

**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 12, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Sarah Strommen
Councilmember Jill Johns
Councilmember Mark Kuzma
Councilmember John LeTourneau
Councilmember Chris Riley
Councilmember Melody Shryock
Councilmember Kristine Williams

Also Present: City Administrator Kurtis Ulrich
Finance Director Diana Lund
Fire Chief Dean Kapler
Police Chief Jeff Katers
Parks and Assistant Public Works Superintendent Mark Riverblood
Public Works Superintendent Grant Riemer
Human Resources Manager Colleen Lasher
City Clerk Jo Ann Thieling
Community Development Director Timothy Gladhill
City Engineer Bruce Westby
Asst. City Administrator/Economic Development Manager Patrick Brama
City Attorney Joe Langel

1. CALL TO ORDER

Mayor Strommen called the City Council Work Session to order at 5:37 p.m.

2. TOPICS FOR DISCUSSION

2.01: Review Revised Draft Strategic Planning Documents

City Administrator Ulrich presented the draft three-year Strategic Action Plan, addressing the Strategic Initiatives that had been revised by the Council at the last Work Session.

The Council considered the Strategic Initiative to increase economic growth and development, and to leverage outside funding sources, tactics, and key outcome indicator/metrics.

The Council agreed with the suggestion of Councilmember Riley to revise Tactic 5 to add: ‘...review possible extension of sewer and water...’

The Council considered the Strategic Initiative to improve the safety and mobility of County Highway 5 Corridor tactics, and key outcome indicator/metrics.

Councilmember Riley referenced key outcome indicators/metrics and asked what is meant by ‘turnback plan completion.’

City Administrator Ulrich explained that under the County’s long term plan, one option is for the County to turn back Highway 5 to be a City road.

City Engineer Westby stated that is a plan the City needs to complete as it is the County’s intent to turn Highway 5 back to the City. As a result, the City will have to determine the standard it wants the road to be at before taking it back, potential costs, impacts to other roads, and traffic routes.

City Administrator Ulrich stated as worded that key outcome may not be self evident and should be clarified.

Mayor Strommen noted Tactic 11 is to conduct the corridor study so this may be a separate tactic with the key outcome being completion of the study. She asked whether this is needed in the Strategic Action Plan and suggested it be removed.

The Council agreed.

Mayor Strommen asked what is meant by ‘coordinated Highway 10 integrated plan completion.’

City Engineer Westby explained that the City also needs to coordinate implications to Highway 10.

The Council agreed with Mayor Strommen to strike that key outcome.

The Council considered the Strategic Initiative to create a diverse and robust offering of recreational opportunities, tactics, and key outcome indicator/metrics.

Councilmember Riley referenced Tactic 13, additional resources required, and asked if the citizen survey at \$15,000 is same survey to monitor progress as discussed each year and the same anticipated cost.

City Administrator Ulrich answered in the affirmative.

Mayor Strommen noted if the tactic was to complete key extensions or trail projects, then these outcomes may be appropriate but as written, it does not appear to be an outcome from this tactic.

Councilmember Johns agreed and stated a goal would be completion of the Trott Brook trail corridor and then there should be a list of what is needed to accomplish that corridor such as identifying funding.

Mayor Strommen stated it almost sounds like the City has the Comprehensive Recreational Plan and asked if the initiative should be to complete the plan.

City Administrator Ulrich stated the corridors have been identified for years.

Parks and Assistant Public Works Superintendent Riverblood agreed the alignment of the trails is known and with respect to the Trail Park and Open Space Plan, staff wants to entertain a process to know what the citizens' park and trail needs look like to assure the City's Plan aligns with those needs and that the funding aligns with the Plan. He suggested the tactic is to develop the plan and the key outcome is that the CIP aligns with that vision and assures funding for the park plan.

Mayor Strommen agreed and stated a third tactic could be listed about completing priority trail segments.

Councilmember Johns stated support to add that third tactic.

The Council considered the Strategic Initiative to improve the safety of the community, tactics, and key outcome indicator/metrics.

Mayor Strommen questioned the wording of the key outcome indicating: 'Increased drug awareness through community engagement.'

The Council agreed to reword that key outcome to indicate: 'Community engagement efforts to increase awareness of illegal drug activity.'

Councilmember Riley referenced Tactic 16 and asked if the City already has a metric about staffing levels.

City Administrator Ulrich stated the rule of thumb is 1 police officer per 1,000 population but that is not the ratio for fire fighters, which would be planned around the types and location of businesses in the City. He stated staff will refine Tactic 16 and related key outcome indicators/metrics.

Councilmember Riley referenced Tactic 17 and asked why 10% was selected in the key outcome indicator/metric to reduce of vandalism to City owned property.

City Administrator Ulrich stated it is arbitrary.

Mayor Strommen stated the City should make sure there is a method to determine whether the key outcome has been met. She noted this tactic has a numerical metric attached and asked how it will be known whether residents feel an increased sense of security in public spaces.

With regard to Tactic 18, expand and improve residential rental licensing program, Councilmember Riley asked if these are real or perceived issues.

City Administrator Ulrich stated the intent is to study the issues and before putting a plan into place, the City would have to determine if it is the right plan. He reviewed calls received relating to rental property, issues between rental owners and tenants, and the need to assure safety Codes are met.

Fire Chief Kapler stated there are some issues but they are not huge as they have been addressed over time. One of the actions is to survey neighboring communities to ask how successful their outcome has been, benefits, costs, and drawbacks.

Councilmember Riley stated at the elected official's meeting, he learned that Coon Rapids has an extensive rental program that has resulted in many citations. He stated he does not support a program to that level.

The Council considered the Strategic Initiative to create a strong positive image for residential neighborhoods and business districts, tactics, and key outcome indicator/metrics.

Mayor Strommen felt there were too many key outcomes and suggested removing 'Improved stability of position.'

The Council agreed with this suggestion.

The Council considered the Strategic Initiative to plan for public facilities to meet City's growth, tactics, and key outcome indicator/metrics.

Mayor Strommen referenced Tactic 35 and stated she felt too many key outcome indicators/metrics are included. Instead, she felt it should list the key items that will be measured.

City Administrator Ulrich stated staff will reduce the list of key outcome indicators/metrics.

City Administrator Ulrich noted the issue of acquiring a zip code for the City was inserted as Tactic 25.

Councilmember Shryock noted Tactic 11, bullet point #3, Coordinated Highway 10 integration plan completion, had been removed from the key outcome indicators/metrics list but she would like it included and perhaps identified as a tool required in the process.

Mayor Strommen stated the City Engineer has indicated it will be part of that corridor study.

City Administrator Ulrich stated it has been identified that it is not just the corridor but also the land use and part of that plan will determine connections to Highways 47 and 10 in the long term.

Councilmember Riley referenced Tactic 29, additional resources, \$30,000 for engineering consultants to update the water supply plan. He stated he read the original report and found the

assumptions and timing of the report rendered it useless. Councilmember Riley stated he does not favor updating that report until there is a timeline and a reason to do so.

Mayor Strommen noted Tactic 29 is to work with neighboring cities to identify a regional solution and as that moves forward, it may require an amendment to update a study but at this point, she agreed that working with neighboring cities does not require a \$30,000 study.

City Engineer Westby stated the intent is to update the Comprehensive Water Supply Plan. He explained an updated study will include changes in the census numbers and Met Council's growth projects to identify the timing for when the next well and/or water supply improvement is needed. City Engineer Westby stated he does not think the entire \$30,000 will be needed as that estimate included completing the pilot study.

Councilmember Riley stated he supports the suggestion of Mayor Strommen that the study isn't needed at this point.

City Administrator Ulrich stated if the study relates to determining the timing of the next water supply improvement then it is not related to Tactic 29 to work with neighborhood cities and should be a separate item.

Councilmember Shryock noted in that case, the second outcome would also not be needed.

Councilmember Riley noted Tactic 30 indicates another survey will be conducted of Boards and Commissions. He stated given the many surveys already done with them, he does not think an additional survey is needed.

Councilmember Shryock asked if it should be removed or surveys conducted less frequently, noting it is slated for Fall 2015.

Mayor Strommen stated Councilmember Riley is advocating to complete the Communication Plan without an additional survey.

Councilmember LeTourneau asked what the reasoning was this was suggested by Assistant City Administrator/Economic Development Manager Brama.

Assistant City Administrator/Economic Development Manager Brama stated the purpose of the survey was to get an understanding of expectation and desired outcome from the Council and others, which also relates to improving communications. He stated he thinks there has already been enough input from the Council to provide a solid understanding in how to complete the Communication Plan.

Mayor Strommen stated she assumed this was an external Communication Plan.

Assistant City Administrator/Economic Development Manager Brama stated that is part of the question, whether it is internal or external, and the reason for the survey is to identify issues.

Mayor Strommen stated it should be identified now whether it is an internal or external communications plan.

Councilmember Johns agreed it should be delineated internal or external, noting the Council could be engaged for input once the policy is in draft form.

City Administrator Ulrich stated that is a good suggestion and once the plan is in draft form, staff will obtain input from the Council, Boards, and Commissions.

Councilmember Riley stated he assumed it was an external communication plan.

Mayor Strommen stated that is also what she assumed but perhaps both are needed.

City Administrator Ulrich explained that it has been identified through labor management negotiations that there is need to improve an internal communication plan.

Councilmember Riley stated if this is a Strategic Plan for the City, he would ask whether the Council needs to be concerned about employee communication.

Mayor Strommen stated it is about the effectiveness of the City's organization and internal communication is as important as external communication though there are different audiences.

Councilmember Johns asked if this would include customer interface and provide a consistent message.

Mayor Strommen suggested this topic be scoped before it is launched.

Councilmember Riley stated this document will be presented to the public and while he understands the external items, he does not know why the citizens and public would be told about management changes.

Mayor Strommen noted that last year an initiative was included to update position descriptions, which the public may not be interested in but it shows the City's management team is keeping it up to date.

Councilmember Riley stated he felt that internal communications was a management and employee responsibility, not something the Council should be involved in or putting before the public. He stated he is not saying this is not important, but saying it does not need to be part of this document.

Mayor Strommen suggested the strategic initiative remain and the first outcome revised to address the scope.

City Administrator Ulrich stated staff will make the changes discussed tonight for consideration at a future Work Session.

The Council agreed with the suggestion of Mayor Strommen to next consider Case 2.03.

2.03: Amend City Funds Policy and Excess Revenue Transfer Policy

Finance Director Lund reviewed the staff report and recommendation to update the City Funds Ordinance that outlines the respective sources and uses for each fund currently utilized and to amend the Excess Revenue Policy by removing Park Maintenance Fund and replacing it with Park Improvement Fund. She explained this is coming forward to clean up the funds, some that were depleted, and to address the Charitable Gambling Fund and its use.

Finance Director Lund referenced Pages 3 and 4, Lawful Charitable Fund, and suggested additions to Subsection (c) (2) and (4). She stated this language still narrows the scope to park related activities, youth, and certain police services.

Councilmember Riley questioned the wording of Subsections (1) and (2) indicating: ‘...provided that such facilities and activities do not discriminate on the basis of a gender...’

Mayor Strommen asked if language that is more inclusive should be added beyond gender discrimination to include other factors.

Finance Director Lund stated this is language from the past policy but it can be revised.

Councilmember Riley suggested removing that wording.

Finance Director Lund stated she will also renumber the formatting.

Councilmember Johns asked if Subsection (4) is only one option or if the contribution has to be to a 501(C) (3) corporation.

Finance Director Lund explained it does not have to be a 501(c) (3) corporation and those other organizations would be included in Subsections (5) and (6).

Councilmember Kuzma stated the Ramsey Foundation goes to the same groups each year to raise funds for the concerts at The Draw and asked if something can be added to cover staff time towards those events. He is concerned about what would happen should the Foundation default.

Mayor Strommen stated the Ramsey Foundation is a 501(C) (3) so it would be covered under this language.

Finance Director Lund referenced Pages 9 and 10 relating to the Park Improvement Fund and explained how it can be used for capital items but not for maintenance since the source of the funds is developers. She explained that in 2003, the City was placed under levy limits and the market value credit and LGA were taken away so franchise fees were instituted. Then there were additional park costs without a way to fund those costs so the Park Maintenance Fund (reflected on Pages 12 and 14) was created. At that point, it was determined this Fund was needed to put dollars towards park maintenance. Finance Director Lund explained that because

of upcoming capital needs, she would ask whether excess revenues should go to the Park Improvement Fund and General Fund monies should go to the Park Maintenance Fund. Or, whether the Park Maintenance Fund should be eliminated.

Mayor Strommen stated she and David Elvig served on the Council when the Park Maintenance Fund was created, noting it was ironic that the Park Maintenance Fund was created to address long-term financial stability yet the staff report tonight indicated the reason to eliminate that Fund was to address long-term financial stability. Mayor Strommen stated she had invited former Councilmember Elvig to attend tonight's Work Session to review the past discussion and determination to create that Fund in 2004.

David Elvig, 18026 Ute Street NW, explained it was a different time when the City was able to draw in a lot of funds, a group was developing parks, and there was money in the pool. But then the issue of maintenance was raised and how it could be paid for. At that point, staff was asked to provide information on what the parks would cost to maintain long-term. Mr. Elvig stated in addition, Anoka had parks that had been developed for years but came to a situation of having to consider whether to sell parkland or close the parks because they had no new park revenue or maintenance dollars. He stated in Ramsey, some funds were running at 4.5% to 6% so the Council considered that if an endowment could be created, revenue could be generated to pay for park maintenance on a yearly basis. Ramsey was receiving additional dollars because of development so the Council identified 10% for this park maintenance use. He noted it is a similar situation with the roads that the City constructed and now needs funds to maintain and reconstruct. Mr. Elvig stated it may not be totally effective and in need of tweaking but it is important to have a maintenance concept.

Mayor Strommen stated the circumstances have vastly changed since this was put into place but it is still important to assure the City can maintain what it builds. She reviewed the options that could be considered.

City Administrator Ulrich supported having a cap on the annual expenditure or percentage the fund will be spent down in any one year or to designate 'x' amount of dollars. He stated this Fund grows slowly and cannot be relied on for maintenance or it will not last very long so he recommended placing restrictions on use of the Fund.

Finance Director Lund suggested a cap of \$500,000 instead of \$3 million as that probably cannot be achieved. She reviewed the dollar amounts that had been transferred into this fund from excess revenue.

Mayor Strommen asked if the proposal is to leave the Excess Revenue Policy in place so funds would continue to come into the Park Maintenance Fund.

Finance Director Lund answered in the affirmative.

Mr. Elvig stated several years ago the City held a lot of pooled funds, which the State encouraged the City to spend down, and then the 'crunch' hit so it was good the City had those funds because those dollars were vital for four to five years during the economic downturn.

Councilmember Kuzma supported retaining the Park Maintenance Fund and keeping it as a reserve.

Councilmember Johns stated she appreciates the benefit of consolidating funds but agrees it is nice to have this 'safety net' because in lean years those funds would be available to make a needed repair. She supported the language revisions as suggested by Finance Director Lund.

Councilmember Shryock agreed and noted lean times may hit and there are always opportunities that come up. She noted the City is developing a State and regional draw to its parks so having such a fund available will benefit the community in multiple ways.

Councilmember Williams questioned how many times there will be a situation where these funds would be used for large capital improvements that would not allow the use of another fund for parks or where placing restrictions on this Fund may be the only source available.

City Administrator Ulrich stated it is fairly unlikely the City could not identify another source but this would be a likely source to use for a building repair or an unbudgeted item. He stated some repairs can be budgeted in a subsequent year but there could be an unbudgeted emergency repair that is needed. He supported using the Park Maintenance Fund for extraordinary purposes and not capital maintenance, with a focus on keeping buildings, facilities, and equipment in good shape so they last.

Finance Director Lund stated this Fund was used to refurbish three tennis courts as the bid came in much higher than budgeted.

Mayor Strommen noted the more things the City builds, the more maintenance dollars will be needed. She supported looking at this not only for today but also long-term to assure maintenance and operation funds are available.

Parks and Assistant Public Works Superintendent Riverblood suggested the Council direct staff to finalize the language. He stated he thinks it would be problematic to set a cap at \$500,000 because the City has looming future maintenance demands. Parks and Assistant Public Works Superintendent Riverblood stated next week the Public Works Committee will be considering an agenda item relative to the Trail Maintenance Policy, a similar situation to street maintenance.

Councilmember Williams agreed the City is building beautiful parks and recreational systems and as part of that, it is essential to plan for maintenance in the future. However, if this Fund is to capture all that future maintenance, then she did not support creating a small fund for special uses. Instead, she preferred to address all maintenance needs and determine how to manage those facilities in a broader sense.

Mr. Elvig stated residents highly use trails so they need to be maintained. Originally, he had advocated to capture 30-40% of excess revenue into the Park Maintenance Fund to be sure the City's facilities are maintained. Mr. Elvig stated that is what drove the notion to hold those extra dollars to address long-term park maintenance needs.

Mayor Strommen stated there is Council consensus to retain the Park Maintenance Fund with an open issue as to the level of the cap. She felt a larger discussion was needed on the use of this Fund as well as the larger consideration of funding overall maintenance. Mayor Strommen suggested those topics be scheduled for a future discussion.

Councilmember Johns noted this involves development dollars so at some point, when you get to build out, those funds will slow down or not be coming in. She agreed the Park Maintenance Fund cannot support full park maintenance cost.

Mayor Strommen asked if there are any funds that can be used should there be an issue with the landfill.

Finance Director Lund referenced Page 10, noting the Landfill Trust Fund is still available and has a balance of about \$2 million.

Mayor Strommen left the meeting at 6:52 p.m.

Councilmember Riley asked what kind of expenditure the City could ever have with the landfill.

Finance Director Lund explained that the Statute of Limitations is past for a resident to bring an action against the City so there is no reason to retain that balance for landfill use. More recently, the fund was used to keep the bus service going prior to the rail station.

The consensus of the Council was to continue discussion of the City Funds Ordinance and Excess Revenue Policy at a future Work Session.

2.02: Consideration of Scope and Timing of Sunwood Drive Roundabout Landscaping Project

This Case will be scheduled for a future Work Session.

2.03: Amend City Funds Policy and Excess Revenue Transfer Policy

This Case was considered following Case 2.01.

3. TOPICS FOR FUTURE DISCUSSION

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

None

5. ADJOURNMENT

Acting Mayor LeTourneau declared the Work Session of the City Council adjourned at 6:56 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.