

## OFFICIAL PROCEEDINGS

Pursuant to due call and notice thereof, the regularly scheduled meeting of the Spring Lake Park City Council was held on December 18, 2017 at the Spring Lake Park Community Center, 1301 81st Avenue N.E., at 7:00 P.M.

### 1. Call to Order

Mayor Hansen called the meeting to order at 7:00 P.M.

### 2. Roll Call

Members Present: Councilmembers Nelson, Wendling, Delfs, Goodboe-Bisschoff and Mayor Hansen

Members Absent: None

Staff Present: Police Chief Ebeltoft; Public Works Director Randall; Building Official Brainard; Parks and Recreation Director Rygwall; Attorney Thames; Administrator Buchholtz and Executive Assistant Gooden

Visitors: Paddy Jones, Ham Lake  
Tom Busch, 1006 103<sup>rd</sup> Avenue NE, Blaine  
Jeremy Iozzo, 7877 Oak Court, Lino Lakes  
Bob Busch, 43925 Cedarcrest, Harris  
Karen L. Kane, 1006 103<sup>rd</sup> Avenue NE, Blaine

### 3. Pledge of Allegiance

### 4. Additions or Corrections to Agenda

Administrator Buchholtz asked that a Public Right of Way Application be added as Item 6J to the Consent agenda. He asked that a Memorandum of Understanding Between the International Brotherhood of Teamsters, Local #320 and the City of Spring Lake Park be added to the agenda as New Business Item 11F.

### 5. Discussion From The Floor

Tom Busch reported that he had attended the Parks and Recreation Commission meeting to suggest that his father, former Clerk-Treasurer Don Busch, be recognized in some way in at one of the parks in Spring Lake Park. He stated that he would like to see the City recognize his late father and he will be working with the Parks and Recreation Department for a more fitting tribute.

Bob Busch addressed the Council and stated that his father did a lot of work for the City and the recreation programs in the past. He stated that a plaque recognizing his father's contributions would be appreciated if the Council would consider such a request.

Parks and Recreation Director reported that she has provided the Busch family suggestions that are appropriate and would meet the required criteria set forth under the park facility naming policy.

Mayor Hansen stated that Don Busch was a former City employee as well as a Councilmember and had a significant role in the construction of City Hall renovations and has been previously recognized for that project.

6. Consent Agenda:

Mayor Hansen reviewed the following Consent Agenda items:

- A. Approval of Minutes –December 4, 2017
- B. Disbursements
  - 1. General Fund Disbursement Claim No. 17-21 -- \$474,795.61
  - 2. Liquor Fund Disbursement Claim No. 17-22 -- \$188,869.40
- C. Budget to Date/Statement of Fund Balance – November 2017
- D. Fourth Quarter Billing for 2018 Payable 2019 Property Tax Assessment
- E. Parks and Recreation Department Request to Purchase Online Registration System
- F. Spring Lake Park 2018 Engagement Letter for City Attorney Services
- G. Licenses:
  - 1. Contractor's Licenses
  - 2. 3.2% Beer and Strong Beer
  - 3. Massage Therapy – Enterprise
  - 4. Massage Therapy - Technician
- H. Sign Permits
- I. Correspondence
- J. Public Right of Way Application – Xcel Energy

Councilmember Goodboe-Bisschoff commented on the minutes from the December 4, 2017 meeting regarding Item 9A, Ordinance No. 444 Amending the Fee Schedule for the City of Spring Lake Park, noting the name change from Conde Park to Triangle Park on the fee schedule. She reported that this name change was discussed at a Council workshop on December 11, 2017; however, the item was tabled and will be discussed at a future work session.

MOTION BY COUNCILMEMBER NELSON APPROVING THE CONSENT AGENDA. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

7. Police Report

Police Chief Ebeltoft reviewed the November 2017 department statistics.

Chief Ebeltoft reported that the Police Department responded to five hundred twenty five calls for service for the month of November 2017 compared to five hundred sixty calls in November 2016. He reviewed the monthly statistics for calls handled by School Resource Officer Chlebeck and Investigator Baker.

Chief Ebeltoft stated, in addition to addressing the day-to-day operations of the Department, he attended numerous meetings throughout the month representing Spring Lake Park Police Department and the City of Spring Lake Park.

8. Parks and Recreation Report

Parks and Recreation Director Rygwall reported that the Parks and Recreation Commission did not meet in November. She reviewed the programs for the month of November and provided a recap of the annual Turkey Shoot program. She stated that the winter program brochure has been mailed and reservations are being taken for the future classes.

9. Public Works Report

Public Works Director Randall reported that in the month of November the Public Works Department continued to sweep the parks; collect garbage and recycling at the parks and installed the thin ice signs at Lakeside and Triangle Parks. He reported that the leaf collection event was successful for the month of November and the Department installed the Christmas lights at the various parks and City Hall.

10. Ordinances and/or ResolutionsA. Resolution 17-44 Adopting Final 2017 Taxes Collectable in 2018

MOTION MADE BY MAYOR HANSEN TO APPROVE RESOLUTION 17-44 ADOPTING FINAL 2017 TAXES COLLECTABLE IN 2018. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. Resolution 17-45 Establishing 2018 Utility Rates

MOTION MADE BY MAYOR HANSEN TO APPROVE RESOLUTION 17-45 ESTABLISHING 2018 UTILITY RATES. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

11. New BusinessA. Ratify I.U.O.E Local 49 Public Works Union Contract Proposal

Administrator Buchholtz informed the Council that on November 16, 2017, the I.U.O.E Local 49 Public Works Union employees accepted the offer negotiated by the Public Works Negotiation Committee. He stated that the duration of the contract is two years and carries a 3% wage increase in 2018 and 3% increase in 2019; a clothing allowance of \$500.00 for 2018 and \$500.00 in 2019; an amendment to Health Insurance Article IX; Overtime Article XIII; Memorandum of Understanding language change.

MOTION MADE BY MAYOR HANSEN TO APPROVE RATIFICATION OF 2018/2019 PUBLIC WORKS UNION CONTRACT RECOMMENDED BY THE PUBLIC WORKS NEGOTIATIONS COMMITTEE, AS FOLLOWS:

1. ARTICLE 25. DURATION

JANUARY 1, 2018 THROUGH DECEMBER 31, 2019

2. APPENDIX A – COMPENSATION (WAGES)

2018 (EFFECTIVE 1/1/2018) – 3%

2019 (EFFECTIVE 1/1/2019) – 3%

3. ARTICLE XI – CLOTHING ALLOWANCE

\$500.00 FOR 2018

\$500.00 FOR 2019

4. ARTICLE IX- HEALTH INSURANCE

AMEND 4<sup>TH</sup> PARAGRAPH TO READ AS FOLLOWS:

“EFFECTIVE SEPTEMBER 1, ~~2016~~18 AND SEPTEMBER 1, 2017~~19~~, IF THERE IS AN INCREASE/DECREASE IN THE PREMIUM OR DEDUCTIBLE FOR THE HEALTH PLAN CHOSEN BY THE CITY, THERE WILL BE A 50/50 SPLIT OF THE INCREASE/DECREASE WITH THE EMPLOYEE AS CALCULATED ON A MONTHLY BASIS.”

5. ARTICLE XIII-OVERTIME

AMEND 6<sup>TH</sup> PARAGRAPH TO READ AS FOLLOWS:

“STANDBY DUTY MAY BE REQUIRED UP TO A MAXIMUM OF ~~20~~25 WEEKENDS PER YEAR (FROM 3:30 P.M. FRIDAY TO 7:00 A.M. MONDAY). EMPLOYEES WHO ARE ON WEEKEND STANDBY DUTY SHALL BE COMPENSATED AT THE RATE OF FOUR (4) HOURS OVERTIME PAY FOR EACH WEEKEND ON STANDBY.”

ADD NEW PARAGRAPH TO READ AS FOLLOWS:

EMPLOYEES MAY EARN COMPENSATORY TIME IN LIEU OF OVERTIME PAY AT THE RATE OF ONE AND HALF (1 ½) TIMES OR TWO (2) TIMES, IF WORK IS PERFORMED ON SUNDAYS OR ANY HOLIDAY OUTLINED IN ARTICLE V, UPON MUTUAL AGREEMENT BETWEEN THE EMPLOYEE AND THE EMPLOYER, NOT TO EXCEED FORTY (40) HOURS. EMPLOYEES MAY USE COMPENSATORY TIME BY MUTUAL AGREEMENT.

6. MEMORANDUM OF UNDERSTANDING

AMEND #10 IN THE CENTRAL PENSION FUND MOU TO READ AS FOLLOWS:

“CHANGES TO THE CONTRIBUTION RATE MAY BE MADE BY THE MEMBERS, BY MAJORITY VOTE, ~~AT THE END OF EACH CONTRACT TERM~~ ANNUALLY IN JANUARY.”

ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

B. Ratify LELS Local 49 (Patrol) Contract

Administrator Buchholtz informed the Council that on November 21, 2017, the LELS Local 7 Union employees (Patrol) accepted the offer negotiated by the Patrol Officers Negotiation Committee. He stated that the duration of the contract is two years and carries a 3% wage increase in 2018 and 3% increase in 2019; a uniform allowance of \$830.00 for 2018 and \$850.00 in 2019; an amendment to Health Insurance Appendix B.

MOTION MADE BY MAYOR HANSEN TO APPROVE RATIFICATION OF 2018/2019 SERGEANTS UNION CONTRACT RECOMMENDED BY THE SERGEANTS NEGOTIATIONS COMMITTEE, AS FOLLOWS:

1. ARTICLE 25. DURATION

JANUARY 1, 2018 THROUGH DECEMBER 31, 2019

2. APPENDIX A – COMPENSATION (WAGES)

2018 (EFFECTIVE 1/1/2018) – 3%

2019 (EFFECTIVE 1/1/2019) – 3%

3. APPENDIX B – UNIFORM ALLOWANCE

\$830.00 FOR 2018

\$850.00 FOR 2019

4. APPENDIX B – HEALTH INSURANCE

AMEND FOURTH PARAGRAPH TO READ AS FOLLOWS:

“EFFECTIVE SEPTEMBER 1, 204618 AND SEPTEMBER 1, 204719, IF THERE IS AN INCREASE/DECREASE IN THE PREMIUM OR DEDUCTIBLE FOR THE HEALTH PLAN CHOSEN BY THE CITY, THERE WILL BE A 50/50 SPLIT OF THE INCREASE/DECREASE WITH THE EMPLOYEE AS CALCULATED ON A MONTHLY BASIS.”

ADD 50/50 LANGUAGE TO SPLIT INCREASED DEDUCTIBLE BETWEEN HEALTH SAVINGS PLAN AND HEALTH REIMBURSEMENT ACCOUNT.

ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

C. Ratify LELS Local 265 (Sergeants) Contract

Administrator Buchholtz informed the Council that on November 21, 2017, the LELS Local 265 Union employees (Sergeants) accepted the offer negotiated by the Sergeants Negotiation Committee. He stated that the duration of the contract is two years and carries a 3% wage increase in 2018 plus a one-time market rate adjustment of \$300.00 and 3% increase in 2019; a uniform allowance of \$830.00 for 2018 and \$850.00 in 2019; an amendment to Health Insurance Appendix B and MOU Severance Pay Language Change.

MOTION MADE BY MAYOR HANSEN TO APPROVE RATIFICATION OF 2018/2019 SERGEANTS UNION CONTRACT RECOMMENDED BY THE SERGEANTS NEGOTIATIONS COMMITTEE, AS FOLLOWS:

1. ARTICLE 25. DURATION

JANUARY 1, 2018 THROUGH DECEMBER 31, 2019

2. APPENDIX A – COMPENSATION (WAGES)

2018 (EFFECTIVE 1/1/2018) – 3% + ONE TIME MARKET RATE ADJUSTMENT OF \$300.00

2019 (EFFECTIVE 1/1/2019) – 3%

3. APPENDIX B – UNIFORM ALLOWANCE

\$830.00 FOR 2018

\$850.00 FOR 2019

4. APPENDIX B – HEALTH INSURANCE

AMEND 4<sup>TH</sup> PARAGRAPH TO READ AS FOLLOWS:

“EFFECTIVE SEPTEMBER 1, 2046<sup>18</sup> AND SEPTEMBER 1, 2047<sup>19</sup>, IF THERE IS AN INCREASE/DECREASE IN THE PREMIUM OR DEDUCTIBLE FOR THE HEALTH PLAN CHOSEN BY THE CITY, THERE WILL BE A 50/50 SPLIT OF THE INCREASE/DECREASE WITH THE EMPLOYEE AS CALCULATED ON A MONTHLY BASIS.

5. MOU SEVERANCE PAY LANGUAGE CHANGE

ADDRESSED IN THE POST EMPLOYMENT HEALTH CARE SAVINGS PLAN POLICY.

ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

D. Approval of Health Care Savings Plans

Administrator Buchholtz reported that the City offers its employees the opportunity to participate in the Health Care Savings Plan (HCSP), as administered by the Minnesota State Retirement System. He stated the HCSP is an employer- sponsored program that allows employees to invest in a *tax-free* medical savings account while employed with the City. He stated that once an employee ends public employment, they can access the HCSP account balance for reimbursement of eligible health care expenses incurred by the employee, their spouse, legal tax dependents and adult children up to their 26<sup>th</sup> birthday. He stated that dollars go into the plan pre-tax and, when used for eligible health care expenses, are returned to the employee tax free, on a reimbursement basis.

Administrator Buchholtz reported that each bargaining group has their own Health Care Savings Plan. He stated that the non-bargained employees and the Department Heads each have their own Plan and the employee's severance payment, when they leave employment, is deposited in the fund. He noted that in addition, the plan can require employees to contribute dollars out of each paycheck to supplement the severance.

Administrator Buchholtz stated that the following bargaining units have proposed amendments to their HCSP:

- Sergeants
- Local 49ers (Public Works)
- Non-bargained employees
- Department Heads

The new HCSPs will remain in effect indefinitely, until such time it is superseded. The contribution levels can only be changed once every two years.

MOTION MADE BY MAYOR HANSEN TO APPROVE HEALTH CARE SAVINGS PLANS.

ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

E. Establish Wage Rates for Non Bargained Employees and Department Heads

Administrator Buchholtz reported that in light of the settlement of the Sergeants, Patrol and Public Works union contracts for 2018/2019, it is recommended that the non-bargained employees and department heads receive a

3.0% wage increase effective January 1, 2018 and a 3.0% wage increase effective January 1, 2019.

Administrator Buchholtz stated that public employers in the State of Minnesota are mandated to maintain a program of "pay equity" between male and female classes of employees. He stated that the majority of our non-bargained employees are female and the majority of the bargained employees are male. He stated that the importance, from a pay equity standpoint, is to grant non-bargained employees the same cost of living increase as the bargained employees.

MOTION MADE BY COUNCILMEMBER HANSEN TO APPROVE WAGES FOR NON-BARGAINED AND DEPARTMENT HEAD EMPLOYEES AS PRESENTED WITH A 3% INCREASE FOR THE YEARS 2018 AND 2019. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

F. Memorandum of Understanding between the International Brotherhood of Teamsters, Local #320 and the City of Spring Lake Park

Administrator Buchholtz reported that on December 15, 2017 layoff notices were provided to the union employees at Central Park Liquor Store, effective December 31, 2017. He reported that the Union has grieved the layoff. After receipt of the grievance, staff reached out to the Union to see if there would be a willingness to extend the current contract. He stated that the Union and the City have reached an agreement to extend the union contract until March 31, 2018 for the closure and liquidation of the liquor store. He reported that the employees would be eligible for a three percent wage increase, which is the same as the non-bargained city employees.

Administrator Buchholtz reported that the grievance will be withdrawn once the Memorandum of Understanding is approved.

Councilmember Wendling inquired if the the employees will be fully employed until the store has liquidated. Administrator Buchholtz stated that they will be employed as long as needed.

MOTION MADE MAYOR HANSEN TO APPROVE MEMORANDUM OF UNDERSTANDING BETWEEN THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL #320 AND THE CITY OF SPRING LAKE PARK. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

G. Approval of 2018 General Fund Budget

Administrator Buchholtz presented the 2018 budget to the City Council for approval and summarized points from the Truth in Taxation hearing. He stated that the proposed budget for the City of Spring Lake Park is \$4,133,633. He stated that staff is proposing that the Fire Department Capital Outlay line item be reduced from \$75,715 to \$48,296 as staff had budgeted for the debt service for the second quint for 2018 but have since learned that the purchase will be delayed; propose reducing the Traffic Education Fund items from \$20,000 to \$0 due to state law changes, the City's traffic education program has been suspended and no revenue is anticipated in 2018; proposed to increase the Insurance Premium – Police line items by \$10,000 to align with historical revenue received.

Administrator Buchholtz stated that the 2018 payable property tax levy, to support the General Fund, is \$2,999,913, a reduction of \$18,344 from the preliminary tax levy approved in September.

MOTION MADE BY MAYOR HANSEN TO APPROVE 2018 GENERAL FUND BUDGET. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.

#### H. Approval of 2018 Public Utilities Budget

Administrator Buchholtz presented the proposed 2018 Public Utilities budget. He reported that revenues are anticipated at \$1,458,107, which is an increase of 4.9% from 2017. He reported that expenditures are anticipated to be \$1,476,674, which is an increase of 6.2%. He stated that the proposed 2018 budget results in a small deficit of \$18,567, or 1.3% of revenues.

Administrator Buchholtz reported that the biggest change to the budget is a \$55,428 annual increase in the Metro Waste Control line item. He stated that these are the fees the City pays to Metropolitan Council Environmental Services for the treatment of the City's wastewater. He stated that the volume of water turning through the flow meter has been increase. He stated that the fee the City pays MCES to treat the water has been increasing.

Administrator Buchholtz stated that staff is proposing to keep water and sanitary sewer rates at current levels for 2018, with one exception. He stated that staff is proposing eliminating the water subsidy for multiple family dwellings. He stated that currently, each individual unit in the building is billed at the lowest tier of water. He reported that staff is proposing changing that so that the total usage of water is billed against the City's conservation rates. He stated this change will generate approximately \$30,000 per year in additional revenue.

Administrator Buchholtz explained that with the Legends of Spring Lake Park coming online at the end of 2018, staff believes revenue generated from that building will cover this deficit moving forward. In addition, the possibility of Hy-Vee also coming online in 2019 or 2020 would result in additional revenues through the sale of water and sanitary sewer service. He stated that the City will continue to evaluate sanitary sewer flows to determine the impact on future budgets.

Administrator Buchholtz reported that Fund 601, the Public Utilities Operations, has strong reserves and is easily capable of absorbing a small deficit. He stated that staff will reevaluate water and sanitary sewer rates next year when staff is drafting the 2019 Public Utilities Budget.

**MOTION MADE BY MAYOR HANSEN TO APPROVE 2018 PUBLIC UTILITIES BUDGET. ROLL CALL VOTE: ALL AYES. MOTION CARRIED.**

#### I. Temporary Code Enforcement Inspector Employment for 2018

Building Official Brainard reported that the Code Enforcement Inspector duties consist of both rental and nuisance inspection services and on July 10, 2017, the temporary full-time employment commenced. He reported that at the November 6, 2017 City Council meeting, the City Council unanimously voted to extend the current temporary full-time Code Enforcement Inspector employment from December 1, 2017 to December 31, 2017.

Mr. Brainard reported that with 2018 around the corner and as building construction for 2018 looks to be plentiful, which includes Hy-Vee, High School renovations, School District addition and renovations, Public Storage new building and the continuation of the Legends of Spring Lake Park, inspections will most certainly take the majority of his time and attention.

Mr. Brainard requested that the City Council approve the change in full time temporary Code Enforcement Inspector to part-time temporary Code Enforcement Inspector starting January 1, 2018. He stated that the temporary part-time Code Enforcement Inspector would work three days one week and two days the following week. He stated that 2018 Code Enforcement General Fund Budget reserves \$14,560.00 for 2018. He stated

that he would like to maintain the \$18.00 an hour wage in 2018, same as 2017. He reported that this would permit the temporary part-time Code Enforcement Inspector to begin employment starting January 1, 2018 through October 5, 2018. He stated that at that time, the code enforcement workload can be assessed and determined if further part-time employment is necessary into the end of 2018.

Mayor Hansen stated that she feels projects are slowing down since there have not been plans submitted for many of the projects mentioned and there is not a definite start date for Hy-Vee. She reminded the Council that additional clerical help has been provided to the Code Enforcement Department. She stated that she did not see the immediate need for a part time temporary position.

Councilmember Nelson agreed with the Mayor and stated that with winter road restrictions currently there will not be any major work starting. He suggested that the position be kept as summer position.

Councilmember Goodboe-Bisschoff inquired if keeping the current employee would be beneficial rather than going through a separate hiring process. Mr. Brainard agreed that retaining the current employee would be preferable.

Councilmember Wendling inquired if only Mr. Brainard does inspections or if the temporary code enforcement inspector conducts inspections also. Mr. Brainard stated in addition to his inspections, he has plan reviews and often times they can take several weeks to complete. He stated that the temporary inspector has been performing the rental unit inspections.

Administrator Buchholtz provided a recap of how the Building Officials responsibilities have changed over the past few years and job responsibilities have shifted a great deal to allow more time for inspections and Code Enforcement.

The consensus of the Council was to reevaluate the position in four months to see if a temporary Code Enforcement Inspector is necessary.

12. Engineer's Report- None

13. Attorney's Report - None

14. Reports

Councilmember Nelson reported that there will not be a pork chop dinner for the Beyond Yellow Ribbon at Kraus-Hartig VFW in December due to the Christmas holiday.

Councilmember Goodboe-Bisschoff reported that she attended the North Suburban Hospital District meeting. She provided a summary of the items discussed and reported that the Hospital District hopes to be dissolved by July 2018.

15. Other

A. Administrator Reports

Administrator Buchholtz provided a follow up on the status of the North Suburban Hospital District stating that the assets will be sold as soon as a meeting is set up with Allina. He stated that the assets that remain will be distributed in due time to the cities that are part of the North Suburban Hospital District.

Administrator Buchholtz reminded the Council and the residents of the dates that City Hall will be closed in observation of the Christmas and New Year holidays.

16. Adjourn

MOTION BY COUNCILMEMBER DELFS TO ADJOURN. VOICE VOTE: ALL AYES. MOTION CARRIED.

The meeting was adjourned at 8:02 PM.

  
Cindy Hansen, Mayor

Attest:  
  
Daniel R. Buchholtz, Administrator, Clerk/Treasurer