

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, November 10, 2015, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

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

Members Absent: Councilmember John LeTourneau

Also Present: City Administrator Kurtis Ulrich
Finance Director Diana Lund
Police Chief Jeff Katers
Public Works Superintendent Grant Riemer
Human Resources Manager Colleen Lasher
City Clerk Jo Ann Thieling
City Engineer Bruce Westby
City Attorney Joe Langel
Receptionist/Secretary Pam Miller

1. CALL TO ORDER

Mayor Strommen called the City Council Work Session to order at 5:30 p.m.

2. TOPICS FOR DISCUSSION

2.01: Recognition of Guest

Mayor Strommen introduced Master Sergeant John Graw, a World War II Veteran, who recently moved to the City of Ramsey. She presented him with a “key to the City”, welcoming him to the community and thanking him for his service to our Country on the eve of Veteran’s Day. She hoped that others would take an opportunity tomorrow on Veteran’s Day to think about the service that veterans have given to our Country and thank them for their service.

2.02: Discussion and Review of 2016 Proposed General/EDA Budgets and Levies

Finance Director Lund reviewed the staff report.

City Administrator Ulrich stated that staff would like direction from the Council in regard to any additional information they may like prior to the final adoption of the budget and levy on December 8th.

Mayor Strommen stated that there has been some discussion regarding the staff positions and whether the Council is ready to move forward on those. She stated that if there is hesitancy towards that she would like the Council to speak now so that appropriate planning can occur.

Councilmember Kuzma stated that he is an advocate of being strong on crime and referenced the drug task force position proposed for the police department. He asked how the City would be benefited if the position is added.

Police Chief Katers stated that it is his opinion that the position is needed for the City. He stated that while the department is responding to incidental calls for contact they are not following to the source. He stated that this position will allow the department to follow the path to the source rather than just dealing with the end user. He explained that the investigations are labor intensive and by joining the task force the department will be able to leverage the expertise and assistance of the task force.

Councilmember Kuzma stated that he will support this position.

Councilmember Riley provided a handout that compared the value of homes to the City budget. He believed that it is a mistake that the spending of the City is increasing above the level of revenue received. He stated that although the problem may not be big this year, there will be an impact in the coming years because of the added debt that will come into effect. He stated that taxes were raised quite a lot the previous year and are proposed to be raised similarly this year, which in essence would commit the City in the following years to the increases as well.

Mayor Strommen stated that in her opinion the match is not one to one in regard to the City's revenue and spending. She explained that strategic investments need to occur in order to maintain a level of service and safety. She agreed with the statement that personnel additions will impact not only this year but future years because of the debt structure. She stated that these are valid additions but believed that priorities need to be identified in order to determine the choices that are most strategic and delay the other additions. She agreed that she would like to invest in the drug task force officer as that is an issue that continues to emerge and grow and a proactive nature would be most appropriate. She referenced the code enforcement position and stated that perhaps that is not something that is quite as planned out and strategic.

Councilmember Kuzma referenced the code enforcement position and asked if outside help could be gained if staff were to be overloaded.

City Administrator Ulrich stated that some of that work could be completed through contract, but noted that a premium is paid for outsourcing. He stated that staff could provide further information on the costs for outsourcing and the services that would be provided compared to the addition of a full-time position.

Mayor Strommen agreed that she would like additional details on that proposed position, noting that there is more to the image of the Highway 10 corridor than simply just code enforcement. She stated that the question could be is there more than can be done to reach the goal for the corridor outside of code enforcement. She recognized that perhaps the Strategic Plan is too aggressive and some items may not be as high of a priority as others.

City Administrator Ulrich described the duties that would be proposed for the code enforcement position including property management.

Mayor Strommen referenced the street maintenance position, noting that more work is being done on maintenance and reconstruction, and therefore that position is higher on the priority list in her eyes.

Councilmember Riley agreed that all of those items are priorities. He stated that the City has a competent staff and he feels that his job is to identify a correct amount to spend and not go through the proposed budget with a red pen.

Finance Director Lund stated that out of the proposed budget increases, \$240,000 is debt service and the remainder is personnel and line items within the budget. She stated that the decision would come down to the three positions as the remainder would be smaller line items.

Councilmember Kuzma asked the difference in the budget and levy if the three positions were cut from the proposal.

Finance Director Lund stated that the costs associated with the drug task force position would be \$77,935, the costs associated with the code enforcement position would be \$73,897, noting that if the position were eliminated the intern position would be added back in which would be approximately \$18,000, and the costs associated with the public works position would be \$49,039 for a total of slightly over \$199,000 which is about a one percent difference to the tax capacity rate.

Councilmember Kuzma stated that in terms of the services that will be provided to the community, a one percent savings would not amount to that much and therefore would support the positions.

Councilmember Shryock stated that the residents that she spoke with wanted to know the bottom line of what the levy will be to their taxes and the services that will be provided in return. She stated that the drug enforcement officer or street maintenance would provide a faster and more visible return but the code enforcement position would also provide a benefit. She stated that a one percent cut is not that much of a difference for the services that will be provided in return.

Councilmember Riley stated that the one percent is in regard to the tax capacity rate, which he felt is a made up number, and is not a direct relation to the budget or tax rate.

Councilmember Shryock asked for information specifically in regard to the impact that the change would have to the residents' taxes.

Mayor Strommen stated that she would also like to see a picture for the next few years, assuming that everything remains constant. She noted that she is not as concerned with the impact this year but the impact that would occur next year and the year after that.

Councilmember Williams stated that she is not comfortable with the services that would be provided by the code enforcement position. She stated that she would like to see how the current City staff could provide additional value to reach the desired goals. She believed that the City could do more with what the City currently has and believed that adding three full-time positions is a big ask.

Mayor Strommen stated that residents have a certain level of service that they expect and recognized that there is a balance that needs to be found in order to provide that level of service.

Councilmember Riley stated that this should be a fairly easy year as there is already a five percent increase in property values. He asked how the City is in the position that this is hard, as previous years had a decrease in property values. He stated that next year the property value increase could be one or two percent, which will require hard budget decisions.

Mayor Strommen stated that it is almost easier to decide what to cut when money is tight because the decisions are limited. She explained that when there is an increase in values the decisions need to be made in regard to how funds are invested.

Finance Director Lund stated that in order to reach the 5.2 percent mentioned by Councilmember Riley, \$280,000 would need to be decreased.

Mayor Strommen noted that additional information is needed from staff and additional discussion is needed; therefore, this item will come back to a future work session. She explained that the Council would like to see information on the impact on public works and the ability to get work done and in regard to the code enforcement position the ability to turn around license applications.

Ramsey Resident Bill Kingston stated that he would support the three positions and would like to see what the positions mean to property owners. He explained that would better help determine whether the potential increase or decrease is worth it.

2.03: Review Special Assessments Policy

City Engineer Westby reviewed the staff report.

Councilmember Kuzma asked for additional information on how frontage is determined for assessment.

City Engineer Westby explained that direct access is determined by how the property is accessed by vehicle, specifically the driveway access.

Councilmember Riley stated that he believed that this policy worked well and the only tweak would be how staff uses the information for resident assessment in the future. He noted that a proposal can always be higher than what is actually assessed but it is harder to raise an assessment from what had originally been proposed.

City Engineer Westby referenced road projects from this year and stated that staff is going to get additional information on how the utilities impacted those prices.

Mr. Kingston stated that there is a unique situation that is not covered by the policy, which is open space within a Planned Unit Development (PUD). He explained that the attorney for the Homeowner's Association for Northfork did the necessary research to provide to the City and referenced case law. He stated that the required open space within the PUD is owned by the Homeowner's Association but has a zero assessed value and therefore you cannot add value and cannot be assessed.

Attorney Langel stated that whether a property starts out with a value of zero or \$100,000 the only question is whether the project adds value to the property. He stated that in that instance the issue was that redoing the street does not add value to the property because the property is still a swamp.

Mr. Kingston stated that the open space areas are part of the PUD and cannot be sold or developed.

Charlotte and Michael Culbertson, 15780 Andre Street, stated that she has sent an email to Councilmember Kuzma and City Engineer Westby. She referenced equity and stated that every single homeowner in the development is benefited by the project but agreed that it would be difficult to prove benefit for all properties. She believed that all properties abutting the project should be assessed as they will receive benefit. She stated that there are eight people that abut the project but do not have access and believed that they should be included in the assessment. She referenced the projects that were completed in 2015, noting that those projects were not assessed 25 percent of the project costs, and asked that the Council consider assessing the Andre Street project at a rate of 13 to 15 percent similar to the Jarvis Street project because it is a similar project that does not include utilities and they are not the only residents that will benefit from the project. She did not expect a change to the policy as she believed 25 percent is reasonable for most projects and asked that the assessment be comparative to the benefit that will be provided to the homeowners.

City Engineer Westby explained that Jarvis Street is a co-road/line road with the City of Elk River and therefore the assessment was lower because they were unsure how the benefit appraisal would turn out. He stated that utilities were not a part of the assessment decision. He explained the different requirements for a state aid road and noted that the state aid requirements could possibly be considered separate from the assessment and instead be considered as City costs.

Mayor Strommen stated that there will be much more discussion on how the policy applies to that specific project as that moves forward.

Councilmember Kuzma stated that the intent is to have another City meeting with the Northfork community and suggested that the meeting be with just the affected homeowners on Jarvis, rather than the entire Northfork neighborhood.

Mayor Strommen noted that this is a new policy and believed that there is a benefit to being inclusive so that when the road projects continue to move forward more residents understand the process. She stated that another metro community just passed a franchise fee to pay for roads and noted that Ramsey did not make that decision and instead chose the assessment policy.

2.04: Discussion Regarding the Employee Sick Leave for Wellness Policy

Mayor Strommen stated that due to time constraints this item should be postponed to a future work session to allow necessary discussion.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topic/Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

City Administrator Ulrich noted that the tree lighting will occur on Tuesday, December 8th prior to the Council meeting. He advised that staff is reviewing possible dates for the annual appreciation holiday party, suggesting Friday, January 15th. He stated that the home for the troops has been completed and advised of an upcoming open house. He stated that Public Works Superintendent Reimer's wife will be donating a quilt for the appreciation event and the proceeds will go to Hope for Youth.

Mayor Strommen stated that she received an email from the Dynamic Group, which received a grant in the amount of \$250,000 to assist with employee training. She noted that they will be holding an event on Wednesday, December 2nd and she is unable to attend. She asked if another Councilmember would be interested in attending.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:55 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Jo Ann M. Thieling
City Clerk

Drafted by Amanda Staple
TimeSaver Off Site Secretarial, Inc.