

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, March 8, 2022, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma
Councilmember Ryan Heineman
Councilmember Chelsea Howell
Councilmember Debra Musgrove
Councilmember Chris Riley
Councilmember Dan Specht
Councilmember Matt Woestehoff

Also Present: City Administrator Kurtis Ulrich
Deputy City Administrator/ Community Dev. Director Brian Hagen
Finance Director Diana Lund

1. CALL TO ORDER

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

2. TOPICS FOR DISCUSSION

2.01: Contained Solutions Legislative Proposal (Veteran's Housing Project)

Deputy City Administrator/ Community Dev. Director Hagen introduced the housing project and stated Contained Solutions Executive Director Shawn Towle and his Deputy Executive Director, Kurt Lutzow, were on the call.

Contained Solutions Executive Director Towle stated that because there is a VA clinic in the community, they have a great interest in bringing veterans that need housing to the community. He stated that part of the proposal would be a community center which would focus on workforce development, a veteran building for veterans similar to Habit for Humanity. He stated they are intentionally bringing a new taxpayer base by establishing veterans in permanent housing. He stated they are willing to meet all of the requirements if they build in The COR.

Contained Solutions Deputy Executive Director Kurt Lutzow stated they looked at 12 to 14 communities and each community is slated with this legislation to get it which would be around \$8 million dollars.

City Administrator Ulrich asked if Contained Solutions Executive Director Towle had a chance to talk to Representative John Heinrich and Representative Peggy Scott and if they are supportive of the legislation.

Contained Solutions Executive Director Towle stated he has spoken to Representative Heinrich and asked him to sign on the bill but he deferred, stating next year may be better. He stated Representative Heinrich also serves on the committee and that they will be heard on Thursday and will see which way he votes but he expected support. As to Senator Abler, he is on the bill in the Senate.

Councilmember Musgrove asked Towle if there are any building locations already established.

Contained Solutions Executive Director Towle replied there are not any established yet but what is established is a contractor that has built many buildings across the State. He stated there are plans underway with the City of St. Paul, which is a tough place to get through and is being used to work out details.

Mayor Kuzma asked Deputy City Administrator/ Community Dev. Director Hagen where the City is with this.

Deputy City Administrator/ Community Dev. Director Hagen replied Staff has met with Towle and have selected a location that is close to the VA Clinic. They haven't gotten into great detail on site selection but there is land available. He stated it could progress as far as legislation. If it goes through, it would go through the EDA, Planning Commission, and Council for a full review process.

Contained Solutions Executive Director Towle commented that plans haven't been fully formulated but they are looking for the level of interest by the City. He stated there are opportunities to work with other community partners such as the community college.

Councilmember Heineman asked Contained Solutions Executive Director Towle about the plans for the community center he mentioned including a farmer's market. He also asked if there was a focus on vocational rehab for veterans.

Contained Solutions Executive Director Towle replied as far as manufacturing or carpentry work if there are places veterans could plug in. He stated every veteran has a fund they could tap into as well as workforce development grants. There are also federal level veterans job trainings available for certifications and such. He stated the plan is to ask the veterans what they want.

Mayor Kuzma asked Contained Solutions Executive Director Towle if there was something specific other than support that he is seeking from the City.

Contained Solutions Executive Director Towle replied the question is if the City is interested in this project and would want it in the City.

Mayor Kuzma replied it sounds like an interesting project but it comes down to economics.

Contained Solutions Executive Director Towle commented they are looking for a favorable vote.

Mayor Kuzma commented that he thought it sounded like a great project.

Contained Solutions Deputy Executive Director Lutzow responded to the question about vocation, stating he anticipated the people qualifying for masonry or carpentry and they could get training to help build their own house. He stated they have a holistic approach regarding the vets.

Councilmember Musgrove stated she thought this was a good cause but without a lot of detail, she couldn't support it. She wouldn't want to get a work plan that isn't self-sustaining and left to the community to support so she would like to see more of a work plan.

Contained Solutions Executive Director Towle replied he understood her concerns but stated he would need community input for fleshing out the details for the plan. He stated the intention in coming to Ramsey is because of the VA clinic and this takes a process. He stated they will come back after hearing from the State, which may not happen until May 25, 2022.

Councilmember Heineman asked for consensus to direct Staff to monitor and provide details on this project.

Councilmember Musgrove replied she would be okay with that but there are some things that she wouldn't agree with that Contained Solutions Executive Director Towle mentioned.

Contained Solutions Executive Director Towle asked which things she didn't agree with.

Councilmember Musgrove replied she was against public dollars going toward solar because it could have problems.

Contained Solutions Deputy Executive Director Lutzow replied it is not public money, there are funds from a lot of funds. The corporation will own it and have the contract with the power company. He stated they are not asking for money from the City of Ramsey at the moment and don't anticipate that. He stated they are trying to get them in on the ground floor.

Mayor Kuzma stated there is agreement that the Council would like to get more information on it.

The consensus of the Council was to direct Staff to continue to be in communication with Contained Solutions Executive Director Towle and receive updates on legislative decisions and information about the project as it develops.

2.02: Review of Current Policy Allocating Excess/ Deficient General Fund Revenues

Finance Director Lund reviewed the staff report regarding the excess funds and requested direction on allocation. She stressed that the Equipment Fund funds the Capital Equipment within the General Fund budget so it isn't put against the Levy.

Councilmember Musgrove asked, for the benefit of the Council, whether the reluctance of changing the funds in the past has not only been the fact that the funds go into four different funds, that if there is a deficit it comes out of those same ones.

Finance Director Lund confirmed this.

Councilmember Musgrove asked if there is a deficit for facilities that they could borrow funds from the Public Revolving Fund.

Finance Director Lund corrected, for example, if there is a need in a given year that wasn't in the budget, the Facility Fund or the Capital Maintenance Fund could be used to fund those improvements.

Councilmember Specht referenced a discussion about moving excess funds to the Pavement Management Fund to get ahead on that. He questioned if that is a good idea because it would have to be taken from the levy.

Councilmember Riley replied putting it toward the Pavement Fund would sound great but then turning around and having to put something on the levy for facility doesn't make sense. He is comfortable with how things are, as he didn't see it as piling up a lot of money but that it is for a specific purpose and is being used.

Mayor Kuzma commented there is a lot coming in 2023 so he would support keeping it as is.

Councilmember Heineman asked if there is a portion that goes to the Pavement Management Fund.

Finance Director Lund replied, not as a part of this transfer, that goes to the Public Improvement Revolving Fund and then the Equipment Revolving Fund, the Capital Maintenance Fund, and the Facility Fund. She stated when they have the American Rescue Plan Act (ARPA) Funds discussion, then the Pavement Management could be discussed.

Councilmember Riley agreed, adding that might be a good discussion on one-time money, to put it toward trying to get ahead.

Councilmember Musgrove commented that a better job has been done this year to meet needs and not have a lot of excess but there is some excess and because of the ARPA Funds, she is in favor of not making adjustments this year. She felt the ARPA Funds discussion could impact this discussion.

Finance Director Lund asked if they could come back to this after the ARPA Funds discussion because she has to have it formalized at the next meeting with the audit at the end of the month.

Councilmember Musgrove commented there may be a consensus.

Mayor Kuzma asked for a show of hands in favor of keeping it where it is at this point.

The consensus of the Council was not to make adjustments to the funds.

Finance Director Lund thanked the Council and stated this will be on the March 22, 2022 agenda.

Councilmember Specht asked if this should be reviewed every year.

Councilmember Musgrove replied she thought it depended on the amount and where the fund balances are in relationship to the amount of allocation.

Mayor Kuzma stated it comes up every year.

Finance Director Lund agreed, adding there is a transfer every year because there is either an excess or deficient amount.

2.03: Update on Possible Uses of American Rescue Plan Act (ARPA) Funds

Finance Director Lund reviewed the staff report and asked for Council consensus on the standard deduction, which would be \$3 million, that could be used for operating budget.

Councilmember Riley replied it seems like an easy decision and asked why they would consider not doing that.

Finance Director Lund replied she has to get Council approval, noting this will be a resolution at the next Council meeting.

Mayor Kuzma asked how fast that would have to be spent.

Finance Director Lund replied they would have to have commitments by December 2024 and would have until December 2026. For example, if there was a contract for a fire truck in December 2024, they could receive the fire truck sometime over the next two years.

Councilmember Specht asked about paying ahead for some of the road funding and if logistically they could do two years' worth of road work if there was enough staff.

City Engineer Westby asked if the question was about timing to prepare the projects.

Councilmember Specht asked if there is an ability of the staff to get two years' worth of work done in one and push things forward and speed things up.

City Engineer Westby replied if they start early enough in the spring, yes, they could do two years' worth of projects in one year.

Councilmember Riley asked about doing a large purchase for police cameras and suggested that be dedicated first and then talk about road funding after.

Finance Director Lund replied when they spoke about the budget when it was adopted funds were dedicated for police cameras.

Councilmember Riley asked if that has already been done.

Finance Director Lund confirmed this and added there has been talk in the legislative session that there may be grants for police cameras.

Councilmember Musgrove asked if Finance Director Lund was looking for consensus on the standard deduction and there will be another case on other potential items.

Finance Director Lund replied the budget discussion will be a good time because there may not be enough time to do two years of road work in 2022.

City Engineer Westby agreed.

Mayor Kuzma suggested putting some of this toward parks because there is a levy for the roads.

Councilmember Riley commented that what was said is that they wanted additional money to be put towards the roads so he thought there was agreement on that. He suggested considering using this, in conjunction with other funding, to pave the last of the unpaved roads.

City Administrator Ulrich clarified that they will need to replace the \$3 million dollars for the water treatment plant if they make this decision.

The consensus of the Council was to move ahead with the standard deduction.

2.04: Consider an Ordinance Amending the City Charter of the City of Ramsey, Minnesota Prohibiting Membership on the City of Ramsey Charter Commission of City Council Members and Providing for Other Restrictions Thereof

City Attorney Knaak stated he was requested to draft an ordinance to amend the City Charter prohibiting a Councilmember from serving on the Charter Commission.

Councilmember Riley commented he had suggested that they couldn't sit on the Charter and a Commission at the same time.

City Attorney Knaak stated that would be easy to fix and asked if he was saying that anyone on a Committee such as the Planning Commission couldn't be on the Charter.

Councilmember Riley confirmed this.

City Attorney Knaak replied that would be an easy fix.

Councilmember Musgrove asked for clarification.

Councilmember Riley replied no one could sit on two things, not just Councilmembers.

Councilmember Heineman asked for clarifying language “current Councilmembers” be added.

Councilmember Woestehoff replied it reads “while serving the Council” so it’s implied. He agreed and added a question about the line “unless such membership is otherwise required by law,” asking if that would include things like Joint Powers agreements.

City Attorney Knaak replied, yes, that is intended to cover situations to which are covered by law.

Councilmember Woestehoff commented on prohibiting those serving on Boards and Commissions from serving on the Charter, that he agreed to a certain extent but pointed out there is a difference between a recommending body versus one that can make policies.

Councilmember Specht asked about someone being on more than one committee or is it that the Charter is different because it is a governing body.

City Administrator Ulrich replied it could be added to the ordinance.

Councilmember Heineman commented he could see that there are different levels, that a Commission member is lateral in their recommendation to the Council. He thought avoiding Charter, Council, and Commission would be good.

Mayor Kuzma asked if they are suggesting that someone couldn’t serve on two Commissions.

Councilmember Heineman replied that is the question and he was saying he didn’t care because Commissions are lateral to each other. He thought saying no to that could create more community involvement.

Mayor Kuzma replied he liked the fact that it could mean more community involvement.

Councilmember Heineman added, and less concentration of power.

Councilmember Musgrove commented that if they go this route, it is dead on arrival, they can vote this in but when it goes to the Charter Commission, they won’t vote for it. So, even though she liked it, she didn’t know if there would be a unanimous vote so it would be a moot point. She asked if it would be looked at retroactively.

City Attorney Knaak replied the question is if this would apply to someone sitting on the Council and the answer is yes, because there would be a Charter that is being enacted and the day after that, if there is a sitting Councilmember who is on the Charter Commission that would be in violation of the Charter so the right thing for the Councilmember would be to resign.

Councilmember Musgrove commented she is aware of three Charter Commission members that are in this position and asked that those three people are being asked to vote themselves off the Charter Commission.

City Attorney Knaak stated if the question is that three members of the Charter Commission are also Board members other than Councilmembers, yes, someone who is in violation of the Charter would have to resign.

Councilmember Musgrove asked if this goes to the Charter Commission, would they vote for themselves to be off the Charter Commission.

City Administrator Ulrich commented that the vote at the Charter Commission doesn't need to be a unanimous vote.

City Attorney Knaak agreed that it does not.

City Administrator Ulrich commented it needs to be a majority vote and it is a nine member body.

Councilmember Woestehoff asked about the process and if it was best for the Council to draft the ordinance, then it goes to the Charter, and then it comes back to the Council.

City Attorney Knaak confirmed this.

2.05: Discuss Referendum for Proposed Charter Amendment

Councilmember Woestehoff asked if there was another route that would lead to a referendum on a vote.

City Attorney Knaak confirmed this.

Councilmember Woestehoff asked for City Attorney Knaak to explain those.

City Attorney Knaak asked if consensus is that they want language that states a member of a Commission or Board cannot also serve on the Charter Commission. He explained that in looking at a Charter Amendment, the second part of the case, that says the Charter can be modified in a way in which the Charter Commission proposes an ordinance with a majority and then the Council considers and passes it unanimously and it becomes part of the Charter. Another way is to go to the voters.

Councilmember Howell asked if they send it to the Charter Commission, they have 60 days and can ask for another 90-day extension.

City Attorney Knaak replied yes, that's if the ordinance is passed.

Councilmember Howell asked what happens in 150 days if there aren't people sitting on the Council who want to make that separation of powers. She stated there has been some hostility from some Charter Commission members and asked about the wisdom of bringing it to the voters. She also asked City Attorney Knaak about the process if they would need to pass an ordinance if they were going to bring it to the voters as well as if they were going to bring it to the Charter Commission.

City Attorney Knaak explained the ordinance is passed by the Council and it goes to the voters or the Charter Commission proposes the ordinance. He stated the 90 days she referred to is that in 90 days, it becomes effective under the statute.

Mayor Kuma asked if the Council sends something to the Charter Commission and it is rejected, could the Council send it out for a referendum.

City Attorney Knaak replied they can if they pass an ordinance.

Councilmember Musgrove asked if that is the only way to get it in front of the voters.

City Attorney Knaak replied no, you could have someone do a petition.

Councilmember Heineman stated with a petition, it needs 50% of people registered to vote in the last election.

City Attorney Knaak replied it is a percentage, but not insurmountable.

Councilmember Woestehoff suggested politely suggesting to the Charter Commission that they draft an ordinance to prohibit just the Councilmembers, because that is the major concern. Then it can come to the Council and if approved unanimously and within the timeframe, and doesn't get to a referendum. He thought some things could be done through policy when it comes to selecting Boards and Commissions. He asked if there was interest in putting the relationship of the Charter and Council and put the other things second.

City Attorney Knaak replied that the only way to prevent a Councilmember from sitting on the Charter Commission is via the Charter. That isn't true of the Planning Commission or others which can be done by ordinance, and that is the point Councilmember Woestehoff is making. What matters in getting to the issue is putting it in the Charter.

Councilmember Heineman asked if the concern was that it would be dead on arrival if Commissioners were excluded from the Charter Commission so to increase the likelihood that it will go through, is to address Councilmembers now and address Commission members at a later time through policy. He noted when the Council is selecting Commission members, they could keep it from happening in the future.

Councilmember Howell replied if a policy is trying to be more permanent, doing the Boards and Commissions later will be a less permanent change.

Councilmember Heineman replied if they are afraid that members of the Charter Commission will kill it because they don't want to give up a Commission spot, the Council could increase the probability they don't kill it by removing Commission members from this language.

City Attorney Knaak commented that strong arguments have been made and maybe they could see the merits of that.

Councilmember Musgrove commented she isn't hopeful based on public discussion. She stated that would delay it and drag out the opportunity to get it before the voters. She thought it was too personal for some Charter Commission members so the petition would be the easiest way.

Councilmember Riley asked if she thought the Councilmember would be too personal.

Councilmember Musgrove replied yes, she didn't think they saw the same issue with it or valued the same position.

Councilmember Heineman commented his preference would be to put it on a referendum but asked if they could get it on a referendum if it is delayed 150 days.

City Administrator Ulrich replied the ballot question has to be decided by August, for the general election, so it would be tight. It could also be on a special election for a cost.

Councilmember Howell commented if they are going the route of the Charter and there is hostility and the Chair of the Charter Commission thinks it's dead on arrival, then they would have to go back to the petition route and collect signatures in time for the general election to not have an extra expenditure.

Councilmember Heineman suggested they should pursue all of the above options but not limit themselves.

City Administrator Ulrich stated the recommendation to the Charter coming back to the Council is the most risky in terms of a timeline being extended to the next general election. He asked what is the most expedient way for the Council to lock in a referendum question, and is it the passing of an ordinance which could open the door to going right to the referendum.

City Attorney Knaak replied the quickest way is to have it come directly from the Charter Commission. Otherwise, pass the ordinance and start the process.

Councilmember Heineman commented regardless, it needs to come from the Charter Commission to the City Council and asked why they don't just pass the ordinance and even if they wait the 150 days, it could still be added to the ballot.

Mayor Kuzma asked if it has to be a 7-0 vote from the Council.

City Attorney Knaak replied the Charter Commission could approve it but it would come back to the Council and then could go to the voters. If the Charter Commission suggests a change, then the Council could decide which of the two options they would put in front of the voters.

Mayor Kuzma asked what happens when it comes back to the Council.

City Attorney Knaak replied it would come back to the Council either way, but if the Charter Commission proposes the ordinance, they wouldn't have to go through that, it's much quicker, and it is in the Charter once it's adopted and is a way of avoiding a vote.

Mayor Kuzma asked if it has to be unanimous.

City Attorney Knaak replied the only time it has to be unanimous is when the Charter Commission suggests something to the Council and the Council accepts it.

Mayor Kuzma asked if it comes back to the Council and someone doesn't vote for it, then it becomes a referendum.

City Attorney Knaak replied if the Council approves it and sends it out for a vote.

Mayor Kuzma replied it seems like an extra step to him.

Councilmember Riley commented he liked the easy way and doing it with the Charter Commission proposing it and the Council approving it, then they are done.

Councilmember Heineman asked if they did it that way but it doesn't pass the Council, would it go on the referendum.

City Attorney Knaak replied no, then they have to pass the ordinance which makes it longer and is a chance they take.

Councilmember Heineman stated the only way to ensure it goes to referendum is to propose an ordinance to the Charter Commission, which is what he thought they should do.

Councilmember Howell asked if there would be anything against voters starting to collect signatures for a petition.

City Attorney Knaak replied not at all. He stated that with the system of having a first reading and second reading, even if they were in the process of formally adopting the ordinance, if they were to come to the council in the meantime and it was something they liked, it could be passed and not have to go to a referendum.

2.06: Discuss Ordinance Governing Commission Member Appointment Process

City Administrator Ulrich stated he will take comments and noted that if the Council wanted to introduce the ordinance tonight, it would need to be added to the agenda. He stated it could be "as discussed at the Work Session."

Councilmember Woestehoff commented he would be comfortable if it was limited only to Councilmembers and felt it would be a more comfortable decision for the Charter Commission to make and would most likely pass.

Councilmember Howell commented she would like to keep both of them because if the idea is to keep the Charter Commission separate from everything else, it would be nice to have both come back to the Council.

City Administrator Ulrich summarized the consensus direction is to let the Charter Commission know that they are going to be asked to consider just Councilmembers or Councilmembers and Commission and Board members. He stated that direction could be given to the Charter Commission to get them working on it and then the Council will have to decide on the ordinance and approve that as well.

Mayor Kuzma asked if that is something that could get done tonight.

City Administrator replied they could take consensus direction from the Work Session and then if the Council wants to add the introduction of the ordinance, that would be an action in approving the agenda tonight.

Councilmember Riley commented there is a long agenda already.

City Administrator Ulrich added otherwise it could come back at the next meeting.

Councilmember Heineman asked when the next Charter Commission meeting was.

City Administrator Ulrich replied it is scheduled as needed.

Councilmember Woestehoff replied he imagined one would be scheduled.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics/ Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

None.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:56 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Katie M. Schmidt
Deputy City Clerk

Drafted by Joni Helmeke
TimeSaver Off Site Secretarial, Inc.