



## MINUTES

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### CITY COUNCIL WORK SESSION CALLED TO ORDER

Mayor Pro Tem Blackledge called the meeting to order at 7:23 PM.

### ROLL CALL

Present: Mayor Pro Tem Blackledge, Member Wagner, Member Parisian, Member Greenberg, Mayor Sutton

Absent: Mayor Sutton was absent from 7:23 PM to 8:12 PM.

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

### DISCUSSION

#### A. November 18th, 2025, Liquor Store Operations Public Hearing Preparation

Sandvik shared an update on Robbinsdale Wine & Spirits, noting operating losses in recent years that trigger a required public hearing after two consecutive years. Financial history provided in the handout showed reserves of approximately \$700,000 in 2020, followed by declines as pandemic-era sales tapered and consumer drinking habits shifted. Losses peaked in 2022, coinciding with staffing and retention challenges.

Staff noted improved employee retention in 2023 and 2024 and outlined ongoing efforts to stabilize operations, including exploring low-potency retail, evaluating a loyalty program, tracking beer and wine trends, and increasing promotion through City communications and CCX. In 2025, the store is showing \$49,999 in income to date, compared to approximately \$32,000 at the same time last year. Sandvik highlighted that a key financial change was reducing “transfers out,” historically around \$200,000 annually, beginning in 2024 to support recovery.

Mayor Pro Tem Blackledge asked about staffing levels. Sandvik shared that the store employs a manager, assistant manager, and two additional full-time staff, with part-time employees bringing total staffing to 14.

Member Greenberg questioned long-term viability, emphasizing that the liquor store is intended to benefit the City. He suggested expanding non-alcoholic options and increasing promotions to return to profitability and resume contributions to parks and public safety. Sandvik acknowledged that improvements have taken time but reiterated that 2025 income is significantly higher than last year, with the holiday season still ahead. He noted ongoing cost-saving efforts and expressed cautious optimism.

#### B. 2026 (Proposed) Utility Fees

The Mayor was absent but submitted written comments requesting additional rationale and historical context for the proposed utility rate increases, along with water conservation messaging to be shared through City communications.

Staff presented proposed utility rate increases to support ongoing operations and future infrastructure needs. The proposal includes a 5% water rate increase to continue repayment for Water Tower I and the Water Treatment Plant and to fund future projects such as water main replacements and Water Tower II. Sanitary

sewer rates would increase by 2%, storm sewer rates by 1%, and waste hauler rates by 4%, as required by the organized hauler contract.

Staff reviewed fund statuses, noting steady liquor store sales with modest growth and slight assumed growth in DMV revenues, which are state regulated. The Parks Improvement Fund is projected to have a 2026 balance of \$2,522,220, with future spending planned for Sanborn Park Phases I–IV and Master Plan implementation. The Street Reconstruction Fund is projected to decline by more than \$2 million, with an estimated balance of \$7,986,823 by the end of 2026.

Member Greenberg confirmed that the estimated \$14.29 monthly increase for a two-unit household reflects all proposed utility increases and noted that utility rate changes often generate more resident concern than property taxes. Sandvik responded that Robbinsdale’s aging infrastructure requires continued investment and that similar challenges will affect neighboring cities. He also noted cost savings from the Water Treatment Plant, reduced reliance on home water softeners, and future revenue from connecting the hospital.

Member Wagner noted that bimonthly billing means residents may see increases closer to \$30 per cycle. While acknowledging the burden, he stated that maintaining infrastructure is a core City responsibility and supported the proposal. Member Parisian asked about the relationship between utility rates and the levy; Sandvik explained that lowering the levy would not reduce utility rates in the short term and that steady increases help avoid larger future spikes. Mayor Pro Tem Blackledge emphasized the importance of clear resident education.

McCoy explained that much of the City’s infrastructure is underground and aging, with 60–75% of the sanitary sewer system installed during the City’s earliest development. Full replacement is not feasible at once, requiring prioritization of the most critical areas. He noted that system failures, including recent stormwater issues, highlight these challenges.

Member Greenberg asked whether rates would be lower if the hospital were already connected; Sandvik responded that while short-term rates would not change, long-term rate sustainability would improve.

### C. 2026 Legislative Priorities

Sandvik introduced a discussion on legislative priorities looking ahead to 2026, noting the goal of engaging legislators earlier in the year.

He highlighted the concept of a Social District, where cities designate an area allowing alcohol consumption between participating businesses, effectively creating a shared patio space. Anoka and Shakopee were cited as successful examples. Sandvik noted that Robbinsdale’s downtown corridor lends itself well to this idea, with Council needing to determine seasonal timing and approve moving the concept forward legislatively. Council expressed support.

Sandvik then discussed local sales tax authority, noting a legislative moratorium that may be lifted. A local option sales tax could be used for regionally significant projects, such as a public works facility or the Sanborn Park building, and would require legislative approval followed by a public referendum in an even-numbered year. Sandvik explained that eligible projects must serve a regional purpose, though language may evolve. Council supported the concept, noting the benefit of spreading the tax burden beyond Robbinsdale residents.

Sandvik reviewed additional legislative priorities expected to carry over from 2025. Regarding group homes, he explained that cities lost the ability to license and inspect them, leaving oversight primarily to the Minnesota Department of Health, which lacks sufficient resources. While most group homes operate well, the City has concerns about limited ability to address unsafe conditions. Council expressed support for restoring local inspection authority.

On Local Government Aid and Fiscal Disparities, Sandvik stated the City will continue advocating for increased funding and preservation of the existing formulas.

For light rail, the City will continue advocating for Robbinsdale's interests, including anti-displacement funding, meaningful participation, and equitable resources.

For public safety, Sandvik noted that a one-time funding allocation in 2023 supported training, capacity, and social work. As legislative mandates continue to expand, the City will advocate for sustained funding to meet those requirements.

On housing, Sandvik reviewed recent "missing middle" legislation and efforts to reduce local control, including changes to setbacks and parking requirements. Staff supports preserving local decision-making authority and maintaining public hearing requirements, emphasizing the importance of resident input even if it lengthens development timelines.

Regarding franchise broadband and internet service providers, Sandvik discussed the City's inability to collect fees for cable and questioned whether broadband or fiber could be treated as a utility. He noted Woodbury's approach and emphasized the City's belief that broadband access should be universal for residents, schools, and businesses.

On PFAS, Sandvik acknowledged the funding received, but stressed the need for continued financial support to meet evolving regulatory requirements.

Member Wagner asked about coordination with Hennepin County on shared priorities. Sandvik responded that Commissioner Lunde is responsive and that the City actively coordinates infrastructure projects and funding. McCoy added concerns about current cost-sharing practices, particularly related to pedestrian and bicycle infrastructure.

Member Parisian noted that the League of Minnesota Cities recently adopted its legislative priorities and asked about available advocacy resources. Sandvik explained that LMC forms issue-specific committees after the session and provides opportunities for local officials to engage throughout the legislative process.

## **STAFF UPDATES**

### **A. 2026 Budget Updates, Fee Schedule Updates**

Sandvik provided a budget update, noting that the City is in the final stages of the process. Staff are targeting December 2 for the Truth in Taxation notice. He reminded Council that staff initially presented a 10% levy increase, which was reduced to 8% in the preliminary budget.

Sandvik explained that following the 2024 Class and Compensation study, the City is catching up on personnel costs, which remain the largest budget driver. This includes health care costs, which increased approximately 11% over last year. To reduce the levy, staff have explored combining positions across Engineering, Administrative Services, and other departments. Staff have also considered debt service, noting that favorable interest rates have helped mitigate long-term impacts.

Sandvik reviewed the annual and monthly tax impact for a median-value home and presented comparisons between an 8% and 7% levy increase. Moving to 7% would require additional use of reserves and deepen the projected deficit. Mayor Sutton expressed a desire to land below 8% to demonstrate responsiveness to residents, particularly since last year's increase was also 8%. Member Wagner echoed the goal of staying below last year's increase.

Member Greenberg stated that a 7% increase appeared manageable based on the reserve impact, but cautioned against creating a larger levy spike in future years. Member Wagner raised the possibility of a 7.5% levy, and Council discussed the difference between 7% and 7.5%.

Mayor Pro Tem Blackledge and Member Parisian both expressed greater comfort with 7.5%, citing long-term stability and the need to confidently defend the decision if higher increases are required in future years. Council reached consensus on a 7.5% preliminary levy increase. Sandvik thanked Council for their deliberation and noted that while reserve use creates some concern, the budget assumes full staffing and remains conservative. Mayor Sutton asked that staff be formally thanked for their work, emphasizing Council's appreciation for City operations.

Sandvik then reviewed proposed updates to the City fee schedule which include small recreation, DMV, and engineering fee updates. The most significant fee updates are within Community Development, primarily related to services administered by the Building Official. Rand shared that the City's contract with Rum River continues to perform well under an 80/20 fee split, with the City retaining 20%. Fees are being adjusted to better align with actual service costs, with additional formatting improvements for clarity. She emphasized that the changes are modest and not intended to generate profit.

#### B. Updates to Employee Handbook/City Manager Contract

Sandvik shared that the Employee Handbook is updated annually to reflect changing policies and best practices. When substantive updates are proposed, staff bring them to Council for review. He noted that any changes with a financial impact, such as Paid Family and Medical Leave (PFML), are highlighted for Council.

Sandvik explained that staff are proposing a new Paid Time Off (PTO) model that combines sick and vacation leave into a single bank. Employees would have the option to remain in the current system or transition to the new PTO structure.

Member Wagner asked whether the PTO accrual rate would increase under the new system. Sandvik confirmed that accrual rates would be higher to incentivize participation. Sandvik added that all bargaining units have been offered the same option, and staff and Council briefly discussed union considerations.

#### C. Geothermal Update

McCoy shared a brief update on the proposed Darcy geothermal system for the new Public Works Facility. McCoy explained that earlier concerns involved drilling a full-sized test well that would later need to be filled. Based on existing water test data, staff and consultants are confident geothermal is feasible and can instead proceed with a smaller test boring to confirm subsurface conditions. The proposed 4-inch boring would cost approximately \$30,000 and would allow the drilling team to familiarize themselves with site geology ahead of the full production well. McCoy noted that this approach avoids the need for a larger test well, which would have cost approximately \$100,000 and then been abandoned, making the smaller boring a more cost-effective option.

### **COUNCIL UPDATES**

Mayor Sutton shared that he will be attending a lunch for Veterans hosted by MAGV on Thursday, November 13.

#### A. Consider Golf Cart Ordinance Language

Mayor Sutton shared that during National Night Out, a resident asked whether golf carts are permitted in the City. He expressed openness to allowing them, provided their use is legal and subject to appropriate safety standards, including headlights and taillights.

Member Greenberg asked whether neighboring communities have adopted golf cart ordinances. Sandvik noted that the question is newly raised but staff can research local practices if Council wishes to pursue it. Mayor Pro Tem Blackledge asked about existing state regulations. Sandvik explained that state statute defines what constitutes a vehicle, though there may be local discretion on specific provisions. Member Wagner expressed support for exploring a golf cart ordinance, as long as they are not allowed to be used in public parks, trails, or bike paths.

#### B. Consider Letter to Robbinsdale School District - School Closures

Member Greenberg shared that he drafted a letter to the school district that raises equity concerns related to proposed school closures, noting that Robbinsdale Middle School is slated to close and that closure of Lakeview School would leave no schools located within Robbinsdale. He expressed concern that schools are a key factor in why people choose to live in a community and urged Council to work together to advocate for keeping Lakeview School open due to its value to the community.

Member Greenberg added that the district has stated Lakeview parents are less engaged, but he suggested this may reflect socioeconomic barriers, as families may lack the time and resources to participate. Mayor Sutton agreed that having no schools within the City would be a deterrent and expressed support for the letter. He also raised the possibility of a future partnership with the school district to repurpose the Robbinsdale Middle School building as part of a Civic Campus concept.

Member Wagner expressed hesitation to recommend specific alternatives to the district and suggested keeping any correspondence general. He also noted concern about agreeing on Council language given the short timeline and suggested that Member Greenberg could send a letter in his individual capacity.

Sandvik suggested drafting a brief letter reflecting the key concerns raised and extending an invitation for the Superintendent to present to Council. He noted uncertainty about timing if the district plans to take formal action soon. Council agreed that Sandvik would send a brief letter on behalf of the City, while Member Greenberg would send his own letter as an individual Councilmember.

Member Greenberg shared that he plans to attend the school board meeting and an upcoming community event with the Superintendent to continue the conversation.

Mayor Pro Tem Blackledge expressed interest in the Civic Campus concept at Robbinsdale Middle School. Sandvik noted ongoing conversations with the district and stated that any future redevelopment would need to account for environmental considerations, though the site at 36th Avenue and Highway 100 could be well suited for taxable redevelopment if it became available.

#### C. Direct staff to review Municipal Consent

Mayor Sutton shared that he recently spoke with the developer that was interested in the U.S. Bank site, and stated that there remains strong interest in the site. However, the planned park-and-ride is still slated for that location. Given the City's financial pressures and project needs, he emphasized the value of maximizing tax revenue through redevelopment. He encouraged reconsideration of the park-and-ride location when

discussions resume, allowing development to move forward on the U.S. Bank site. Mayor Sutton outlined two possible paths: engaging the Met Council to explore flexibility or revisiting municipal consent.

Sandvik noted that for development to proceed, formal submissions beyond conceptual designs would be required. He explained that municipal consent is tied to 30% design under statute, and that substantial changes, such as a site relocation, could trigger additional municipal consent. He asked whether Council had interest in exploring legal options related to municipal consent.

Rand shared that another developer at the 42nd Avenue site is gradually submitting required materials, including letters of intent and environmental review, to be prepared when market conditions improve. Sandvik stated that without a formal development proposal, it is difficult to act at this time, though staff could explore potential municipal consent options if the issue arises later.

Member Parisian expressed that she does not support allocating City resources to explore municipal consent options without a concrete proposal. Member Wagner, Member Greenberg, and Mayor Pro Tem Blackledge agreed, while noting interest in reviewing a formal proposal if one is submitted.

### **ADJOURNMENT**

Mayor Pro Tem Blackledge adjourned the meeting at 10:39 PM.

Signed by:



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Rachel Leen, Communications Coordinator

Signed by:



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Raymond Blackledge, Mayor Pro Tem