

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, May 1, 2012, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Bob Ramsey
Councilmember Randy Backous (arrived at 8:36 p.m.)
Councilmember David Elvig
Councilmember Colin McGlone
Councilmember Sarah Strommen
Councilmember Jason Tossey (arrived at 6:06 p.m.)

Members Absent: Councilmember Jeffrey Wise

Also Present: City Administrator Kurtis Ulrich
Public Works Director Brian Olson
City Engineer Tim Himmer
Finance Officer Diana Lund
Fire Chief Dean Kapler
Police Chief James Way
Human Resources Representative Colleen Lasher
Senior Planner Tim Gladhill
Planning Intern Patrick Brama
Development Manager Darren Lazan

1. CALL TO ORDER

Mayor Ramsey called the City Council Work Session to order at 6:05 p.m.

2. TOPICS FOR DISCUSSION

2.01: Consider Requests from Solomon Group Regarding Sunwood Realignment Project

Development Manager Lazan reviewed the staff report.

Councilmember Tossey arrived at 6:06 p.m.

Tony Gleekel, attorney for Solomon Group, stated The COR is an exciting project and Solomon Group feels it is part of this project even though it signed in 2005 for the Ramsey Town Center. He explained they had inherited the Coborn's lease, a great anchor, and leased up the center successfully though there had been some challenges due to the amount of property and unforeseen circumstances with the Ramsey Town Center. Mr. Gleekel indicated that no one

could have controlled what happened in October 2008 but they had borne it fairly well. He noted that with the realignment of Sunwood Drive, they will have less access, and their access and sight lines will be adversely affected. In addition, the property to the north would be a significant threat to Coborn's if it was a 20,000 sq. ft. grocery store and direct competitor. Mr. Gleekel stated Solomon Group would like to propose that the City consider a restrictive covenant to allow Solomon Group to maintain the viability of its center while allowing a transportation change and rezoning. He explained they want to maximize their viability and success while allowing neighboring properties to develop and came up with this concept (restrictive covenant) prior to the property going into private hands. The Coborn lease will be coming up for an option/renewal and it will cause a major problem if Solomon Group loses its major tenant because it also attracts minor tenants. Mr. Gleekel stated Solomon Group understands the City's concerns about limiting the use but would suggest considering a Trader Joe's or Target P-Fresh type of concept but restrict a Cub Foods or WalMart grocery because either would be a deal killer for Solomon Group and Coborn's. He asked the Council to consider that Solomon Group has weathered the Ramsey Town Center and economics, and advocated for members of their LLC and tenants. Mr. Gleekel stated if the Council was inclined to consider a restrictive covenant, it could be negotiated and the "length and breadth" discussed.

Councilmember McGlone asked why this is not being considered during the HRA meeting.

Development Manager Lazan explained staff had moved it to the Council's agenda to assure timely consideration.

City Administrator Ulrich suggested the Council consider the request and make recommendation to the HRA.

Mayor Ramsey stated the City and Solomon Group are in this together and need to look at history, which has value. He noted the City had "stepped up to the plate" and helped with Acapulco because it was of mutual benefit to both parties, which shows the City is interested in the whole picture to include Solomon Group. Mayor Ramsey suggested that will have to continue for both parties to be successful. He stated he understands the concern of Solomon Group but does not think a grocery restriction is needed because it would not be in the best interest of the City to put in another grocery store. Mayor Ramsey stated it would be foolish to allow a Cub Foods or WalMart with full grocery in The COR and common sense dictates it would never happen.

Mr. Gleekel acknowledged the City has been supportive of the Solomon Group to tenant their space, as witnessed by Acapulco. He noted the Comprehensive Plan allows for retail and the market will dictate but if the zoning allows for a WalMart without legislative action, the City may not be able to stop it from coming in.

Mayor Ramsey noted the HRA owns the land so it would not sell the land for that type of application. He also noted that so far, the HRA has not been willing to consider sale of land without a development agreement.

Development Manager Lazan clarified that the HRA is precluded from selling land for speculative purposes. The plans would be viewed and discussed in the public arena and opportunity provided to comment and express concern as sales come forward. Development Manager Lazan stated the HRA has an obligation to see the plans and precisely what will be constructed.

Mr. Gleekel asked if this is the case even if there is no public financing.

Development Manager Lazan answered in the affirmative.

Councilmember McGlone stated the public are the stakeholders of this property but the City cannot control what happens on the other side of Armstrong Boulevard so, theoretically, a grocery store could be closer to Coborn's than The COR property could provide. He stated he was hesitant to consider a grocery restriction, noting the City has already demonstrated its intent in the past to be good neighbors and gone to extraordinary measures to help Solomon's development.

Mr. Gleekel stated it sounds like there is some protection but the secondary sale may be a concern, even if there are City requirements. He stated that the exclusivity has a lot of connotation and Solomon Group understands that asking for this from the City who has supported it takes a lot of "guts," but Solomon Group wants to say it is here for the "long haul." Solomon Group wants its center to remain economically viable.

Councilmember Tossey questioned who is being asked to hold the restriction.

Mr. Gleekel stated if approved, the concept is that the restriction would be a covenant on the land. He noted the tenant does not have a fee ownership but the restriction could be drafted to provide protection to Coborn's so when the time comes, they will renew.

Councilmember Elvig commented on the history of this property and noted that Coborn's has become a destination and is doing well. With regard to the realignment, he stated he does not see that sight lines are being varied and believed the overpass will be a plus for Coborn's. He noted that having a restrictive covenant in The COR means the use will go across from Armstrong Boulevard or Highway 10. He believed the City had done an outstanding job of "playing partner" and while there is an adjustment, he does not think the "sky is falling on it."

Councilmember Strommen stated she agrees with Councilmember McGlone that the HRA only controls a small part and it does not make sense to restrict one small piece because it does not solve the problem Solomon Group is expressing as a concern. She stated she understands the concern about visibility but there are other Coborn's locations with lower visibility and access that are still successful.

Councilmember McGlone commented on the downside of restrictive covenants that can result.

Mayor Ramsey stated he does not fault Solomon Group for asking, but it is the consensus of the Council to not support a restrictive covenant. He stated the City will not consider something that is a direct competitor of Coborn's.

Mr. Gleekel stated they wanted to ask and if a restrictive covenant is drafted right, and not too broad, there is not a bad connotation. With respect to access, his firm has been in business for 50 years and has done a lot of condemnation work and empirical evidence proves that whether you can or cannot view a retail business, the business does not want a change. This request was not to imply the City has not been decent to Solomon Group but Solomon Group does not want change and wants to maintain the status quo as much as possible. He agreed that people who are going to a grocery store know how to get there because it is a destination. Mr. Gleekel stated they will watch what happens, be honest with the HRA to protect their interests, and believe that consistency is important for credibility.

Mayor Ramsey stated the City will be careful with sight lines when negotiating deals.

Development Manager Lazan stated it had been discussed earlier that the HRA is used to hearing about restrictive covenants on deals but it likes to layer those on deals as they happen, that is usually how restrictive covenants evolve.

Councilmember Elvig stated the City appreciates Solomon Group stepping in to pick up the property, noting it is a sophisticated group that drew other tenants. He stated the HRA is interested in growing that area, has already invested millions of dollars, and remains committed to Solomon Group and Coborn's.

Mr. Gleekel stated they are private investors and understand the City is bound to consider the taxpayers and constituents in making its decision.

The consensus of the Council was to not consider a restrictive land covenant.

2.02: Continued Discussion of 2013 Budget

City Administrator Ulrich reviewed previous Council discussion and staff testimony that \$3 million per year is needed to fully fund a road improvement project. Staff looked at the Mayor's proposal and noted the current components are road funding at 16.34%, tax rate at 44.149%, and staffing at 54.84%. He presented staff's recommendation for road reconstruction funding with a five-year phase out of assessments and matching increase of revenues to offset declining assessments. City Administrator Ulrich explained that a 2% growth in the current tax base is needed to accomplish that revenue. It is roughly \$34 million in additional growth, which is equivalent to 120 housing units or several large projects outside the TIF District, which may be achievable four years from now. He then presented a ten-year phase out of assessments, requiring \$17 million in additional growth, which is equivalent to 60 housing units. With this plan, the City would have to assess at 50% for the next three years and risk residents counter petitioning, or delay those projects to 2015. City Administrator Ulrich requested Council direction on the tax rate and amount of staff reductions.

Mayor Ramsey noted this is helpful information and he would be curious about keeping assessments at a 25% level instead of going to zero assessments. He stated he has never been an advocate of completely cutting assessments because he thinks it is unrealistic unless the City raises taxes.

Councilmember Strommen stated she is uncomfortable with pushing off road funding and hoping growth comes because if it does not occur, there would be no revenue for roads. She noted the Council has been debating budget cuts for a long time and if all it is going to do is stick with assessments and hope growth solves it, the Council is back to where it started on this issue. Councilmember Strommen stated she is uncomfortable with that as a solution and thinks it is the Council's job to find a way to fund road improvements. She indicated she is not opposed to a franchise fee with offset from the levy to even it out.

Mayor Ramsey stated he is happy with this route, versus raising taxes now, and the premise to support growth of the City and a larger tax base. If growth does not come, then a future Council will have to raise taxes or make budget cuts. Mayor Ramsey noted things have changed because the Council has put \$1.5 million into roads, which hasn't been done before.

Councilmember Strommen asked what the proposed level of staff cuts mean to services to residents since staffing is already lean. She noted the Council has not yet had that conversation or where cuts will be made.

Mayor Ramsey stated he believed there had to be cuts in both areas, staffing levels and services to residents because the City needs to reconstruct its roads. He agreed the Council needed to look at impact to service levels by reducing staff.

Councilmember Strommen stated the Council has not discussed that but instead is operating under the assumption there is money from staff cuts. She stated she wants the Council to review the list of staff cuts and hear from staff about what it means to level of service.

Councilmember McGlone stated he has learned a lot about trying to put together road projects from being on the Public Works Committee for last 3.5 years. He stated he was not aware of this mammoth problem until after he was elected and asked why road reconstruction funding cannot be taken from the general tax levy since it is a core function of government, the same as police and fire services. He stated maybe it is okay to have an open-ended issue for the future Council to determine the final piece of the "puzzle." Councilmember McGlone stated he would advocate for "taking the bull by the horns" and funding roads from the tax rolls. He stated he understands it would be "painful" to do it all today but he would like to see a graph to get it done someday. Then, a future Council can tax for the balance or tax and institute a franchise fee. Councilmember McGlone stated he wants to do something constructive and responsible to get the City further down the road to solving this issue.

Mayor Ramsey noted with the 30/40/50 formula, if the tax levy goes down then roads do not get done but the formula provides balance and does not get out of whack with too many staff and not fixing roads.

Councilmember Strommen asked if the staffing component at 54.85% reflects current staffing or incorporates cuts.

Finance Officer Lund answered it incorporates staff cuts as detailed in staff's report, not replacing the Deputy City Administrator or Director of Public Works positions, and adds a Management Analyst.

Councilmember Strommen stated she does not know what the cuts mean in cutting services and thinks it is wrong to not fill the economic development position. Other than the \$1.5 million, she stated she does not know what has changed since the Council's conversation started because it still includes assessments and a future Council finding the final solution.

City Administrator Ulrich explained a 25% assessment level has some merit because it protects the City's ability to bond for the project (which requires 20% assessments). It would provide that option and give individual property owners some "skin in the game" for the direct benefit of an improved roadway. He reviewed the scenario for a five-year phase out of assessment, noting \$349,000 would equate to a \$3/month franchise fee. In addition, there would be land proceeds and future growth could bring in additional revenue. He noted if the Council is willing to look at a franchise fee, it could be phased in over time.

Councilmember McGlone noted Statute requires the City to prove that a road improvement results in raising the property value by the amount assessed, which he did not think was the case, and is the problem with the assessment option. He pointed out there would be no need to bond or assess if road projects were part of the tax levy.

Public Works Director Olson pointed out if the City did 3.5 miles of roads per year it would take 6-7 years to get one year of construction done. However, if bonding, the City could get more than 3.5 miles of roads done in a year.

Councilmember McGlone noted there would be need for more bonding in the beginning.

Public Works Director Olson clarified if the desire is to do only 3.5 miles per year, it could be accomplished but it would spread demand out further so roads would be 45-50 years before reconstructed.

Councilmember Strommen noted that could increase project costs.

Councilmember Tossey stated he never supported a franchise fee but has always been okay with assessments; however, he would like to see it lowered from 50% so projects are not counter petitioned. He supported striving for 25% assessments so the City retains the option to bond, if needed in the future. Councilmember Tossey found roads to be a primary obligation of government, the same as fire and police protection, and preferred to see all City obligations done through the levy, not a franchise fee.

Councilmember Elvig pointed out the City has put \$500,000 to \$600,000 into roads each year so the discussion is to add \$900,000 by cutting “skin” from staff in the amount of \$500,000, resulting in a difference of only \$400,000.

Mayor Ramsey stated the record shows the Council has not been taking money from the general fund but from TIF and MSA.

Councilmember Elvig stated only \$275,000 was taken from TIF.

Mayor Ramsey stated he will not support raising taxes but will support a graduated system so five years from now the Council can say it did everything possible with the information it had at the time. He indicated he can support something like this without needing hundreds of thousands of dollars of future development to take care of it.

Councilmember Elvig noted residents on Andrie Street were offered a 20% assessment, or maybe less than that, and it was counter petitioned. He doubted road projects would get done with assessments as long as the counter petition was in place. Councilmember Elvig stated he supports a franchise fee as part of the funding package and does not support staff cuts to the point where a future Council finds serious deficiencies and need to build back staff levels. He stated he partially agrees with Councilmember Strommen that the Council cannot rely only on future growth and while the economy will come around eventually, he supports “biting part of the bullet” now. He pointed out that a future Council will make changes to this plan but he supported getting road funding off the ground now and a franchise fee would create an automatic built-in pool of funds. Currently the City is borrowing from one fund to pay another fund and that can be done again or the City could bond to create a revenue stream. Councilmember Elvig stated he thinks several options need to be components in the solution.

Councilmember Tossey clarified that the issue with Andrie Street was more with sidewalks than with the road project.

Councilmember McGlone agreed that is correct but the road project started as an overlay and became something greater, resulting in a negative with concrete curb and gutter, striping, inconvenience with the project, in addition to not wanting sidewalks. He stated he looked at the 2006 Springsted study on staffing levels, as suggested by a past Councilmember, and found the study mentioned hiring a Fire Marshal, Deputy City Administrator, and other staffing, which was done. He suggested everyone in the City’s staffing organization was on an “upward wave” that is now a downturn. Councilmember McGlone stated he supported the Council’s decision to subcontract building permits to assure that department is never again “in the red.” He stated there is no easy answer and whatever the Council comes up with, he can guarantee not all will agree but he is willing to support getting something started.

Councilmember Strommen stated there is a problem with “fixing as we go,” noting in the past few months there have been discussions about the Sunwood Drive realignment and Armstrong Boulevard funding scenarios but at the end, there is a funding gap and the Council does not know where the needs will be. In addition, in order to get growth, the City needs to build its tax base but it currently has no economic development staff and the tax base will not grow without staff

to make it happen. Councilmember Strommen noted the Public Works Director works tirelessly to find grant funding for road projects but that position is proposed to not be filled. She asked why it is alright to think that a future Council can raise taxes but it is not alright for this Council to raise taxes if it is pledging growth will occur.

Councilmember Tossey stated there may be a philosophical difference but he does not believe the City needs an economic staff person because the private market will come to Ramsey because of availability and the market will drive it, not having a staff person in that position. He stated he does not support creating a revenue stream through franchise fees because once it starts, it will not go away. Councilmember Tossey stated it should be handled through representative government that responded to the citizens; if citizens want roads improved or more police/fire fighters, government should respond at that time, not dedicate funding that will not go away even after roads are done.

Councilmember McGlone noted Councilmember Strommen had addressed pledging growth in the future for road funding but Bolton & Menk projected a growth rate of 260 units/year and the Council is going on the best information it has at this time. He believed the Council can count on some growth since commercial business will come because of good roads, interchanges, and tax base faster than anything one staffer will do.

City Administrator Ulrich asked if he should present staff impacts tonight or at a future Work Session.

Councilmember Tossey stated he would like that information presented tonight so the Council can discuss service impacts. He noted staff has been attending Work Sessions and also needs that information.

Mayor Ramsey stated he relies on the City Administrator to recommend staffing cuts and asked if the level of service will be maintained with the recommended cuts.

City Administrator Ulrich stated there are selected impacts, as previously presented, so it is not the same level of service but it may be an acceptable level of service.

Mayor Ramsey stated the Council has reduced staffing for three years in a row and other than a few people mentioning the boulevard/parks are not mowed as often, he has not heard any complaints about the level of staffing or service. He stated that is an achievement and credit to staff because they have picked up the work.

City Administrator Ulrich presented information contained in the February 14, 2012, meeting packet relating to budget reductions and list of impacts for each reduction.

Councilmember Strommen noted there would be a reduction in the Public Works intern position in addition to the Public Works Director position not being filled and asked about impact to services.

Public Works Director Olson stated he is unable to answer the question about reduction in the level of service or who will take on the burden of the work he has undertaken over the course of the last 12 years.

City Administrator Ulrich stated the budget as presented in the last scenario would use more contracted services and leave a base of staffing, which could include an intern. That proposal has not been reviewed by the Personnel Committee. He explained the Public Works Director position can be filled, replaced with a consultant, partly covered by an engineering intern, or not replaced and the work responsibilities divided among staff. He supported a solution that kept the money in the budget at a full funding level to allow for either scenario because those duties need to be covered in some form or another, especially if road projects are increased.

Councilmember Elvig noted cuts in engineer are a “double whammy” because outsourcing engineering also outsources the revenue stream and budget projections include some revenue from projects.

Finance Officer Lund stated the amount is \$236,000 and she had factored in a \$100,000 decrease.

Public Works Director Olson explained that over the course of the last three years, the Engineering Department has provided more revenue than expenditures.

Councilmember Elvig asked what is the impact to Engineering staff if the Council adds \$3 million of road projects.

Public Works Director Olson expressed concern with staff’s ability to handle that level of road projects if his position is not filled. He explained how project costs and contingencies are calculated, noting some consulting engineers charge a 24% overhead and staff generally charges 18-21% but it can be as low as 15%.

Councilmember Elvig agreed there is an anomaly with engineering and if talking about raising funds, the City can either keep it in house and parlay those funds, or pay it out of house. He stated he wants to make sure the City maximizes its net revenue capture.

Mayor Ramsey stated staff can figure that out but he wants to protect against saying the City needs a level of staff to maximize money coming in for six months but then carrying those staff costs the other six months.

Councilmember Elvig noted that is why staff uses interns and consultants for peaks.

Councilmember McGlone asked why government does not just charge what it costs.

Public Works Director Olson stated from an engineering’s perspective, the beauty of staffing for baseline improvements is the flexibility to stop plan preparation and do plan review if growth starts. In addition, it provides more consistency in how residents are treated. He noted that last year, staff was so busy that it could not respond to resident’s concerns as fast as it wanted to.

Councilmember McGlone noted the Building Department had more expenses than revenues, that went on for years and no one did anything about it. He questioned how much of that goes on in each department the City has. Councilmember McGlone stated he gets compliments on how people love what the Council has done with the Building Department. Those changes were difficult to make but it was the right decision for the public. He stated he wants what is right for the public in all departments, noting government is not in business to turn a profit and needs to be as lean as it can be.

City Administrator Ulrich continued review of recommended reductions and resulting impact to level of service.

Councilmember Strommen referenced the Park budget reduction for trail overlays and asked about increased liability should there be an injury as a result of the deteriorated trail conditions/sink hole, such as exists on the trail along the north side of Sunfish Lake. She noted the staff report indicates the con of this budget cut is: "trails could become hazardous."

City Administrator Ulrich explained the City has a \$10,000 insurance deductible, that is the City's initial liability, and staff has determined the recommended budget cut would not be negligent related to trail maintenance.

Public Works Director Olson stated it was not too long ago the City put no money into trail overlays, and the budget would not be completely cut but reduced by \$15,000 for one year and then decreased by \$5,000 in subsequent years. He stated the worse spots will be fixed this year and then suspended for one year.

Councilmember Elvig stated this is an overall policy item. He noted there was a definite desire by people in the community to not have growth but they wanted things like nice restaurant so that is the base value of The COR. Council policy was developed that if growth comes, it will pay for itself and be of benefit to current residents. Cost structures and fees were established with that policy in mind. Councilmember Elvig noted if the Council is now saying it wants to entice development and lower fees, that is a different conversation and policy shift. He stated one of the Council's main goals was to add more trails and become multi-modal so he is concerned that cutting maintenance will result in trails that are in the same situation as roads.

Mayor Ramsey supported the Council looking at all options and areas that can be cut. He noted that Fire Chief Kapler's name has come up to fill the Public Works Director position as he had previously served in that capacity. He asked Fire Chief Kapler how he would have enough time to dedicate to that position and what would be left undone.

Fire Chief Kapler noted when times are tough you have to make some sacrifices so you take a life that is busy and make it busier. He stated there are more positives/similarities between the Police and Fire Departments than differences and staff will be talking more about shared services.

Mayor Ramsey agreed there are similarities.

Fire Chief Kapler explained that without the Fire Marshal position, the prevention side, licensing, and sirens will not happen and part of a stable community is assuring prevention issues are adequately addressed.

Mayor Ramsey stated he does not disagree with moving the Fire Secretary to Police because efficiencies can be gained. In addition, a Police Secretary was lost so maybe there could be some shared duties.

Councilmember Tossey advised that option was brought up with the Personnel Committee and the decision about filling that position was delayed because the Committee is thinking about putting Fire with Police and eliminating the Fire Secretary. Or, whether to keep that position and then not fill the transcriptionist position.

City Administrator Ulrich stated that is what the internal posting policy accomplishes, filling vacancies.

Councilmember McGlone noted the Police Department Secretary had certain clearances and training, so the Fire Secretary may not have those qualifications.

Fire Chief Way stated that is correct and described the benefit of having two part-time positions with flexibility for extra hours or covering duties should a staff person take some time off.

Councilmember Strommen asked about training time, time loss, or downsides.

Fire Chief Kapler explained they are looking at merging, a two-discipline approach, and it will depend on skill set. He acknowledged there will be a learning curve unless the position is filled internally since there is specialized software training and the position is responsible for generating Fire Department payroll information and tracking attendance requirements.

The Council agreed with the suggestion of Mayor Ramsey to recess this discussion to accommodate those in attendance for the Fire Study and HRA items. Discussion of the 2013 budget resumed after Item 2.03.

Mayor Ramsey recessed the meeting at 7:57 p.m. The meeting was reconvened at 8:03 p.m.

2.03: Discussion on Shared Fire Services

Fire Chief Kapler reviewed the staff report and asked the Council if it had any questions to bring back to the Study Group. He indicated the Study Group would like to know by June 1st whether or not the Council wants to pursue shared services.

Councilmember Strommen stated the decision is whether to continue to explore shared fire services and issues that need to be resolved. She explained the Study Group decided to ask each community whether it was committed to move forward with exploration. Councilmember Strommen stated she had enjoyed being part of this collaborative group, which did exceptional job of standing back and thinking “outside the box” in how to provide a core service in a

different way and being honest about what the issues may be in an objective way. She believed it merits additional exploration.

Councilmember Tossey agreed that continued exploration is a good idea. He stated he thinks there would be cost savings over time and the rewards would outweigh risks in the near future; however, he was concerned should cities like Oak Grove, St. Francis, or East Bethel start to grow and want independence from a joint fire service.

Fire Chief Kapler stated the Study Group talked about that scenario and the goal will be that this is not a one-time opportunity, the “door will be open,” so there needs to be some methodology/process to get in. The Study Group agreed that should someone decide to leave, it would be prudent to have that process already determined and made “painful” so it will persuade people to get over differences and seek a solution.

Councilmember Strommen stated she can see advantages to look at a shared fire service now before those communities are built out and create their own identity. She felt this opportunity may be now more so than down the road. Councilmember Strommen commented on the importance of finding efficiencies to provide services and while she felt shared fire services holds some promise, there are definitely serious issues to address.

Councilmember McGlone stated the object is to raise questions to bring back to the Study Group. He felt this would be like creating a whole new government, maybe an uncontrollable entity, noting the Council currently has direct control over the City’s fire fighters. He asked which entity would be responsible for liability should one fire fighter injure another fire fighter. He also asked who would be responsible for human resource issues and if Ramsey will be required to add personnel. Councilmember McGlone noted the ISO rating is a “hot topic” with fire fighters but home insurance is cheap so he found that issue to be negligible. He also felt Ramsey could realize savings on equipment, such as breathing apparatus, on its own and without creation of a Fire District.

Fire Chief Kapler stated the Fire Department already realizes savings with purchasing consortiums.

Councilmember McGlone stated he is concerned with creating a “new monster government” and assuming liability.

Councilmember Elvig supported continued discussion because he felt shared services is where Ramsey will go at some point. He stated his concern relates to areas of overlap and potential for Ramsey being required to respond to more multi-alarm fires due to the overlap areas. Councilmember Elvig stated he would not agree with pooling Ramsey Fire Department’s hard assets or cash. He indicated the agreement will need to address how a city can leave after-the-fact but he would not want to put the city into a “tail spin” if the joint fire services was not working for them.

Fire Chief Kapler stated there are not a lot of examples of dissolved Fire Districts so he thinks it can work if put together correctly.

City Administrator Ulrich stated he has been involved with two Fire Districts, the Anoka/Champlin Fire District and the Mounds View/Spring Lake Park/Blaine Fire District, noting both have worked very well and been successful. He noted the Council had raised good questions that will be brought back to the Study Group and staff would prepare a resolution for the Council to consider with a recommendation to move forward for additional study.

Councilmember Tossey noted the West Metro Fire District had problems with elected officials. He asked the Study Group to address areas of overlap and how fire rigs would be dispatched.

Fire Chief Kapler explained they will use a box alarm to assure a controlled response.

Mayor Ramsey stated he used to be skeptical about creating a Fire District but would now be happy with a Fire District and Joint Powers Agreements; however, is concerned with how it is structured, staffing, and process to allow a community to join after-the-fact or leave in the future.

The consensus of the Council was to favor continued discussions to move towards a shared fire service.

Mayor Ramsey recessed the meeting at 8:33 p.m. to conduct the Housing and Redevelopment Authority meeting.

Councilmember Randy Backous arrived at 8:36 p.m.

The meeting was reconvened at 9:36 p.m.

2.02: Discussion of 2013 Budget (continued)

Councilmember Strommen asked the Council to consider tabling further budget discussion to a meeting dedicated to this discussion. She noted the late hour and apologized to staff who had been waiting for this discussion to occur.

City Administrator Ulrich continued presentation of the impacts relating to staffing reductions by cutting the Crime Prevention Officer and Community Service Officer.

Councilmember Strommen asked if restoring the Crime Prevention Officer position would allow the City to continue Night to Unite and the Safety Camp, or if those duties could be shifted to another officer.

Police Chief Way explained the Safety Camp is easier to accommodate since it is coordination for a two-day program but the Night to Unit had 50 parties so it requires more staff resources.

Councilmember Backous asked about using volunteers for those activities.

Police Chief Way stated that is a good idea and could work.

Councilmember Tossey stated Night to Unite is an important event and he would volunteer to help.

Police Chief Way stated there are Captains for each Night to Unite party who could be brought in for orientation.

City Administrator Ulrich explained that paraprofessionals were brought on in the first place to off load duties from higher paid professionals.

Councilmember McGlone stated areas have to be cut back, but maybe this is beyond the level of service we need to cut right now.

City Administrator Ulrich noted Night to Unite and the Safety Camp were not core functions but events that serve the public. He reviewed impacts resulting in reducing the Accounting Clerk to three-fourths time and eliminating positions for Marketing Manager, and IT Intern. It was noted the Council had previously directed to not cut the full-time Receptionist. City Administrator Ulrich explained how EDA volunteers and consultants could be utilized to address economic development in addition to some of his time. He noted the Deputy City Administrator and Public Works Director positions are open and not planned to be filled.

Mayor Ramsey suggested the Council further review staff's recommendation and be prepared to address staff cuts at a future meeting.

Councilmember Strommen pointed out there is an accumulative impact, loss of redundancy, loss of backup, and reduced ability to respond if something unanticipated occurs such as a major equipment failure or storm. She felt the City had to be prepared to respond to those situations and indicated she would like discussion on this accumulative effect and how the City can respond to events not anticipated.

City Administrator Ulrich noted there are some things, such as making grant applications, that are difficult to measure. He stated this item would be scheduled for an upcoming Work Session during which the Council can address the appropriate level of staffing and impacts resulting from reductions.

3. FUTURE TOPICS FOR DISCUSSION

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

None

5. ADJOURNMENT

Motion by Councilmember McGlone, seconded by Councilmember Backous, to adjourn the Work Session meeting.

The Work Session of the City Council was adjourned at 9:50 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Carla Wirth
TimeSaver Off Site Secretarial, Inc.