht the cost is based on the frontage of Sanburnol and that the north half of Sanburnol lies entirely in the City of Blaine. He stated that overall the City of Spring Lake Park has more frontage and the city's portion will include a sidewalk on 83rd Avenue NE.

Motion made by Councilmember Wendling accepting Resolution 2023-48, Approving Plans and Specifications and Ordering Advertisement for Bids – 2024 Street Improvement Project

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Moran, Mayor Nelson. Abstain: Councilmember Dircks. Motion carried.

10. NEW BUSINESS

A. Establish Wage Rate for Non-Bargain Employees and Department Heads for 2024 and 2025

Administrator Buchholtz presented the non-bargained employees and department heads pay plan for 2024-2025. He recommended that non-bargained employees and department heads receive a 4% wage increase effective January 1, 2024 and a 3.25% wage increase effective January 1, 2025. He also recommended a contribution by the City of \$100/month to employee health insurance.

Motion made by Mayor Nelson to Establish Wage Rate for Non-Bargain Employees and Department Heads for 2024 and 2025.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

11. REPORTS

A. Attorney's Report

Attorney Thames stated that the School Resource Officer contract is being finalized.

B. Engineer's Report

Reported accepted as presented.

C. Administrator Report

Administrator Buchholtz gave an update on the mediation with the Public Works Union. He stated that the Union was presented with two Options and they voted for Option A on a 6-0 vote. He stated that he met with the City of Blaine Representatives about the Northtown Redevelopment project, and the street project on 8th and Lincoln next to the Public Works Building. Administrator Buchholtz said that there will be no cost to the City for the street project.

12. OTHER

A. Correspondence

None

13. ADJOURN

Motion made by Councilmember Wendling to adjourn.

Voting Aye: Councilmember Wendling, Councilmember Goodboe-Bisschoff, Councilmember Dircks, Councilmember Moran, Mayor Nelson. Motion carried.

The meeting was adjourned at 8:18 pm.

Robert Nelson, Mayor

Attest:

Daniel R. Buchholtz, Administrator, Clerk/Treasurer