

MINUTES

CITY COUNCIL WORK SESSION CALLED TO ORDER

Mayor Pro Tem Wagner called the meeting to order at 8:24 PM.

ROLL CALL

Present: Member Murphy, Member Greenberg, Member Parisian, Mayor Pro Tem Wagner, Mayor Blonigan

Absent: None

Staff: Tim Sandvik, City Manager; Diaa Tahoun, Finance Director; Richard McCoy, City Engineer/Public Works Director; Rachel Leen, Communications Coordinator

DISCUSSION

A. 2025 Budget Items

Sandvik explained that he will walk through the budget items tonight, and that he hopes to walk away with a percentage agreed upon. He emphasized that If Council wants to keep all of the items that have been discussed so far, then the budget needs to stay at a 10% increase. He shared that big items include a staff class and compensation study, increasing Fire Relief Association contributions incrementally, 2025 Cost of Living Adjustments (COLA), and proposed Property Tax increases for Hennepin County. Sandvik referred back to the 2024 top goals and priorities that the City Council previously identified, such as staff retention, and tied those goals into the proposed budget items. Sandvik reminded Council that staff are recommending that the 2025 budget remain at a 10% increase, and if Council wants to challenge that, then now is the time to make suggestions.

Mayor Blonigan expressed that he thinks that the City should be investing more, since the City has already seen huge return on the \$100,000 that is invested. Mayor Blonigan also expressed concern with being consistently short seven police officers and still budgeting for those positions, when it is unlikely that we will fill them this year. Tahoun explained the reasoning behind not investing in the SBI sooner, since it is a little risky and it is important to have liquid money on hand.

Member Murphy asked what it would look like if the City budgeted for three or four police officers, instead of seven officers. Sandvik explained that it would cut the budget increase by around 1%, but that the City would then have to turn away police officers if we received many applicants. Member Parisian echoed that she would feel comfortable with an 8-9% increase, and that budgeting for a for fewer officers is a risk that she is willing to take. Member Greenberg stated that he would be on board with 10% as long as this sets the City up to get the levy lower in the coming years. He agreed that temporarily removing some of the police officer positions seems reasonable. Mayor Pro Tem Wagner agreed with the idea to budget for fewer police officer positions. Mayor Blonigan expressed concern that the Police Department might not feel supported if Council decides to cut three police officer spots, and that he would rather do deficit budgeting.

Sandvik highlighted that a fully staffed Police Department is a top priority of Council, as well as recruitment and retention. He also highlighted that the Class and Comp study will level out over the next few years. The Council agreed to look into deficit spending instead of budgeting for fewer officers, since supporting the Police Department is a top goal.

Sandvik asked to hear consensus on a specific levy number. The Council agreed upon wanting to see a number around 8%. Tahoun emphasized that the levy is high due to three new staff positions, and he asked what Council would want to cut to get down to 8%. Sandvik reminded Council that there is a GIS Technician, a Parks Maintenance staff member, and a Public Safety Administrative position for Police and Fire being added.

Sandvik offered that a Special Work Session could be scheduled for the last week of November to further discuss an 8% levy. Sandvik asked Council if there are any items that they need to keep in an 8% budget. Member Murphy highlighted that he supports the Comp and Class Study, as well as hiring for the GIS Technician. He also still supported going down to three to four officers as well as doing some deficit spending. Mayor Blonigan explained that he supports deficit spending in some capacity, since the City has a history of consistently operating under budget. Member Murphy agreed.

The Council concluded that they would like to see the budget at 8%. Member Greenberg explained that he would be open to having a special work session so that he is not shocked by the 8% levy on December 3rd. Member Parisian agreed. Sandvik shared that he could have a high-level idea of a budget with an 8% increase ready for the Council meeting next Tuesday, and if Council still wants to set a special work session on November 26, then that option remains.

B. Enterprise and Capital Project Fund Budgets and CIP for 2025-2034

Tahoun discussed proposed rate adjustments to the enterprise fund budgets. He started by explaining that the water rate will go up by 7%, which is less than previous years and should slow more once the hospital is connected to our water. He explained the small rate increases for Sanitary Sewer, Storm Sewer, and Solid Waste. He shared that it has been difficult to budget for Solid Waste rates due to a new waste hauler coming on April 1. He stated that the Municipal Liquor Store sales are steady, and that the License Center is generally doing well.

McCoy walked through the Capital Improvement Plan (CIP) lists and called out major items. He started by discussing the Public Works building and emphasized that he was a bit shocked by the price tag. He also pointed out that the Civic Campus on Hubbard Ave could be dependent on how some of the light rail issues shake out, but that a placeholder is in the CIP if the project does happen. Member Greenberg asked if the old water tower could still be saved and displayed in plans for the Civic Campus on Hubbard Avenue. McCoy explained that the old water tower could be worked around based on what City Council and staff want to do.

McCoy walked through the parks system next and highlighted that many upcoming projects relate to Sanborn Park since those items were delayed until the Parks Master Plan is finalized. Mayor Pro Tem Wagner asked if the Parks, Recreation, and Forestry Commission has been kept up to date with all of the proposed playground equipment, and Sandvik confirmed. McCoy identified the Lee Park synthetic turf replacement project and explained that staff will try to extend the life of that turf as long as possible. Member Greenberg asked for clarification on what a sports court at Lakeview Terrace Parks looks like and McCoy and Sandvik explained that it will consist of some stationary exercise equipment on a court.

McCoy moved into the Traffic/Transport section of the CIP and noted the upcoming Shoreline/Chowen project. Member Murphy highlighted that our tree removal costs are low compared to nearby cities who need to remove hundreds of Ash, and he offered a word of appreciation to our City Forester. McCoy explained that the downtown streets need work, but that timing is difficult due to the light rail project. He noted that Oakdale Avenue is listed for construction in 2026, but that timing for that project is also difficult due to the light rail and leadership changes at the hospital. He highlighted that 36th Avenue is another big project, since there is a lot of work to do for pedestrians. He shared that Lowry Avenue was supposed to be done this year, but that it's been rescheduled to next year due to challenges with the hospital. McCoy shared that all of this information will be formally presented at the Council Meeting on December 3rd by way of a public hearing.

McCoy discussed the utilities section of the CIP, which includes Water Tower 2. He shared information on interest rates and potential sites for Water Tower 2. McCoy explained that there are many ongoing utilities projects since we have an old system. He pointed out budgeting for PFAS reduction in 2025, since the EPA has very strict standards for PFAs. Mayor Pro Tem Wagner asked what PFAs reduction measures would look like, and McCoy explained that he is not fully sure since there are many new and developing technologies that could be tested. McCoy highlighted funds for SCADA and moving the city's properties onto a fiber network.

McCoy discussed the final category of capital equipment, which is the replacement of all equipment on a regular schedule. He shared that this includes everything from squad cars to Vacuum trucks. He explained that the greatest expense in this category is the Fire Department's Aerial truck, which is budgeted at \$250,000 in 2026, so that the Fire Department can get better access to the city's taller buildings.

Sandvik provided a reminder that Council is set to approve the levy and the 10-year CIP at the City Council Meeting on December 3rd. Sandvik explained that doing a 10-year CIP instead of a 5-year CIP gives the City some incentives according to state statute.

C. Parks and Facilities Naming Policy Updates

Sandvik provided a background of the Parks Naming Policy, including its creation with Council, the Parks, Recreation, and Forestry Commission, and the Human Rights Commission back in April. He shared that following the policy's creation, two names were submitted, and a public hearing was held in September. He explained that at the Public Hearing, one nomination was not approved, and one nomination did not receive a motion. The policy was then suspended since Council determined that they want more community engagement in park renaming processes. Sandvik pointed to the City of Roseville's policy as a good example..

Sandvik explained that in order to move forward with readjusting the policy or with current submissions, he needs specifics on what Council wants to see in a policy. Sandvik shared that it is staff's opinion that the policy is okay, and that more engagement measures can be added into the current policy.

Member Parisian followed up on an idea from Mayor Blonigan that a resolution be passed that acknowledges Council's unanimous agreement to rename Sanborn Park. She shared that this could a good segway for the new Council to tackle the project. Member Murphy stated that he is fine with having the next Council take this project on, and that people might participate more with park renaming during the summer when weather is nice. Mayor Blonigan emphasized that he wants to see widespread community engagement. He suggested the idea of sending out a postcard to take a poll from residents on their suggestion for names. Mayor Pro Tem Wagner expressed that he does not think that having an open form on the website where folks can submit names for any park at any time is a good idea, as was done with the previous policy. Member Greenberg agreed that an online form should be open for only a set period of time.

Member Greenberg reemphasized his opinion that parks should not be named after people. Mayor Pro Tem Wagner agreed that the new Council should continue to discuss this idea. A resident argued that there are some families or people that could have a park named after them, like a Robbinsdale family that lost three children in World War II.

Sandvik concluded that he will prepare a resolution for the second council meeting in December that captures Council's intention to rename the park.

STAFF UPDATES

A. Staff Updates

Sandvik shared that he and the Finance Director met with the County Assessor and discussed that they are looking at a reasonable increase next year of less than 3% for both residential and commercial industrial. He shared that as valuations go into the new year, staff will think about that in relation to budget. He explained that the County Assessor could come speak to Council if they would like.

Sandvik provided an update on the organized hauler RFP. He shared that a review of proposals was done by the City Engineer, Finance Director, Senior Engineering Technician, Sustainability Coordinator, UB Technician, and the City Manager. He explained that they evaluated proposals on a scale of 70% cost, 15% customer service, and 15% other factors, which includes sustainability, technology, and recommendations from other cities. He reminded Council that the contract ends on April 1, but that staff will bring a suggestion forward at a Council meeting in December.

COUNCIL UPDATES

Mayor Blonigan shared that as he ends his time with City Council, he feels very good about the Councilmembers that will remain and the new Councilmembers that are joining in the new year.

Sandvik shared that there will be an open house for Mayor Blonigan on December 17, 2024, celebrating his 44 years on the Robbinsdale City Council.

ADJOURNMENT

Mayor Pro Tem Wagner adjourned the meeting at 10:35 PM.



Rachel Leen, Communications Coordinator

Aaron Wagner, Mayor Pro Tem