

**CITY OF SHOREVIEW
MINUTES
REGULAR CITY COUNCIL MEETING
December 19, 2016**

CALL TO ORDER

Mayor Martin called the regular meeting of the Shoreview City Council to order at 7:00 p.m. on December 19, 2016.

PLEDGE OF ALLEGIANCE

The meeting opened with the Pledge of Allegiance.

ROLL CALL

The following members were present: Mayor Martin; Councilmembers Johnson, Quigley, Springhorn and Wickstrom

APPROVAL OF AGENDA

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to approve the December 19, 2016 agenda as submitted.

VOTE: **Ayes - 5** **Nays - 0**

PROCLAMATIONS AND RECOGNITIONS

Mayor Martin welcomed members of Boy Scout Troop 6871 who were attending the meeting as part of work for a Citizenship Badge.

Mayor Martin welcomed friends, former Councilmembers and Planning Commissioners who were in attendance to recognize Councilmember Wickstrom who has served the City Council for 20 years and will retire as of December 31, 2016. Previous to the City Council, Councilmember Wickstrom served 8 years on the Environmental Quality Committee, the last 5 of which she also served on the Bikeways and Trailways Committee.

Mayor Martin noted that it was Councilmember Wickstrom who persuaded her to run for Mayor in 1996, and then organized her campaign. Among Councilmember Wickstrom's many achievements in supporting good projects for Shoreview, she persuaded the developer of the University property to donate 10 acres as park land for girls' fast pitch softball fields.

Councilmember Quigley added that Councilmember Wickstrom is a very hard worker. Any project she undertakes or supports has her commitment to work to see it is accomplished.

Councilmember Johnson stated that when she decided to run for City Council, Councilmember Wickstrom was one of the first to call her. As she campaigned, she came to realize how much support there is in the City for Councilmember Wickstrom. She recognized Councilmember Wickstrom for not only her work in the City but also in the state.

Councilmember Springhorn stated that he moved to Shoreview in 2001 and does not know what it will be like to not have Councilmember Wickstrom on the Council. He thanked her for helping him and advising him on his campaign, as well as all the service she has given to the community.

Mayor Martin presented Councilmember Wickstrom with a framed Shoreview photograph from the City in appreciation for her service, dedication and hard work.

County Commissioner Blake Huffman stated that he served with Councilmember Wickstrom for 16 years on the City Council and thoroughly enjoyed working with her. He read the following proclamation:

WHEREAS, Ady Wickstrom was elected to the Shoreview City Council in 1996;
WHEREAS, Ady Wickstrom has been an active civic and community leader who has served on many local and regional committees;
WHEREAS, Councilmember Wickstrom's current term expires on December 31, 2016, and she is retiring from her Councilmember role after 20 years of service;
WHEREAS, the residents of Shoreview and Ramsey County have benefitted from Ady's decades of leadership and service;
NOW, THEREFORE BE IT PROCLAIMED, that the Ramsey County Board of Commissioners thanks Ady Wickstrom for her years of service and leadership to the City of Shoreview and to Ramsey County and further proclaims that the Ramsey County Board of Commissioners declares Monday, December 19, 2016, forever as Ady Wickstrom Day in Ramsey County.

Councilmember Wickstrom expressed her great appreciation for being able to serve the residents of Shoreview for the last 20 years. She thanked everyone for the support that has been given to her over that time. The City has a great staff that makes the Council look good. She thanked all City employees for their efforts since they are the ones who get things done in the community. She will especially miss how much she has enjoyed working with the Council, staff and many people in the community.

CITIZEN COMMENTS

There were none.

COUNCIL COMMENTS

Councilmember Wickstrom:

Acknowledged the wonderful concert given by the Shoreview Northern Lights Variety Band on December 10th. There were two choirs that were amazing. She urged people to continue to go to the concerts, which are phenomenal.

Councilmember Springhorn:

The Mounds View High School choir and orchestra will perform December 19, 2016 at 8:30 p.m.

Councilmember Johnson:

Urged residents to check on their neighbors in cold weather and help with shoveling driveways if needed. She wished everyone a safe and wonderful holiday.

Councilmember Quigley:

The skating rinks opened earlier in the day and will be open depending on weather.

Mayor Martin:

The indoor Farmers' Market will be Tuesday, December 20, 2016, at the Community Center, from 3:00 to 6:00 p.m. Santa Claus will be present.

The Grand Opening of the new Ramsey County Regional Library will be January 28, 2016.

Shoreview has now completed the biggest infrastructure project in the history of the City with the completion of the Water Treatment Plant. It was a \$12 million project that was finished on time and on budget. When stories about water problems across the country are reported, this is a reminder of Shoreview's long-range, proactive planning for the future. Although the new water treatment plant cost a lot of money, it is for the safety and health of our residents. Congratulations, especially to Public Works Director Mark Maloney and City Engineer Tom Wesolowski, who oversaw the complex project.

Councilmember Wickstrom added that she took a tour and was amazed at the facility, what it does and all the thought that went into building it. She believes it is money well spent.

CONSENT AGENDA

MOTION: by Councilmember Johnson, seconded by Councilmember Springhorn to adopt the Consent Agenda for December 19, 2016, and all relevant resolutions for item Nos. 1, through 13:

1. December 5, 2016 City Council Minutes
2. Receipt of Committee/Commission Minutes
 - Planning Commission, November 15, 2016
3. Monthly Reports:
 - Administration
 - Community Development
 - Finance
 - Public Works
 - Parks and Recreation
4. Verified Claims in the Amount of \$1,531,782.24
5. Purchases
6. Designation of Official Depositories for 2017
7. Developer Escrow Reductions
8. Authorize Execution of Professional Services Agreement for Preliminary Design of A Portion of Owasso Boulevard North
9. Solid Waste Haulers License for 2017
10. Approve Resolution Calling for a Public Hearing in Consideration of Tax Increment District No. 11 for Proposed Redevelopment at 1005 Gramsie Road
11. Certification of Delinquent Tree Removal Charges
12. Certification of Delinquent Utility Bills
13. Approve Tree Trimmer Licenses for 2017

ROLL CALL: Ayes - 5 Nays - 0

PUBLIC HEARING: ASSESSMENT HEARINGS - NUISANCE ABATEMENTS - 189 JERROLD AVENUE AND 220 NORTH OWASSO BOULEVARD

Presentation by City Planner Kathleen Castle

A public hearing is requested to assess costs of nuisance abatements on 189 Jerrold Avenue and 229 North Owasso Boulevard.

Resolution 16 58, adopted by the City Council regarding 189 Jerrold Avenue, authorized abatement of vegetative growth and the charge to the property owner for abatement costs. The bill for the costs sent to the registered property owner, in the amount of \$195.36, remains unpaid.

Two emergency abatements have been carried out at 229 North Owasso Boulevard. The first was to secure openings to the structure. The openings were boarded up. The second abatement was to remove refuse. The registered property owner was billed for the costs of the abatement in the amount of \$707.83. That bill remains unpaid.

City Attorney Beck stated that he has reviewed the notice for the public hearing, and it is in order.

Mayor Martin opened the public hearing. There were no questions or comments.

MOTION: by Councilmember Wickstrom, seconded by Councilmember Quigley to close the public hearing at 7:25 p.m.

VOTE: Ayes - 5 Nays - 0

MOTION: by Councilmember Johnson, seconded by Councilmember Quigley to approve Resolution 16-124 adopting the assessment for the cost of the nuisance and/or vegetative growth abatement at the properties located at: 189 Jerrold Avenue, and 220 North Owasso Boulevard.

ROLL CALL: Ayes: Johnson, Quigley, Springhorn, Wickstrom, Martin
Nays: None

GENERAL BUSINESS

ITEMS RELATED TO THE BUDGET AND 2017 TAX LEVY

- A. AMEND 2017 DEBT LEVIES**
- B. ADOPT 2017 TAX LEVY (CITY, HRA, EDA)**
- C. AMEND 2017 BUDGET**
- D. AMEND CAPITAL IMPROVEMENT PROGRAM FOR 2017 THROUGH 2021**
- E. ADOPT ORDINANCE 947 ESTABLISHING 2017 UTILITY RATES**

Presentation by Finance Director Fred Espe

The City held a public hearing on the budget and tax levy on December 5, 2016. The Council is now being asked to take action on the following five 2017 budget items.

Debt Levy

Levies are established for debt at the time debt is issued and are recorded at Ramsey County. The only way a debt levy can be changed is through Council action. The

recommendation is to change the debt levy to \$731,000, which is \$894,506 less than the scheduled levies.

Tax Levy

The 2017 tax levy is \$11,085,632, a 3.92% increase from the 2016 levy. The 2017 HRA levy is \$105,000. The total increase is 3.93%. This increase will impact the median value home in Shoreview with an increase of \$22.47 per year, or 2.7%. With all taxing jurisdictions, the total increase to a median value home will be \$38.14 over 2016.

2017 Budget Amendments

The City is required to adopt legal budgets for the General and Special Revenue Funds. Budgets for all other funds are used as a monitoring tool of the funds. Amendments also relate to the job classification system and benefit adjustments with a 2.5% wage adjustment and a \$30 health insurance increase for both insurance and the family VEBA contribution.

Within the budget, amendments are needed for inter fund transfers. This occurs when resources are accumulated in one fund that support costs in another fund. Transfers are routine in the budget process and are reviewed as part of the year-end audit.

Capital Improvement Program (CIP)

The City has a five-year Capital Improvement Program (CIP) that establishes City projects for the next five years. Amendments to projects are presented but not authorized in the CIP. Any cost or project above \$25,000 must receive separate City Council approval. Replacements account for approximately 80% of the total CIP, excluding the Water Treatment Plant and the planned Community Center expansion.

2017 Utility Rates

The objectives for the 2017 utility rates are:

- Maintain sufficient cash balances
- Support operating costs and debt payments
- Provide for repair and replacements
- Utilize long-term emphasis for rate setting
- Estimate gallons using base year approach for rates

The recommended rate changes would be a quarterly increase of \$8.78 for very low usage customers. Average use customers would see an increase of \$12.74 per quarter. A very high user would see an increase of \$48.70 per quarter.

Minnesota law requires the City to adopt a budget and tax levy and certify them to Ramsey County and the State by December 28, 2016.

Councilmember Quigley requested information on the scope of the budget to show why such a large amount is needed for various City operations and the CIP. City Manager Schwerm stated that the overall operating budget is approximately \$26 million. That includes the General Fund, all operating funds, utility and enterprise funds and special revenue funds, such as the Community Center. CIP costs over the next five years range from a low of approximately \$6 million to a high of \$15.5 million a year. That is in addition to the \$26 million operating budget. The CIP varies from year to year depending on the projects scheduled, but averages from \$7 million to \$10 million a year. The tax levy is between \$10 million and \$11 million, and less than 10% is for the City's debt levy. Most of it is for the General Fund, which supports basic services including police and fire, street maintenance, and park maintenance.

Mr. Espe added that even though there are fluctuations in CIP projects over the five-year period, planned levy increases are one on an incremental basis in order to eliminate peaks and valleys in the tax levy.

MOTION: by Councilmember Quigley, seconded by Councilmember Johnson to adopt proposed resolution number 16-117 reducing debt levies for fiscal year 2017 per Minnesota Statutes.

ROLL CALL: Ayes: Quigley, Springhorn, Wickstrom, Johnson, Martin
Nays: None

MOTION: by Councilmember Wickstrom, seconded by Councilmember Springhorn to adopt proposed resolution number 16-118 adopting a City tax levy of \$11,085,632 and an HRA tax levy of \$105,000 for taxes payable in 2017.

Discussion:

Councilmember Wickstrom stated that for the past 20 years, she has been very proud of the fact that Shoreview has passed responsible budgets and levies to make sure Shoreview runs smoothly, and because of long-range planning, there are no surprise tax increases. There are sufficient reserve budgets to be able to pay for unexpected items when needed.

ROLL CALL: Ayes: Springhorn, Wickstrom, Johnson, Quigley, Martin
Nays: None

MOTION: by Councilmember Johnson, seconded by Councilmember Springhorn to adopt resolution number 16-119 approving the 2017 budget amendments, transfers between funds, benefits and job classification system and pay plan as detailed on the attached pages.

ROLL CALL: Ayes: Wickstrom, Johnson, Quigley, Springhorn, Martin
 Nays: None

MOTION: by Councilmember Springhorn, seconded by Councilmember Wickstrom to adopt resolution number 16-120 amending the capital improvement program for the years 2017 through 2021 as detailed on the attached pages.

ROLL CALL: Ayes: Johnson, Quigley, Springhorn, Wickstrom, Martin
 Nays: None

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to adopt the attached ordinance number 947 establishing a utility fee schedule effective January 1, 2017.

ROLL CALL: Ayes: Quigley, Springhorn, Wickstrom, Johnson, Martin
 Nays: None

ADJOURNMENT

MOTION: by Councilmember Wickstrom, seconded by Councilmember Johnson to adjourn the meeting at 7:40 p.m.

VOTE: Ayes - 5 Nays - 0

Mayor Martin declared the meeting adjourned.

THESE MINUTES APPROVED BY COUNCIL ON THE 3rd DAY OF JANUARY 2017.

Terry Schwerm
City Manager