



**MINUTES
REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF WHITE BEAR LAKE, MINNESOTA
TUESDAY, MAY 28, 2024
7 P.M. IN THE COUNCIL CHAMBERS**

1. CALL TO ORDER AND ROLL CALL

Mayor Dan Louismet called the meeting to order at 7:02 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, Public Works Director/City Engineer Paul Kauppi, Community Development Director Jason Lindahl, City Attorney Troy Gilchrist, and City Clerk Caley Longendyke.

PLEDGE OF ALLEGIANCE

2. APPROVAL OF MINUTES

A. Minutes of the Regular City Council Meeting on May 14, 2024

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

3. APPROVAL OF THE AGENDA

Under *New Business*, Mayor Louismet reported the removal of the variance request for 4728 Stewart Avenue, due to the applicant withdrawing their application, and the addition of Proposed City Council Rules of Procedure. It was moved by Councilmember **Edberg**, seconded by Councilmember **Engstran**, to approve the agenda as amended. Motion carried unanimously.

4. CONSENT AGENDA

- A. Resolution approving a temporary liquor license for Pine Tree Apple Classic Fund **Res. No. 13365**
- B. Resolution approving a temporary liquor license for Church of St. Mary of the Lake **Res. No. 13366**
- C. Resolution authorizing a cooperative and maintenance agreement with Ramsey County for County Road F Improvements **Res. No. 13367**
- D. Resolution approving a joint powers agreement with Ramsey County for construction and long-term maintenance of the Bruce Vento Trail, Phase I Trail Improvements **Res. No. 13368**

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

5. VISITORS AND PRESENTATIONS

A. City Attorney Recognition

City Attorney Gilchrist announced that he will no longer be working with Kennedy & Graven, and therefore will no longer be a city attorney for White Bear Lake. He will be pursuing other

endeavors, supporting townships and smaller governing bodies throughout Minnesota. Another Kennedy & Graven attorney will take his place as the White Bear Lake city attorney. Mayor Louismet expressed his gratitude for Mr. Gilchrist and thanked him for his work with the City. He presented Mr. Gilchrist with a bear plaque. He invited former elected officials to say a few words. Former Mayor Jo Emerson shared her appreciation for Mr. Gilchrist and thanked him for his support during her years of her tenure. Former Councilmember Dan Jones thanked him for helping the City get through tough times and hopes his work continues with the Vadnais Lake Area Water Management Organization.

B. 2023 Annual Comprehensive Financial Report

Finance Director Kindsvater introduced Brad Falteysek from Abdo to present the results of the 2023 annual financial audit. Abdo, the City's auditing firm, issued a clean, unmodified audit opinion with no findings noted and no legal compliance findings under Minnesota Legal Compliance guides. He provided an overview of the General Fund and fund balance, and noted that the fund balance is keeping up with increasing budget expenditures. While the fund balance percentage went down slightly from 51.2% to 47.7%, the City is well within its appropriate fund balance range. He compared budgeted to actual amounts for the General Fund. He noted revenues came in about \$1 million over budget, which can be attributed to public safety aid from the state, increased interest revenue, and school district building permit fees. Budgeted expenditures came in almost \$700,000 under budget. The resulting excess in revenue and lower expenditures resulted in contributing to the fund balance, totaling \$9.2 million. Falteysek noted patterns of consistency in General Fund revenue sources and General Fund areas of expenditure. He presented the special revenue fund balances and commented on a couple areas. He said the Economic Development Fund experienced an increase in revenue due to the redistribution of tax increment funds (TIF) returned by the county that followed the decertification of a TIF district in the city. He said a revenue increase shown in the Marina Fund is due to a project that wasn't completed in 2023 and rather was pushed forward. He commented on the Capital Project Fund balances, noting a decrease in the Municipal Building Fund due to the public safety facility bond proceeds being spent down and an increase in the Equipment Acquisition Fund due to depositing public safety aid from the state.

Falteysek presented balances of Debt Service Funds and an overview of Enterprise Funds, including the operating receipts and disbursements, debt payments, and cash balances. He said most funds (Water, Sewer, Refuse and Pioneer Manor) showed positive, consistent results and are meeting or exceeding their targeted fund balances. He noted the drastic increase in operating disbursements for the Ambulance Fund is due to an allocation related to PERA liability and the purchase of an ambulance decreased the cash balance. For the License Bureau Fund, operating receipts exceeded disbursements receipts and the unrestricted cash has experienced a slight increase. Falteysek said the Pioneer Manor receipts continue to exceed the disbursements, but the City uses proceeds towards debt service. Internal Service Fund is experiencing a positive trend. He shared a graph depicting cash and investment balances and noted the growing trend. Councilmember Walsh asked about the status of the debt service for Pioneer Manor and Finance Director Kindsvater said the final payment was made in 2023. When asked about what the City predicted for its surplus and if \$1.7 million was accurate, Director Kindsvater explained that staff projected a surplus of \$76,000, but it was significantly

higher due to receiving public safety aid from the state at the very end of December 2023, when it was expected to be recorded in 2024. She said there were also higher actual amounts from building permit fees, school district-related project fees, and interest earnings.

Lastly, Falteysek shared graphs comparing the City to the averages of cities categorized as Class 2 (populations 20,000- 80,000), cities with populations ranging between 20,000- 30,000, and cities in Ramsey County. He said the City's tax rate and property taxes per capita is much lower than other comparable cities. Debt service expenditures, as a percent of current expenditures, showed a higher amount of long-term debt compared to other cities in Ramsey County, but lower than comparable cities throughout the state. He said the City compares favorably to current expenditures per capita. Capital expenditures showed an increase in 2023 due to the public safety facility renovation project.

Councilmember Walsh asked Falteysek to elaborate on the amount of debt service and how it compares with other cities, noting that he's sensing White Bear Lake is starting to compare with other cities' debt amounts. Falteysek confirmed that debt service is increasing, but White Bear Lake is still able to sustain a flat tax rate. Falteysek said the City is paying off its debt at about the same rate as other cities. Councilmember Edberg asked how the Council could be assured there are adequate internal controls if there were concerns. Falteysek explained that Abdo examines internal controls, but doesn't offer an opinion on it. They evaluate transactions, especially those managed by a single person and transactions with higher dollar amounts. The Council could also observe certain procedures and use a random sample of transactions to evaluate. Councilmember Edberg asked how he could learn more about internal controls. Falteysek suggested reviewing policies and procedures, and to ask questions about financial reports. When asked about how much material is subject to the audit, Falteysek explained that the level of materiality varies on each fund. Councilmember Walsh noted that he trusts staff and also wanted to know more about checks and balances.

It was moved by Councilmember **Walsh**, seconded by Councilmember **Edberg** to approve **Res. No. 13369**, accepting the 2023 Annual Comprehensive Financial Report. Councilmember Edberg complimented and congratulated staff on their work. Motion carried unanimously.

Mayor Louismet acknowledged the questions about checks and balances and noted that it's good due diligence to ask about it. He reiterated the trust that he and the Council have for staff. City Manager Crawford recognized the work of the Finance Department and credited them for the City receiving the GFOA's Distinguished Budget Presentation Award for the 26th year in a row and special recognition for strategic goals and strategies for the City's 2024 budget planning for the first time in the City's history.

6. PUBLIC HEARINGS

Nothing scheduled.

7. UNFINISHED BUSINESS

Nothing scheduled.

8. NEW BUSINESS

~~A. Second Accessory Structure Variance Request, 4728 Stewart Avenue~~

A. Proposed City Council Rules of Procedure

City Attorney Gilchrist presented proposed Rules of Procedures for the City Council to consider. Following a work session on February 13, 2024, the City Council charged him with creating a manageable and simplified set of rules for their meetings. The City Council currently follows Robert's Rules of Order, adopted in 2008, which mostly addresses large governing bodies and doesn't apply to how the City manages its meetings. State statute doesn't mandate any particular set of rules for cities and the City Charter gives City Council the ability to adopt its own set of rules. He said if the City Council were to find itself with a question of parliamentary procedure that goes beyond the new simplified set of rules, they can refer to Robert's Rules of Order to resolve it. He reiterated that the rules are in place to maintain order and allow for an efficient meeting. He reviewed the main areas for the rules of order, including motions, second motions, debate, recess and information about presiding officer. City Attorney Gilchrist summarized each of type of motion and referenced general scenarios when they would be used. He added that the presented resolution allows for the City Council to amend the rules by resolution at any time.

Mayor Louismet thanked City Attorney Gilchrist for creating a simplified list of rules. When asked for clarification on the motion to reconsider, City Attorney Gilchrist provided explanation, including direction for amending an agenda if a councilmember wanted to bring a motion to reconsider a vote on a topic from the preceding meeting. Councilmember Walsh pointed out that the proposed rules wouldn't allow City Council to debate a motion to table. He suggested that the City Council be able to debate it, referencing the last meeting when the City Council did debate it and it went well. Mayor Louismet shared his support for allowing debate to table. Councilmember Edberg recalled a conversation about the City Council having interest in requiring a super-majority vote for Planned Unit Development application, and he wondered how City Council can have discretion to change voting requirements without necessarily having to make a City Charter amendment. For votes relating to PUDs, it would require a City Charter amendment.

It was moved by Councilmember **Walsh**, seconded by Councilmember **West**, to approve **Res. No. 13370**, adopting the Rules of Procedure for City Council meetings, with the amendment to remove the language "Not Debatable" as it pertains to ending debate. Motion carried unanimously. City Manager Crawford noted that other boards and commissions can adopt the rules if they choose.

9. DISCUSSION

A. On Street Parking / Traffic Concerns Near North Campus

Public Works Director/City Engineer Kauppi reported that Staff and Council have received questions and complaints about the parking and traffic flow around White Bear Lake Area Schools' North Campus. The increased traffic and congested street parking have been caused by school construction and roadway improvements. He talked about the parking analysis that was done as part of the project's traffic study, and will be done again in the fall after all the construction and roadway improvements are completed. He provided an update on locations experiencing disrupted parking, including 9th Street, Central Avenue, certain sections of

Division Avenue and 12th Street. In general, he explained why parking restrictions are tricky, saying that it's effective for a traffic safety standpoint, but impacts property owners' ability for their guests to park near their homes. He reiterated upon project completion, the Engineering Department will analyze parking and traffic patterns to find a permanent solution to alleviate on-street parking concerns in the adjacent neighborhoods. Waiting until after the project is completed also allows time for the new student parking permits to be implemented.

Mayor Louismet asked if some parking pressure will be relieved during the summer months. He acknowledged the complaints received and understands the frustration. Councilmember Hughes asked whether or not the City can put up no parking signs on county roadways. Director Kauppi explained the process, saying the City Council would need to identify and request no parking areas on County-owned streets and the County would need to authorize the parking restrictions. Councilmember Hughes noted that most complaints are regarding north of 9th Street on Bald Eagle Avenue, which Ramsey County owns. The Mayor recognized the complexity of no parking restrictions and how it impacts residents. He encouraged residents to reach out and inform City staff with their thoughts. When asked about how parking is handled around South Campus, Director Kauppi talked about the analysis conducted and the outcome, which resulted in allowing on-street parking on certain days and times, and providing residents with parking permits. Director Kauppi said that when no parking signs are installed, cars will drive to where on street parking is allowed, so he brought attention to the difficult decision of where to end the parking restriction boundaries.

Councilmember Walsh shared that he heard that Bald Eagle Avenue on street parking is closer to the fields than the parking lot. He suggested having a conversation with the School District to brainstorm ways to redirect event parking to their parking lots. Mayor Louismet agreed that more education and signage could relieve event parking, but he wants to focus on the day-to-day parking congestion. He recognizes residents are feeling frustrated and reassured that staff will bring attention to this when the project is completed. Director Kauppi addressed comments about "no event parking" signs, explaining that it would be hard to decipher who is parking there for an event and who is parking there for another reason. He hasn't seen this type of signage. Councilmember Engstran noted that a large portion of the parking lot off Division Street hasn't been constructed yet, so that will also help relieve on-street parking once completed.

Community Development Director Lindahl shared that it has been a long construction process for residents, but wanted to provide reassurance that the outcome of the multiple parking analyses will become more apparent once the project is complete and staff has an opportunity to observe its effectiveness. City Manager Crawford said staff will work with the School District to address areas of improvement, such as wayfinding signage for event parking. Councilmember Hughes is concerned that these issues will continue far into the school year before there is resolution, and requested staff to act quickly when able to do so. Mayor Louismet agreed with the urgency. City Manager Crawford asked Director Kauppi to share how long it would take to identify new patterns. Director Kauppi said it will most likely be into the second week of school and after a couple regular football games to determine the new normal and what action needs to be taken. Mayor Louismet acknowledged that the area will fundamentally be different due to two high schools being combined and encouraged residents to recognize that the new school will be a benefit to the community.

10. COMMUNICATIONS FROM THE CITY MANAGER

City Manager Crawford reported that the medicine drop-off box has returned to the public safety lobby following the facility renovation project. She shared information about a free curbside mattress collection provided in partnership with Ramsey / Washington Recycling & Energy and Second Chance Recycling. Upcoming events include an open house for the Otter Lake Construction Project, a ribbon cutting for the White Bear Area Food Shelf, Custard with a Cop at Culver's, and the Kids Bike Rodeo. She reported there have been several incidents of vandalism in park facilities, which has caused staff to close them earlier in the evening. She thanked City Attorney Gilchrist for his work and wished him luck in his next endeavor.

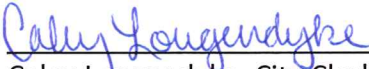
11. ADJOURNMENT

There being no further business before the Council, it was moved by Councilmember **Walsh**, seconded by Councilmember **Engstran**, to adjourn the regular meeting at 8:45 p.m. Motion carried unanimously.



Dan Louismet, Mayor

ATTEST:



Caley Longendyke, City Clerk