1. **CALL TO ORDER**
Mayor Wallen called the meeting to order at 5:00 p.m.

2. **ROLL CALL**
Council Members present: Seth Hansen, Rose Johnson, Paul Knier, Mike Wallen, and Scott Zettervall. Also present: City Administrator Clay Wilfahrt, Finance Director Deb Wegeleben, City Clerk Gina Wolbeck, Community Development Director Hanna Klimmek, Police Chief Joel Scharf, City Planner Michael Healy, Code Enforcement Intern Lorrie McKee, Liquor Store Manager Greg Zurbey, and Consultant City Engineer Jared Voge from Bolton and Menk.

3. **PROPOSED AGENDA**
Council Member Knier motioned to adopt the proposed Agenda as presented. Seconded by Council Member Johnson, unanimous ayes, Agenda adopted.

4. **BUSINESS**

4A. **Sherburne County Tobacco 21 Presentation**
Amanda Larson, Manager of the Sherburne County Public Health and Economic Supports Division of the Health and Human Services Department presented information on the County’s Tobacco 21 campaign known as T21. The T21 campaign is an initiative to raise the legal tobacco procurement age from 18 to 21. Larson noted that law enforcement agencies in the County have signed a letter of support for the campaign, and informed Council that upon direction from the County Board, local municipalities will be asked to adopt a Resolution of Support recommending that Sherburne County raise the minimum legal sales age for tobacco products to 21.

Council Member Knier asked if this is a county wide decision. Larson explained that the County wants to take into consideration feedback from all cities located in Sherburne County.

Joel Scharf clarified that Police Chief’s in the County have not yet signed the law enforcement support letter.

Council Member Hansen stated that it comes down to parenting, and expressed that he struggles with the City over-reaching our governmental control.

Mayor Wallen recommend that all Council Members contact Commissioner Danielowski to provide their feedback on the County enacting T21.
4B.  2020 Budget/Levy Review

Deb Wegeleben reviewed 2020 General Fund and Enterprise Fund budget concept numbers, and reviewed proposed Capital Improvement Plan (CIP) needs. Wegeleben explained that the Net Tax Capacity is projected to increase 10.09% over 2019, and the total Levy amount for 2020 is projected at $4,565,953 which is an increase of $236,543. The tax rate is a projected decrease of 1.21% over the 2019 City Tax Rate. Wegeleben also discussed the General Fund Levy increase of $343,373 for a total amount of $3,221,819, a Debt Levy decrease of $106,830 for a total amount of $1,214,134, and that the EDA Levy is projected to remain the same at $130,000. Wegeleben also reviewed current budgeted expenditures. Expenditure items causing significant change from the 2019 budget include an increase to wage/benefits by $192,000, an increase of 8.49% to Health Insurance premiums, an approximate 5% increase to workers compensation insurance, a 0.75% increase to PERA for the Police Department, a 2.5% COLA increase to the comprehensive pay scale for both police union and non-union employees, for public works union employees a 2% COLA increase per their contract that ends in 2019, and projected step increases of 3%. Wegeleben reviewed operations line item increases totaling $136,232, and the $64,419 decrease in transfers to other funds. Wegeleben also discussed proposed budgeted revenues. Revenue items causing significant change over the 2019 budget include a $371,747 increase to property tax revenues, an increase of $174,050 in license and permit revenues, and a decrease to the Liquor Store transfer totaling $450,000 instead of the $600,000 projected for 2019. Wegeleben also reviewed the Capital Infrastructure Improvement and Replacement Fund, the Equipment and Building Replacement Fund, various Enterprise Funds, and the Capital Improvement Plan.

Wegeleben stressed that the City’s debt schedule is very aggressive, and acknowledged that debt is something that should continue to be used and managed responsibly. Wegeleben also noted that debt payments are not allowed to be prepaid or paid down in advance according to law. The City’s debt is regulated by legally binding contracts which dictate when a bond can be called. Wegeleben informed Council that the earliest date the City can call a bond is 2021.

Council asked for information on what the process will be for setting our budget. Wegeleben noted that Council will be asked to set the Preliminary in September and the final budget in December. In the past, budget discussion has been on Council Workshop agendas as needed from August throughout the adoption of both the Preliminary and Final Budgets.

Council directed staff to survey Council to determine a date to hold a dedicated Budget Workshop in the coming weeks. Wegeleben reiterated that Council will be asked to set the Preliminary Levy at the first meeting in September.

4C.  Review of Personnel Policy Amendments

Deb Wegeleben reviewed proposed amendments to the City’s Personnel Policy including updates to the cell phone policy, exempt time off, closing early on Christmas Eve, new hire vacation accrual, and outside employment requirements.
Council directed staff to move forward with bringing the City Personnel Policy amendments to a regular meeting for Council consideration.

4D. **Discuss Xcel Energy Easement Agreement Request**

Clay Wilfahrt reviewed the easement agreement request submitted by Xcel Energy for gas lines and equipment along Putnam Avenue. The easement area would be 15 feet of property along Putnam Avenue from Highway 25 approximately 220 feet east on City-owned property across the street from Veteran’s Memorial Park. Xcel Energy has indicated that the regulator stations are needed to help with natural gas supply to avoid supply issues like what occurred last winter. Wilfahrt noted that Bolton and Menk has advised that Xcel would likely be able to install their regulator stations in the existing right-of-way, but that they would prefer moving their station further back to provide more safety due to greater separation of their utilities from the CenterPoint Energy gas lines. Additionally, moving the regulator stations away from the street would give greater clearance from snow plows.

Wilfahrt noted that the City-owned land on Putnam Avenue is currently vacant, and that there has been discussion in the past about converting the land to a parking lot, or including it in a larger redevelopment of the entire block. This easement would make a parking lot on that property more difficult, but that a redevelopment could still be possible. Staff also discussed concerns with possible visual concerns with the regulator stations being placed in this area. The City could request screening of the stations, but there would still be some level of visual impact to the area, and screening could also draw attention to the area.

Wilfahrt also noted that Xcel has indicated that these types of utility improvements generally do not include compensation for the easement area. Any compensation would need to be routed through the Public Utilities Commission for approval. Wilfahrt noted that this item is on tonight’s Consent Agenda for approval and if Council wishes to make any changes to the agreement, the item should be pulled from Consent for separate consideration.

Council Member Knier asked how often utility companies have service issues. Staff explained that this project will be in coordination with a series of improvements between Becker and Big Lake to help meet the utility needs of residents in this area.

The consensus of the Council was to bring this item to Council for consideration.

4E. **Bee Keeping Ordinance Review** - Council tabled this item due to a lack of time.

4F. **New Ideas Discussion** – No discussion due to a lack of time.

5. **OTHER** – No other discussion was held.
6. **ADJOURN**

Council Member Hansen motioned to adjourn at 5:50 p.m. Seconded by Council Member Zetervall unanimous ayes, motion carried.

______________________________  08/28/19  
Gina Wolbeck                    Date Approved By Council  
City Clerk