

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

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

Members Present:     Acting Mayor Chris Riley  
                              Councilmember Chelsee Howell  
                              Councilmember Dan Specht  
                              Councilmember Matt Woestehoff

Members Absent:     Mayor Kuzma  
                              Councilmember Heineman  
                              Councilmember Musgrove

Also Present:         City Administrator Brian Hagen  
                              City Engineer/Interim Public Works Director Bruce Westby  
                              Finance Director Diana Lund  
                              Fire Chief Matt Kohner  
                              Police Chief Jeff Katers  
                              Administrative Services Director Colleen Lasher

**1.     CALL TO ORDER**

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

**2.     TOPICS FOR DISCUSSION**

**2.01:   Continued Discussion on 2023 Budget/Levies**

Finance Director Lund started by discussing the road options. She said that she updated the numbers to remove \$750,000 from the ARPA funds so that the money can be used and it is now in the general fund. She spoke with City Engineer/Interim Public Works Director Westby in regard to the \$750,000 and believes that it is more comfortable and doable to split the \$750,000 into two years. She stated that \$375,000 has been added to the 2023 budget and the other \$375,000 has been added to the 2024 budget. She noted \$750,000 was added to the debt. She said that options one and three were chosen at the last work session. Option one adds the funds to the property tax levy each year for the next nine years, and the roads would only be able to be done to the extent of the available funds since it will be limited based on the annual levy. Option three is to issue debt, likely fall of 2022, over a 15 year timeframe. She discussed the original request with the full budget request noting option one adds the additional levy for the roads and option three adds the 15 year debt service levy.

Acting Mayor Riley asked if they needed to discuss any of the information, as it was previously indicated that these options were what the Council wanted to do. He said that these options helped them get ahead in working on the roads by taking out bonds, and 15 years was the middle ground, as 10 years was too short and would cost too much money. He asked if the Council was wanting to move forward with that.

Councilmember Specht stated that he definitely likes option three, and wasn't aware of anyone who was in favor of option one. He wanted to move forward with option three as soon as possible.

Acting Mayor Riley said that he thinks the huge advantage to option three over option one is that they have more money upfront with option three. With option one they do not have the ability to get ahead and front load the work. He thinks option three is the best and requested they move forward with option three.

Finance Director Lund said that she plugged in numbers to the whole budget with options one or three. The numbers were based off the tax capacity rate, which she used to figure out the tax of that. She explained there is not a huge difference between options one and three. Option one is a 41.5% rate versus option three being a 41.13% rate, which is a lower rate but gives the money up front for the roads. She also gave a comparison of what the last three years look like for overall levy and tax rates. She said the major factor in why the tax rates stay so low is because they have a 26% value increase. She then discussed the effects on the taxpayers, both residential and commercial. In regard to commercial, she added that this is their City portion only. She said that the tax effect of the increase for residents, City portion only for the tax bill, based on the median value home is a \$272 increase by issuing the 15 year debt and the full budget request. She said there is also a percentage increase to residents, which was listed on the handout. She said that each Councilmember is on the handout. She explained it is a running total or comparison for each year, so as Councilmembers come up the list gets bigger, noting these are all actual numbers of valuations.

Councilmember Woestehoff asked Finance Director Lund to explain the difference between a few of the columns on their handouts.

Finance Director Lund explained the blue column is the difference between the two yellow columns. She said that looking under "2022 City Portion Taxes A" and then looking at "2022 City Portion Taxes B," the two yellow columns, the blue column is the difference between these two.

Acting Mayor Riley asked if they were looking at a 25% to almost 30% increase.

Finance Director Lund said yes, the lowest increase was 19% for the highest priced home because it did not increase as greatly in value. Overall, she said to look at the median value homes, which would be about a 24% increase.

Councilmember Woestehoff added that the median property value increase is approximately 27%, so it is around 22-23% for every residential home, on average. He said what he was trying to ask is whether the average property value went up 23-24% and the tax increase is basically 23-24%, all things being equal, if the property value stayed the same there would be no tax increase.

Finance Director Lund stated that no property value stayed the same.

Councilmember Woestehoff said his point was that the percentage of the increase for option three they would be asking of residents was moderately equivalent or parallel to the increase in their home value.

Finance Director Lund said that it will be comparable.

City Administrator Hagen said that last year's tax rate was just over 42% and this year they are estimating it at 41%, making it virtually the same.

Finance Director Lund said this was the road portion of the budget. In regard to moving forward, she asked if Council was comfortable with preliminarily looking at doing option three for the purpose of having a starting point to go out to the residents so they can weigh in once they see their tax bill.

Acting Mayor Riley asked if they can figure out the effect of option three by itself.

Finance Director Lund said she can run those numbers separately.

Acting Mayor Riley added that he would like to see if there was a way to run a budget of essentially decisions the Council has already made, not proposing these things, but items they have already acted on, such as the wage increase.

Finance Director Lund said that in the budget notes she had done previously, a majority was personnel, and she had broken out the existing budget and the new personnel request. Outside of non-union employees, everyone is locked in at a 3% COLA, so it would come down to what is decided in regard to healthcare. She asked Administrative Services Director Lasher if that was locked into the contracts.

Administrative Services Director Lasher said that it is locked in with a little bit of wiggle room depending on what happens with the rates.

Finance Director Lund said that as of right now, single coverage is 100% funded which is why they are looking at about a 9% increase in regard to single coverage, which several employees are under. For family and employee plus spouse or employee plus child, the rate is split, so a 4.5% increase goes to the employee and 4.5% to the employer. She said that she could get a better summary together for the Council on this topic.

Acting Mayor Riley said he is unhappy with the 25-30% increase and is not willing to move forward with it, but he also knows they have already made a lot of the decisions that factor into that.

Finance Director Lund asked, in regard to the union contract, are they locked in at the 3% COLA, for everyone outside of that, do they put them in another column leaving them open for discussion.

Councilmember Specht said he believes what Acting Mayor Riley is referring to is that they approved a second maintenance person and some other positions ahead of time.

Acting Mayor Riley said what Councilmember Specht was referring to was part of it. He was also referring to the 3% wage increase they have already agreed upon with the unions. He noted that many of the decisions are heading toward 25-30% have already been made. He stated that this is where he is concerned. He can say he is unhappy with the 25-30%, but he is not sure how much they will have the ability to knock that number down.

Councilmember Woestehoff put it a different way by saying that he thinks Acting Mayor Riley is curious to understand what numbers, at this point, are discretionary.

Finance Director Lund said that a majority of the discretionary is going to come down to the personnel requests. In regard to the 3% in non-union wages, that has not been negotiated. She said some of the capital equipment is also being affected in the property tax levy. She asked if they wanted to use those funds up in regard to what is funding the other capital. She requested the Council give her a better idea of what they are looking for in regard to what is committed versus what falls outside of that. She said the health insurance would need to be negotiated if they change out the single coverage that is not 100% funded.

Councilmember Specht said one thing he thinks they will run into is when people make requests. He said that it comes down to if they spend nothing more, people will still have an increase because their home value is more. He asked how much is actually an increase from the Council rather than an increase due to the value of their home. He added that even if the City reduced its budget, property owners would still have an increase, but it is a matter of how much the Council can cut it while still being efficient to the City.

Finance Director Lund said the main factor it comes down to is the percentage of that tax levy that is contributing to the roads and when that percentage is solved, it will tell them what the additional increase is.

Acting Mayor Riley asked if the requests that have been made will be fairly easy for Finance Director Lund.

Finance Director Lund said that she will just have to do a separate column with the road portion only.

Mayor Pro Tem asked if that would include the discretionary part of it.

Finance Director Lund asked Acting Mayor Riley for a better handle on what he was calling discretionary. She said the personnel costs of non-union are still going to be a large number because there are still many people that are not under union contracts with 3% COLA.

Councilmember Specht said he feels like the next two, personnel requests and capital, are what they can choose to do or not do.

Acting Mayor Riley agreed with Councilmember Specht.

Finance Director Lund said that she will figure out what the road portion only contributes to the tax increase, make a list of the positions, and the dollar amounts that are related to the union contracts, salary only, and the respective benefits, not including health insurance, and those positions that have been added but were not part of the original 2022 budget.

Acting Mayor Riley stated that this is exactly what he was looking for.

Councilmember Specht asked for clarification if they had the ability to change anything with healthcare since it is not locked in the contracts, if they had the desire to. For example, if the Council said they did not want the single coverage to be 100% if that was flexible.

Finance Director Lund noted there are two sides to this. The City still has non-union people that are not locked into contracts and union people who are locked into contracts. She stated there is language that mentions there is some wiggle room.

Administrative Services Director Lasher said that, for example, not to exceed \$X amount depending on the percentage that they get. They are protected and know a worst case scenario number, but it could be a little better.

Finance Director Lund stated in regard to charging people that are under contracts with single health insurance, if the contract has been negotiated with 100% coverage, it is not doable.

Councilmember Specht asked if, historically speaking, they had seen as dramatic a fall in home prices. For example, in times where they saw a 22% increase, in the next year could it go down by 15%.

Finance Director Lund said there was a decrease with the market crash of 2009, which was ridden out for a couple of years. She had the history of the market value of the past several years if Councilmember Specht wished to see that.

Councilmember Specht explained his concern is that if they have a decent tax capacity and are doing well, if they would be setting themselves up for failure if it would be dropping. He said there is no way that the City can predict the market but they should be thinking of this possibility as the Council makes their decisions.

Acting Mayor Riley said he believes that the County has been a little slow in following the increases as high as they have been. He said that they follow the market.

Finance Director Lund said that is accurate.

Acting Mayor Riley asked Finance Director Lund if she was now going to talk about personnel requests and capital requests.

Finance Director Lund said yes and moved on to the general fund budget as a whole because the tax levy portion outside of the road is all locked in. She said the other portion outside is the EDA and that increased \$7,500 which is going to the EDA on Thursday. She said that the only portion remaining is the general fund levy, which includes the personnel and capital. She said that the personnel portion is a total budget request. They have two positions that are related to the utilities, which is a reclassification of the utility maintenance worker to the utility lead person. She noted this will be zero because they are not under the general fund of the levy. The overall amount that is related to the general fund position request is \$244,345 and that takes into consideration the uniforms needed in the police department for officers in training. She said that the Staff is here that has requested reclassifications, increase in hours, and new positions, noting these are extra items that are not already in the budget for 2022 and are the discretionary items.

Acting Mayor Riley referenced reclassifications, which are low dollar amounts of changing an employee from one position to another, he asked if the Council was comfortable with the reclassifications.

Councilmember Howell said yes to the reclassifications.

Acting Mayor Riley moved on to the increase in hour requests, in which there were two. He asked if they had already discussed the increase in hours for the recreation specialist.

Finance Director Lund said yes on the increase in hours through the end of the year, but it did not become a full-time person.

Administrative Services Director Lasher explained it was just temporary and they had made her full-time through the end of 2022, but for 2023 the increase still needs to be handled.

Acting Mayor Riley stated that it was an increase from 29 to 40 hours and asked if the Council wanted to talk about the position more in depth.

Councilmember Howell said she was not in support of the increase because this seems a little more discretionary and the Council could cut this. She said that if the Council are serious about finding things that they can cut, then they should act on that.

Acting Mayor Riley said he agrees but they will have to figure out how they will have Happy Days when the increase for 2022 was covering that. He asked if the Council wanted to put that back for Staff to talk about, and if the Council does not increase that, how do they handle Happy Days.

Administrative Services Director Lasher stated that the increase of 29 to 40 hours a week was requested a long time ago and did not have anything to do with Happy Days. It was just a request to gain an additional 11 hours to grow the current City recreation program further.

City Engineer/Interim Public Works Director Westby said this was correct.

Councilmember Specht asked if they would potentially lose the employee if they were to move their hours back down to 29 after the end of the year.

Administrative Services Director Lasher said this individual is to the point that she needs health insurance so that would be a factor.

Councilmember Specht said he agrees with Councilmember Howell. If they are thinking big picture, then something has to be cut, and while recreational things are of great value to the residents, it is not as necessary. He said this is worth the discussion.

Councilmember Woestehoff asked if it was a 40 hour minimum for benefits or if it was 34.

Administrative Services Director Lasher stated that the minimum was 30 hours.

Councilmember Howell asked if she would have insurance if they moved her from 29 to 30 hours.

Administrative Services Director Lasher said yes.

Councilmember Howell asked what it would cost to just bump her up an extra hour weekly and offer her insurance.

Finance Director Lund said that it would be the same amount insurance wise and if the employee does go on insurance, then her single insurance is around \$12,800, so it would cost them an extra \$12,800.

Councilmember Howell asked what would service the residents better, the extra expenditure and having the recreation programs, or if they would just be doing this to make sure that an employee has insurance. She wanted the Council to consider the pros and cons and said she would still like to cut the hours to save somewhere.

Administrative Services Director Lasher said she believes that if Interim Parks and Assistant Public Works Director Riverblood were here he would say that he sees the need to have the individual at 40 hours a week and it is a plus to be able to give someone health insurance if it would mean otherwise losing them. She said that Interim Parks and Assistant Public Works Director Riverblood has had this in his plan for about a year and a half to bring this position full-time.

Councilmember Specht asked if they brought this person on as an intern, it was cheaper and easier because they had to train them.

Administrative Services Director Lasher said that several years ago they had a Parks intern for a few years and it was not cost effective because a lot goes into recruiting and training, only to have them turn around and go back to school. What replaced the temporary intern was a part-time recreational specialist, at 20 hours per week. They had quite a bit of turnover and went through three or four 20 hour a week recreation specialists and now they are here with the current individual.

Councilmember Woestehoff said that he would prefer to hear some more justifications for the additional hours, such as some examples of what has happened over the past 6 months and how it has been beneficial. He said that he would lean towards the 30 hour position rather than 40 hours because he does not see enough of a benefit to add the additional hours.

Acting Mayor Riley said that the direction of this is that they would like to hear more about the position.

Councilmember Specht said he sees some of the programs that are being put on but another thing he would find helpful would be to see the numbers of how many people are utilizing these programs. He heard that pickleball was a huge success but he would like to see the numbers of the different programs.

Acting Mayor Riley added that they would like to hear more about the recreation specialist. He moved onto the permit tech request. He asked if they wanted to hear more about this position.

Councilmember Specht said that this sounds like a need.

Councilmember Woestehoff added that this sounded like a need unless they could contract this out. He asked if they had contracted this out previously and if this was to replace it being contracted out.

Administrative Services Director Lasher said that was something else and permit tech work is not contracted out.

Acting Mayor Riley asked if the Council was comfortable moving forward with this request.

The Council agreed to move forward.

Acting Mayor Riley moved on to the discussion of new positions, which were for a community service officer and a patrol officer.

Police Chief Katers explained that the community service officer (CSO) is a part-time position, typically filled by a student going into law enforcement. They respond to non-primary calls for service such as lock outs, animal containment services, parking enforcement, traffic control at accidents, and things of this nature. They have utilized this position and currently have two CSOs, which are not licensed police officers, but students going to school for law enforcement, which is a requirement for the role. The addition would be to add an additional CSO to handle animal containment services that was previously contracted out to North Metro Animal Control Center, which has since gone out of business in June of 2022, causing animal containment to fall back on the City to return dogs to their owners, and boarding them at Anoka. He said that his reasoning for this request is that he would rather see his CSOs bringing animals down to the pound in Anoka than peace officers leaving the streets of Ramsey to bring dogs down to Anoka.

Councilmember Specht asked how this position relates to the volunteer or reserve officers that they already have.

Police Chief Katers said he believes they currently have 15 or 16 reserve officers, noting that during COVID their numbers dropped to under eight and now they have added more but a lot of them are in training. He explained these are volunteer hours and their only mandatory event is Happy Days when the City requires all of them to be there. He said that volunteers could fill the role, but ultimately their schedules dictate how much time they can volunteer for. Currently, they are having their reserve officers ride along with their CSOs to get field training from them. He added that they have an explorer program that is different from the reserves, which is through the Boy Scouts of America and it is for youth aged 14-21 years old who are looking at exploring a career in law enforcement.

Councilmember Specht said that it seems like the reserve officers would not be 100% dependable.

Police Chief Katers added that the reserves are scheduled for volunteer shifts, which tend to be on the weekend based on work schedules. He said they do handle these types of calls when they are on duty; however, they are not scheduled throughout the week, 24/7/365.

Acting Mayor Riley said the two CSOs are utilized as much as they can be and there is a need for another half position.

Police Chief Katers said yes.

Administrative Services Director Lasher asked if their schedule was 25 hours a week.

Police Chief Katers said yes, that is maximum flexibility so they can attend their classes.

Councilmember Woestehoff asked Police Chief Katers, if given the choice between a patrol officer or a CSO, which he would choose.

Police Chief Katers said that he would rather see the full-time patrol officer approved. He added they are able to promote their CSOs, reserves, and explorers to a full-time police officer position if they are eligible. He explained they have a built in training program for this and have always done this so they have a built in talent pool continually running.

Councilmember Howell asked about the percentage of the service that would go to animal control versus the other items that Police Chief Katers mentioned.

Police Chief Katers explained that a majority of their time goes towards animal containment. He said within the last month there have been five dog bites, each which required follow-up with the vets and the parties involved, the paperwork, the potentially dangerous dog hearing. This is what they are primarily responsible for. He would say that about 60% of their time is spent on animal containment and the rest goes to assisting officers with non-primary calls, traffic directing at accidents, and some medical events, in which they have received training.

Acting Mayor Riley asked if there was a savings since they are no longer contracting out animal control services.

Police Chief Katers said that it was actually a price increase. North Metro Animal Control was an Andover business that went out of business, but Ramsey had to contract back with the City of Anoka to board animals that they contain and it is a higher cost. He explained they were saving around \$4,000 a year by utilizing North Metro Animal Control.

Councilmember Specht mentioned the capital requests and asked if Police Chief Katers had to choose between the officer versus the drone aerial requests, are there certain things he thinks could be pushed off that are not an immediate need.

Police Chief Katers said there are some items in the capital requests that they do not have, but they would like to have. He said there is a use for drones but the department could get by without them. As far as the personnel, he would ask, based on the calls for services, that they continue to hire police officers. He said the CSOs help because they take calls from the officers so that the officers can attend to the calls that require a licensed police officer.

Councilmember Howell asked how this compares to what surrounding cities do for their animal control.

Police Chief Katers explained this varies greatly from city to city and cities that do have CSOs use them for animal control. There are some cities that contract out but there are drawbacks to this. If the animal containment service was in East Bethel, their residents would have to go all the way to East Bethel to pick up the animal. He added that there are not a lot of these contracted services available. He said that the City would have to pay for unclaimed animals with the contracted service. He went on to say that they try to limit the amount of time that an animal is in their containment service. With social media, they are able to get the information out about the found animal much quicker. They said that they have not euthanized an animal in quite a few years due to adoptions. The City would have to pay the euthanization fee if they did have to use euthanasia.

Councilmember Woestehoff asked if the contract with Anoka was with the City or the County.

Police Chief Katers said that it was with the City of Anoka. He said that they have kennels and Ramsey is the only city that contracts with the City of Anoka and the rest of their space is used by Anoka. Ramsey is able to rent two kennel spots from the City of Anoka.

Councilmember Woestehoff followed up by asking if it was the County, could the sheriff's department be contracted to handle this.

Police Chief Katers said that it is just the City. He noted there was a suggestion from the owner of North Metro Animal Control, that the County as a whole look at offering these services in some regional capacity.

Acting Mayor Riley asked if Police Chief Katers could give the Council some number for justification.

Police Chief Katers said that they were up to about 16,000 calls for service a year and the numbers continue to increase every year. He said that they are asking more and more of their police officers with the calls on mental health, calls on violent crimes, and they are asking them to handle a lot more. He said based on his calculations, each officer was handling an average of 500 calls per year. Some of the calls are minor but others require extensive follow-up. He said a calculation that used to be used was one officer per 1,000 residents. He said they are close to that with the City's population of roughly 27,000. Ramsey is at that number of licensed officers; however, there are some cities across the country that are at double that number. He said they do a good job of meeting the needs for the community but it is more complex than the old calculation of one officer per 1,000. He said it has to do with the types of calls they are handling and the volume of calls. He said that he thinks they need to stay steady with the growth of their City, which they have seen based on population numbers. He has seen by calls for service that the staffing maintains with the City's growth.

Acting Mayor Riley said he had heard that the drunk driving officer position had become a full-time patrol officer.

Police Chief Katers reviewed that two years ago, the Council agreed to enter into a contract having an officer dedicated to the Toward Zero Death traffic enforcement and all of their time was spent in the City of Ramsey working on traffic enforcement. It was funded by a State grant Toward Zero Death, which paid for the officer's salary. When the officer was not working on that, they had to clock out of that to be used within the City. Because of staffing, they had to pull the officer from the grant program to help cover calls for services within the City. He explained that they have not yet been pulled, but they will not be renewing their contract. If they are no longer able to provide the services at a level that the citizens would expect, that would be the first officer to be pulled from the extra service contract. The downside is that they would not be paid for the officer's salary from the State; however, they feel they need to meet the needs of the citizens first. With that being said, next year they will not be renewing the grant because they need the officers on the streets. The other side of this is that the program awards grants for two or three years and they are in year number two; then it is given to another jurisdiction within the region. The thought behind that is to be able to give another agency the chance that they were given.

Acting Mayor Riley asked if this was also an increase that was already factored in.

Police Chief Katers said that was correct, this was an officer that was added in the last budget cycle.

Acting Mayor Riley asked if the Council was ready to move onto other new positions.

Councilmember Woestehoff asked if could move forward to the capital requests from the police department so that they could continue the discussion around the police department. He said that his question is about the request for squads and if they are related to the new positions or if they are strictly lifecycle.

Police Chief Katers said that all of these items are for lifecycle replacements, not for additional vehicles to the fleet.

Councilmember Woestehoff asked whether, by potentially adding a CSO and patrol officer, they still had enough vehicles to meet the needs of the City.

Police Chief Katers said that was correct.

Councilmember Howell asked about the UAV and what they do now if they do not have one.

Police Chief Katers said that they use these to look for suspects and missing children or adults. There are other agencies that do have them, so the City can request assistance from them when needed. Usually there is at least one in a patrol vehicle so it is just dependent on where they are in the County. Ramsey typically asks the City of Coon Rapids or Anoka County. He noted it adds about 30 minutes before the device is able to be deployed.

Councilmember Specht asked if they ever have a type of reserve for that. He said that he sees individuals out with drones and asked if this is something that can be outsourced.

Police Chief Katers said that they do not currently have any type of arrangement for outsourcing. He said there are some forces that offer this type of service and Ramsey has used them in the past for number counts for people at Happy Days, which was done with emergency management who has drones to do this. He said there are options, but it comes down to the time that it takes to get them, which would average about 30 minutes.

Councilmember Howell asked how many times a year the UAVs are used.

Police Chief Katers said that an estimate would be around five or six times a year.

Councilmember Woestehoff asked if the fire department would have any use for these UAVs.

Fire Chief Kohner said they would not have a use for these, they would just use the emergency management drone. He was pretty sure that to use them, a licensed operator is required, that is at a cost, and there would be a lot of follow-up with that. He said typically when they are doing a search for a missing person, it starts on the ground and takes a while until they get to the point that would require a drone.

Acting Mayor Riley said at this time, he does not see a need for a UAV and Staff instead should look into contracts for this. He asked the Council if they agree.

The Council agreed with Acting Mayor Riley's comment.

Acting Mayor Riley asked Police Chief Katers to look into contracts and to get back to the Council on what it would look like without the UAVs.

Councilmember Specht added that things would just look the same without them.

Acting Mayor Riley asked if they were ready to move on from the discussion surrounding the police department.

Councilmember Specht said if there are more capital questions they can come back to that.

Acting Mayor Riley moved on to the full-time engineer tech II discussion. He mentioned that he and City Engineer/Interim Public Works Director Westby had discussed that they were going to keep busy with engineering with building roads.

City Engineer/Interim Public Works Director Westby explained this position is in follow up to the reclassification if engineering tech II becomes engineering tech III, they then move into design work and the engineer tech II position needs to be backfilled to inspect construction in the field.

Acting Mayor Riley asked if there was any cost savings with this, such as completing the inspections that they would otherwise have to hire out.

City Engineer/Interim Public Works Director Westby explained the tech II is already doing the inspections so if they move up to tech III, they would be doing more design work, especially if the road funding budget is increased.

Councilmember Specht asked if the negative number under utility funds meant that this portion does not come from the general fund.

Finance Director Lund said that was correct. Usually they work on storm drainage projects and those types of things so the funding comes from utility funds.

Acting Mayor Riley asked if hiring a new position would affect the engineering income that they add to every project.

City Engineer/Interim Public Works Director Westby said that it would not affect that cost.

Acting Mayor Riley said that it had been asked at Public Works how much engineering could get done with the roads. If they do not hire this position, he asked City Engineer/Interim Public Works Director Westby if his previous answers had been premised on having this position.

City Engineer/Interim Public Works Director Westby said that is correct, it was premised on having two designers in the office, the engineer tech III and the assistant City engineer.

Administrative Services Director Lasher asked if this position was a part of the master plan of shuffling things around and the reorganization to make things successful.

City Engineer/Interim Public Works Director Westby said that is correct.

Acting Mayor Riley asked if this new position would also help City Engineer/Interim Public Works Director Westby in his new position.

City Engineer/Interim Public Works Director Westby said this new position will help him be able to transition over to Public Works.

Councilmember Specht asked if this could be contracted out even if it takes more training time to get them familiar with the City.

City Engineer/Interim Public Works Director Westby said he thinks there is great value in having the Staff do the design projects. Engineering can be contracted out; however, having familiarity with the community allows the projects to be designed and completed to a much higher standard and more quickly. He thinks it will be a much better product if the designer has a stake in the project by being from the City.

Acting Mayor Riley mentioned the street redesign that will be worked on for the foreseeable future would cost more if they contracted it out. He feels they have already made the decision that there is a need for this role.

Councilmember Woestehoff said if the work was contracted out it would be more than \$29 per hour in terms of what the rate would be. He said this position seems to be more of a cost savings.

Acting Mayor Riley mentioned that Finance Director Lund had pointed out the utility worker has zero cost to the general budget. He asked who could discuss this and if this was in anticipation of the water treatment.

City Engineer/Interim Public Works Director Westby said this is a position to start making up some of the ground they have fallen behind on, noting the utilities system continues to grow. As they add hundreds of homes, they have to add hundreds of services, which means thousands of feet of water main and fire hydrants. He said to maintain and operate this system, it takes a lot of work and this position is just to help keep up with that work. He said that he would also like to add the reclassification of the utility maintenance worker to a utilities lead which takes the utility worker out of the field when they are a lead and they are doing things in the office.

Councilmember Specht said they had previously talked about the road and park maintenance working hand in hand on what is being done. He asked if even though these positions were being funded by the utilities if they had flexibility to help with the roads and repair or if it was just mainly utility maintenance that would be keeping them busy.

City Engineer/Interim Public Works Director Westby said that they typically stick to their division, other than helping with plowing.

Finance Director Lund asked if there were no changes on this at the time.

Councilmember Specht said just concerning the recreation specialist.

Acting Mayor Riley said that the Council wanted to hear more on the recreation specialist concerning the facts and figures.

Councilmember Howell asked Finance Director Lund if they could get the number difference if they move the recreation specialist to 30 hours versus 40 hours.

Councilmember Woestehoff said that he would also like to see the numbers of what it would look like at 29, 30, and 40 hours for that role.

Acting Mayor Riley started the discussion on capital requests. He asked Council if everyone was comfortable with what was already discussed in regard to the police department requests or if anyone had any further questions.

Councilmember Woestehoff added that when it comes to the police vehicles, he would be in favor of adding two Explorer hybrids as opposed to a Tahoe and an Explorer hybrid. He believes that the gas savings would be made up in a year.

Acting Mayor Riley asked Police Chief Katers, since these vehicles are on the list, if this is the police department's criteria and what they need.

Police Chief Katers explained they buy from the State purchasing contract so they do not have to negotiate the price of vehicles. The City buys them out of the State contract which has already been negotiated. He said that he noticed that this year, the cost difference between a gasoline only vehicle and a hybrid vehicle for the Ford Explorers are the same. He said there used to be around a \$10,000 price difference between the gasoline only and hybrid; however, now they are the same price. He said that the Ford Explorers are \$41,000, a Tahoe is slightly less, and the Chargers are about \$10,000 cheaper, as well as being around \$2,500 cheaper to equip. He added that the Charger is the only vehicle they can get as a sedan, since Ford stopped making the sedan style and only makes utility vehicles. He said that when they order the vehicles, if they are ordered with the equipment they want and do not take from existing stock, it would take over a year for the police department to receive the vehicle. He mentioned that some of the non-primary vehicles, such as the 2005 Ford F-150, are currently assigned to investigations. He noted that any of the vehicles that they have on patrol need to have a police package.

Councilmember Specht asked if they could utilize retired police vehicles as a vehicle for the new building inspector since it would just be driving around to the different sites that need inspection.

Police Chief Katers said he cannot answer the question per community development; however, when the vehicles are not being used by the police department, if another department within the City has a use for the vehicles, they get first priority before they are sent to auction. He added that this typically does occur, as most of the seasonal maintenance and parks vehicles are former squad cars. He added that building maintenance has a few of the old Tahoes, the Public Works director used to have a Tahoe, and the City is able to utilize these vehicles to get the maximum life possible out of them in other departments within the City. He said that when the police department gets rid of a vehicle, there are typically between 100,000 and 125,000 miles on the vehicles and they rely on their mechanics to tell them when they have put more into the vehicles than what they are worth. So, it is not just dependent upon mileage or age of the vehicle, noting the City has fleet management. He added that there is one more vehicle request this year because it was a request

from last year that got pushed to this year. He said that they try to request a maximum of three new vehicles per year.

Councilmember Woestehoff asked the Staff if the vehicles were not to be offered up to other departments what they would be able to get for the vehicles in auction, for example, and would they be able to get back a third of the sticker price. He asked because of the current market and he thinks that selling a retired police Tahoe could pay for a new Impala or Equinox.

Police Chief Katers said he believes the last vehicle that was sold at auction was one of the sedans and it sold for around \$6,000-\$7,000. If the original purchase price was somewhere in the \$20,000s based on the contract, the City got about a third of the price back.

Acting Mayor Riley asked Fire Chief Kohner about the SCBA compressors and if they had one in each fire station.

Fire Chief Kohner said that they do have one in each station. He said back in 2020 they did have one fail, so there was an emergency purchase needed for that. He reported that one of them is now starting to leak oil and with the current shipping delays, it would be in their best interest to purchase one, or get in line to order one.

Acting Mayor Riley asked if there was a need for one compressor at each fire station.

Fire Chief Kohner said yes, because they serve the refills of the SCBAs at each station. If they did not have them, they would have to load up the SCBAs at one station and drive to the other to refill them. They use these at the end of calls to fill up, but also if there is a house a fire and if they have to run back and forth to stations to refill it is more convenient to have them at the closer station.

Councilmember Woestehoff asked if Fire Chief Kohner could talk about rescue number 21.

Fire Chief Kohner said that this is one of their first out rescue trucks which is used for all medical, personal injury, and accident calls. The City tries to get as much life as they can out of the vehicles. He said that this one is a 2000, so the City is starting to spend some higher bills on it due to maintenance. He added that mileage is not the issue; it goes from zero to high speeds in a short amount of time. He said when looking at replacement vehicles in their fleet, he is also fiscally responsible by getting the most value as they can out of these vehicles since they are a big expense, while also being mindful of the wear and tear on the vehicle and not trying to put it off. He thinks they will be able to get some resale on this vehicle. If the City were to move ahead with this, there is no guarantee that they would get the vehicle in 2023 with all the shortages or vehicle parts.

Acting Mayor Riley said he assumes that a lot of the cost of this has to do with outfitting the vehicle rather than just the vehicle.

Fire Chief Kohner said that is true, there is a dollar amount associated with the vehicle but the price also comes from everything else that has to go into these vehicles.

Councilmember Woestehoff asked if there is another big purchase that they should be worried about for next year.

Fire Chief Kohner explained that last year, they put in the budget a refurbishing amount to extend the life of the tanker. Based on some major repairs that had to be done, they did not want to put this money back into the vehicle so these expenses will be coming up next year. He added that this is something they will not see in 2024 because of the length of time that it takes to build these fire trucks.

Councilmember Woestehoff asked if a tanker costs around \$400,000.

Fire Chief Kohner said that is correct.

Acting Mayor Riley asked Finance Director Lund what the next step is in continuing the discussion of these expenses.

Finance Director Lund said that she will break up the price difference of the roads. She will also add the listing of what the extra items will be in regard to what was added in 2022 that has been committed to and the discretionary items.

Councilmember Specht asked about the delays on other equipment. He said that in past years the Council has supported a 5-10% increase but wanted to look at anything that could be cut out of the budget. He noted that one year they decided not to stay members of one additional organization and he wanted to know if they could find something like that to save money.

Finance Director Lund gave a brief summary of the general fund levy, noting she has broken out the historical levy amounts of what they have done in the past. She said last year, they had done a 5.89% increase. She explained that represented about a \$550,000 increase on the tax levy. She said that for 2023 it is presented as a 13.82% increase and \$1,600,000 in tax levy. She said that is over a \$1,000,000 increase from last year's amount.

Councilmember Woestehoff asked if this was without the pavement.

Finance Director Lund said yes. She mentioned that when comparing the different charts, she wanted to be able to show a comparison to 2022 in each option. Within the general fund, it is difficult because it is locked in to all the things that are already committed and with rising gas and utility prices, everyone is facing increases.

Acting Mayor Riley said that he would challenge Council that if they do not like this number to come up with a number they do like or figure out a goal that can be discussed in later meetings. He added that they could also come up with a percentage that could be given to department heads so they could determine how they use the funds.

Councilmember Woestehoff said that based on his calculation including the general fund and roads, to drop the increase by 1%, they would need to cut \$31,000.

Finance Director Lund asked if there was a percentage that they are looking at so she could tell them what the amount would be. She does not believe that 5% is doable because of what has been locked in with regard to the contracts.

Acting Mayor Riley said that he does not have a number right now and asked Council if they have a number so that Finance Director Lund could look at some calculations of what that would mean.

Councilmember Howell asked what would be doable if the 5% is not doable.

Finance Director Lund asked if she meant the overall levy increase or the general fund.

Councilmember Howell said both.

Finance Director Lund said she thinks, with the debt that the Council has already locked in, outside of the roads, just because they are already committed to that debt, this leaves the general fund and she did not know what would be a good percentage. She suggested an 8-10% increase on the general fund to start to see what that would look like.

Acting Mayor Riley asked if that seemed reasonable to give the Council options to see what these numbers would look like.

Councilmember Howell said that a lot of the requests look like necessities so that makes it difficult and there is not much that can be cut.

Acting Mayor Riley asked Finance Director Lund to work out numbers with the 8-10% increase.

Finance Director Lund said that she will do an 8% increase all the way up to a 13% increase to see what the different numbers represent.

### **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 6:54 p.m.

Respectfully submitted,

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Brian S. Hagen

City Administrator

ATTEST:

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Katie M. Schmidt  
Deputy City Clerk

Drafted by Ava Rokosz  
*TimeSaver Off Site Secretarial, Inc.*