



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, MAY 14, 2024
7 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Dan Louismet called the meeting to order at 7:04 p.m. The City Clerk took attendance for Councilmembers Kevin Edberg, Steven Engstran, Heidi Hughes, Bill Walsh, and Andrea West. Staff in attendance were City Manager Lindy Crawford, Assistant City Manager Rick Juba, Public Works Director/City Engineer Paul Kauppi, Community Development Director Jason Lindahl, Fire Chief Greg Peterson, Environmental Specialist/Water Resources Engineer Connie Taillon, City Attorney Troy Gilchrist, and City Clerk Caley Longendyke.

Technical difficulties hindered the display of PowerPoint presentations. Printed copies of the presentation were distributed to elected officials and members of the public.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on April 23, 2024

It was moved by Councilmember **Engstran**, seconded by Councilmember **West**, to approve the minutes. Motion carried unanimously.

3. APPROVAL OF THE AGENDA

Mayor Louismet reported the addition of an agenda item under *Visitors and Presentations* to recognize Public Works employees. It was moved by Councilmember **Engstran**, seconded by Councilmember **Edberg**, to approve the agenda as amended. Motion carried unanimously.

4. CONSENT AGENDA

- A. Accept minutes: March White Bear Lake Conservation District, March Park Advisory Commission, March Environmental Advisory Commission, April Planning Commission
- B. Resolution approving the use of Railroad Park by Main Street, Inc. for Dog Days Downtown **Res. No. 13357**
- C. Resolution approving a license agreement with the White Bear Lake Youth Football Association for improvements at Podvin Park **Res. No. 13358**
- D. Resolution approving a minor subdivision and variances at 1783 Highway 96 **Res. No. 13359**
- E. Resolution accepting a Source Water Protection Implementation Grant from the MN Department of Health **Res. No. 13360**
- F. Resolution accepting a Firearms Storage Grant from MN Department of Public Safety **Res. No. 13361**

It was moved by Councilmember **Edberg**, seconded by Councilmember **Engstran**, to approve the consent agenda. Motion carried unanimously.

5. VISITORS AND PRESENTATIONS

A. Swear in Assistant Chief / Fire Marshal – Josh Waylander

Fire Chief Peterson introduced Josh Waylander as the new assistant chief / fire marshal and shared his background. The City Clerk administered the Oath of Service.

B. Minnesota City/County Managers Association Outstanding Service Award Recognition – Rick Juba

City Manager Crawford recognized Assistant City Manager Juba for receiving the 2024 Minnesota City / County Managers Association Outstanding Service Award, an award that is given to one local government manager in the state each year. City Manager Crawford read his nomination, which she submitted. Assistant City Manager Juba shared his appreciation for the recognition. He passed along the recognition to elected officials and City staff for supporting his work. Mayor Louismet commended and thanked him for his hard work and dedication to the City.

C. Public Works Week Proclamation and Recognition

Mayor Louismet read a proclamation recognizing the dedication and service of public works professionals in the community and the observation of Public Works Week in White Bear Lake from May 19-25, 2024. He shared his appreciation to City staff for their hard work and said he and the Council receive compliments from community members about their services. City Manager Crawford reminded the public of the Public Works Open House scheduled for May 22.

6. PUBLIC HEARINGS

A. Minor subdivision and vacation of drainage and utility easement requests at 5005 Bald Eagle Avenue

Community Development Director Lindahl presented a request for a minor subdivision to split the property at 5005 Bald Eagle Avenue into two parcels and vacation of existing drainage and utility easements to reestablish them along the new lot line. Director Lindahl provided historical information on the property lines. Based on the findings made in the report, both the Planning Commission and staff recommends approval of this request.

It was moved by Councilmember **Edberg**, seconded by Councilmember **Hughes**, to approve **Res. No. 13362**, accepting granting a minor subdivision for 5005 Bald Eagle Avenue. Motion carried unanimously.

It was moved by Councilmember **West**, seconded by Councilmember **Hughes**, to approve **Res. No. 13363**, accepting resolution vacating certain public easements. Motion carried unanimously.

B. 2023 Storm Water Pollution Prevention Program

Environmental Specialist / Water Resources Engineer Taillon presented the annual report on the Stormwater Pollution Prevention Program (SWPPP). She shared information on the Municipal Separate Storm Sewer System (MS4), which is the system of stormwater

conveyance, such as streets, curb and gutter, ditches, and storm sewer. The system must satisfy requirements of the MS4 General Permit, issued by the Minnesota Pollution Control Agency (MPCA). The permit reduces the amount of sediment and other pollutants entering state waters from stormwater systems. Taillon presented the required six components of the stormwater pollution prevention program and what the City's has done in response to the areas. She said if a city's MS4 flows into an impaired water body, there are additional requirements for a city to help restore those lakes. These impairments include specific pollutants, such as nutrients, sediment, chloride, and bacteria. She shared the various impaired water bodies connected by the City's MS4 and how the City is addressing them. Other MS4 permit requirements include distribution of educational materials and maintaining certain ordinances addressing City responsibilities (e.g. salt storage) and community member responsibilities (e.g. picking up pet waste on City-owned property). Taillon thanked partnering organizations and volunteers who support the City.

Councilmember Edberg asked about the main source of phosphorous in Oak Knoll Pond. Taillon explained that the watershed district of Oak Knoll Pond is mostly residential, so it is likely a combination of yard treatment runoff, leaves, and grass clippings. She said property owners on the water are encouraged to create a native buffer on their shorefront to help filter pollutants. Besides the native buffer, Councilmember Edberg asked what other solutions are being offered to residents. Taillon said the MS4 permit requirements address this, including the City having to educate residents. He asked how the City is controlling chloride use, and Public Works Director / City Engineer Kauppi said the City's truck operators participate in smart salting training and the City pretreats its salt to make a lesser amount of salt more effective. Councilmember Edberg shared his support for staff to continue looking into ways to reduce salt use.

Councilmember Walsh asked for an update on the Oak Knoll Pond Spent Lime Demonstration Project. Taillon said there is likely four treatment applications left. Following each treatment, Vadnais Lake Area Watershed Management Organization (VLAWMO) monitors the pH level to ensure it doesn't affect aquatic life. By the end of the project, there will be reported data, which will indicate if it's an effective treatment for larger waterbodies.

7. UNFINISHED BUSINESS

Nothing scheduled.

8. NEW BUSINESS

A. Sale of the 2024A General Obligation Bonds

Finance Director Kindsvater reported on the bond sale for the 2024A General Obligation (GO) Capital Improvement Bonds. The Council authorized the issuance of \$2,505,000 improvement bonds on April 9, 2024. The bonds will fund the 2024 Pavement Rehabilitation Project. During the process, S&P Global Ratings assigned its AA+ rating to bonds and affirmed their AA+ long-term rating on the City's outstanding GO debt. She listed the various criteria that explain the classification of the AA+ rating and stable outlook, including very strong economy, strong budgetary performance, and strong management. The City is one step below the highest possible rating of AAA.

Director Kindsvater reported that six bids were received, all within a tenth of a percent. Compared to rates before and after the pandemic, she reported that the submitted bids are within range. The lowest bid, from BAIRD, is less than a tenth of a percent (.08 basis points) lower than the estimated 3.4889% used by Ehlers, Inc. in their original projections in the April 9, 2024 Pre-Sale Report. The lower interest rate reduces the principal and interest over the life of the bond by \$5,786. The pre-sale report estimated the annual tax levy for the bond's life to be in the range of \$175,795 to \$181,126. Based on the bond sale information, the actual tax levy will be in the range of \$175,159 to \$180,183, with an average annual decrease of approximately \$1,290. City Manager Crawford recognized the hard work of the Finance Department.

Councilmember Walsh asked if the City has to pick the lowest bid or if it can consider other options. Municipal Advisor Dan Tienter from Ehlers offered information and explained that the Council authorized a structure that would accept the lowest true interest cost on the bond, which results in the lowest possible amount of interest the City would pay over the life of the bond. There are different offering structures that allow flexibility to consider other bids. Tienter noted that the six bids being within a tenth of a percent is a good test of the market. Councilmember Walsh asked how the bids end up so close in percentage. Tienter shared information about the bidders monitoring the market in real time and researching broader metrics. Councilmember Edberg asked how White Bear Lake compares to other cities with the same bond rating. He described the various areas of comparison, but generally other cities with similar ratings should be receiving the same bids during a similar timeframe. He provided an overview of the rating metrics. City Manager Crawford asked Tienter to describe the preparation for the bond rating call. Tienter described the information exchanged between Ehlers, the City, and S&P Global Ratings. He summarized the type of questions asked by S&P Global Ratings. City Manager Crawford thanked Ehlers for their work and reaffirmed the hard work that goes into the bond rating calls.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Edberg**, to approve **Res. No. 13364**, awarding the sale of General Obligation Improvement Bonds, Series 2024A, in the original aggregate principal amount of \$2,290,000; fixing their form and specifications; directing their execution and delivery, and providing for their payment. Motion carried unanimously.

B. Variance request at 3521 Century Avenue – Solid Ground

Community Development Director Lindahl presented a variance request for Solid Ground, located at 3521 Century Avenue, from the parking requirement of one enclosed parking stall per dwelling unit. The applicant is requesting the variance in order to demolish the existing garages and replace them with 19 surface parking stalls. Using the practical difficulty criteria in state statutes, the Planning Commission and staff found that the applicant hasn't demonstrated a practical difficulty with meeting the City's zoning regulations and recommends denial of this request. The staff report outlines the findings in detail.

Councilmember Walsh asked why the City has a requirement for enclosed parking. Director Lindahl explained the intent of providing an indoor space is to store vehicles and belongings. Parking has been an important component in developments and he mentioned discussions

about parking standards for market rate developments versus affordable housing. Even though the City sets its policies about off-street parking, the variance process binds staff to the review criteria set by state statutes. He said there's an opportunity to review the standards between the types of housing. Councilmember Hughes wondered if safety could be considered a factor for practical difficulty, both for the way the garage stalls are misused and the condition of the garages. Director Lindahl said safety is not included in the practical difficulty criteria. When asked if safety could fall under unique circumstances, Director Lindahl said that criteria is in regards to the land and the natural features. Councilmember West asked if there were any comments by surrounding neighbors, and Director Lindahl said there were none submitted.

Councilmember Edberg asked if there are other multi-family housing facilities that don't have enclosed parking. Director Lindahl said there are some, but noted that those facilities were probably not subject to the parking standards based on the age of the facilities and most likely pre-dating the ordinance. He provided examples of parking variances that include providing more enclosed parking and having proof of parking. He noted that Solid Ground already meets a lesser standard for parking, and would further that by removing the enclosed parking.

Mayor Louismet invited Diamond Hunter, executive director of Solid Ground, to provide comments. Hunter shared about Solid Ground and the services they provide. She said since many of the tenants are survivors of domestic abuse and live under aliases, the garages pose a safety risk by creating blind spots on the property. She said Solid Ground is updating its security measures and said removing the garages would support tenant safety.

Mayor Louismet said there is an opportunity for the City Council to review and reconsider parking standards in the future, but the variance request should follow the process currently in place and that there is a duty to honor the ordinance and the review process in state statutes. Upon a site visit, he observed personal belongings being stored in the garages and has concerns where they will be stored if the garage is demolished. The applicant later addressed this and said there are personal storage units in the building and they're working with tenants to utilize them over the garages. He recommended that City Council consider upholding the denial.

Councilmember Engstran made a motion. Discussion continued among Councilmembers. Councilmember West asked if the applicant could withdraw their application. City Attorney Gilchrist said that is an option and advised a withdrawal be in writing. Councilmember West wondered if there was an opportunity to amend the Zoning Code so this type of request wouldn't require a variance. Councilmember Walsh expressed feeling conflicted and recognized the uniqueness of the situation and the reasoning for the variance request. He would consider treating this request differently. Councilmember Hughes shared her support for the variance and understood the argument for safety. She recognized it's a different situation and didn't feel it appropriate to apply the same standards. Councilmember Edberg also expressed his conflicted feelings, but didn't see how a practical difficulty can be created based on the staff analysis. He shared concerns for other variance requests expecting to be approved if City Council moves away from the review process. Mayor Louismet agreed with this concern. Separately, he sensed that the garages are a financial burden and noted that was not an argument that falls under the practical difficulty criteria. There was discussion about the Zoning Code and reviewing the parking standards for different types of housing.

Councilmember Walsh expressed support for approving the variance and moving forward with reviewing the Zoning Code. Some wondered if other variance requests could be submitted and potentially cause inconsistency. Councilmember West suggested the Council votes to table the request to a future meeting. There was discussion between the Council, City staff and City Attorney Gilchrist about the application deadline and the option for an extension. When asked about what the vision is for tabling the item and postponing the vote, Councilmember West said it would give the applicant time to think about their options based on the Council's discussion. She added that she would most likely not vote to approve the variance based on the findings outlined in the staff report.

It was moved by Councilmember **Walsh**, seconded by Councilmember **West**, to table to resolution denying a parking stall variance at 3521 Century Avenue to the June 11 regular Council meeting. Councilmember Edberg asked if the applicant has an opportunity to resubmit an application if denied. Director Lindahl said the applicant couldn't resubmit an application that is comparable to the original request for at least one year. In response to Director Lindahl's request for direction to staff, Councilmember Hughes requested that staff compile data on parking arrangements of other housing facilities with 30% AMI in surrounding communities and whether they're allowed to opt-out of enclosed parking standards. She believed the Council should exercise the ability to offer variances for these types of situations, to support those living in the community. The motion was carried 4-1, with Councilmember Engstran voting in opposition.

9. DISCUSSION

Nothing scheduled.

10. COMMUNICATIONS FROM THE CITY MANAGER

Nothing reported.

11. CLOSED SESSION

Mayor Louismet announced that the City Council was entering into closed session to develop an offer to purchase real estate and that the conclusion of this meeting would not be video recorded.

It was moved by Councilmember **Hughes** and seconded by Councilmember **Walsh** to go into closed session at 9:12 p.m. to develop an offer to purchase the property located at the southeast corner of Bellaire Ave. and Highway 70 as permitted by Minnesota Statutes, section 13D.05, subdivision 3(c)(3). Motion carried unanimously.

It was moved by Councilmember **Hughes**, and seconded by Councilmember **Engstran** to re-open the regular City Council meeting at 9:40 p.m. Motion carried unanimously.


12. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Engstran**, seconded by Councilmember **West**, to adjourn the regular meeting at 9:41 p.m. Motion carried unanimously.



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, City Clerk