



**Regular City Council Meeting Minutes**  
**City Hall Council Chambers, 2660 Civic Center Drive**  
**Monday, July 14, 2014**

**1. Roll Call**

Mayor Roe called the meeting to order at approximately 6:00 p.m. Voting and Seating Order: McGehee; Willmus; Laliberte; Etten; Roe. City Manager Pat Trudgeon and City Attorney Mark Gaughan were also present.

**2. Approve Agenda**

For discussion purposes, Councilmember Laliberte requested removal of Consent Item 7.d and Councilmember McGehee requested removal of Consent Item 7.g, respectively entitled "Approve a Resolution Authorizing the City of Roseville to Participate in the Minnesota GreenStep Cities Program" and "Approve Park Building Electronic Door Access Control and Video Security."

McGehee moved, Etten seconded approval of the agenda as amended.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**3. Public Comment**

Mayor Roe called for public comment by members of the audience on any non-agenda items. No one appeared to speak.

**4. Council Communications, Reports, and Announcements**

Mayor Roe and Councilmembers announced various and upcoming activities and events, including "Coffee with a Cop" (additional information available at 792-7008); and family activities at community parks and "Discover Your Parks" events (additional information available at 792-7006). Information is also available via the City's website at [www.ci.roseville.mn.us](http://www.ci.roseville.mn.us).

Councilmember Willmus announced openings on the Roseville Housing & Redevelopment Authority (RHRA) for terms ending September 23, 2018 (additional information and applications available at 792-7001); with a filing deadline of August 7, 2014 and interviews and appointment scheduled at a subsequent meeting.

Mayor Roe announced upcoming City meetings; and provided an update on the most current negotiations between the ten member cities in the North Suburban Cable Commission and Comcast on the franchise agreement. Mayor Roe reported that the informal negotiation process was going favorably, with two of the three outstanding issues resolved. Mayor Roe noted that the mayors and city managers of the ten member cities continued to meet to address governance and ongoing operations for the Commission, currently suggesting creation of an operating committee made up of those ten community city

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managers and administrators as an advisory board, with such an agreement most likely coming forward under a Joint Powers Agreement once developed.

As a representative of the review committee, Councilmember Laliberte provided an update on the proposed Bus Rapid Transit (BRT) line planned for Snelling Avenue, and since the last meeting the Metropolitan Council's final proposal that eliminated the Roselawn stop in Roseville, or termed it "deferred." Councilmember Laliberte advised that this was news to her as well as the public, and she anticipated discussing it with the Metropolitan Council's District Ten Representative Marie McCarthy when she attended the July 21, 2014 City Council meeting.

### 5. Recognitions, Donations and Communications

#### a. Proclaim "Night to Unite"

Mayor Roe read a proclamation declaring August 5, 2014 at "Night to Unite" in Roseville, MN; calling upon all citizens to join Roseville Neighborhood Watch Groups and the Minnesota Crime Prevention Association in supporting this annual effort.

Willmus moved, Laliberte seconded, proclaiming August 5, 2014 at "Night to Unite" in Roseville, MN; calling upon all citizens to join Roseville Neighborhood Watch Groups and the Minnesota Crime Prevention Association in supporting this annual effort.

#### Roll Call

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

Councilmember Laliberte noted that the City hosted the annual Roseville Family Night Out the evening before, August 4, 2014.

### 6. Approve Minutes

*Comments and corrections to draft minutes had been submitted by the City Council prior to tonight's meeting and those revisions were incorporated into the draft presented in the Council packet.*

#### a. Approve Meeting Minutes

##### Additional Corrections (July 7, 2014):

- **Page 4, Lines 26-30 (Roe)**

Correct to read: "With no objection state, Mayor Roe directed staff to revise the meeting minutes to reflect that Mr. LeTendre's written information provided as a bench handout at the June 23, 2014 City Council meeting [~~were~~] not [~~be~~] attached or included as part of those meeting minutes."

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- **Page 9, Line 38 (McGehee)**  
Correct to read: "...them doing preliminary [*groundbreaking*] [*marketing*] or determining market interest, since it..."
- **Page 33, Line 30 (McGehee)**  
Correct to read: "... [~~#0t~~] impinge on private rights; and opined..."

McGehee moved, Etten seconded, approval of Meeting Special Meeting Minutes of June 18, 2014 as presented; Regular Meeting Minutes of July 7, 2014 as amended; and Special Meeting Minutes of July 9, 2014 as presented.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**7. Approve Consent Agenda**

There were no additional changes to the Consent Agenda than those previously noted. At the request of Mayor Roe, City Manager Patrick Trudgeon briefly reviewed those items being considered under the Consent Agenda, and detailed in respective Requests for Council Action (RCA) dated July 14, 2014.

**a. Approve Payments**

Willmus moved, Etten seconded, approval of the following claims and payments as presented and detailed in the RCA dated July 14, 2014, and attached check register.

ACH Payments	\$215,183.11
74286 – 74365	291,227.43
<b>Total</b>	<b>\$506,410.54</b>

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**b. Approve Business Licenses & Other Licenses & Permits**

Willmus moved, Etten seconded, approval of business license applications for the period of one (1) year, unless otherwise noted, for applicants as listed in the RCA dated July 14, 2014.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**c. Approve General Purchases and Sale of Surplus Items in Excess of \$5,000**

At the request of Councilmember Laliberte, staff confirmed that this expenditure was for painting of the exterior of the skating center.

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Willmus moved, Etten seconded, approval of the submitted list of general purchases and contracts for services presented as follows; and as detailed in the RCA dated July 14, 2014; and Attachment A entitled, "2014 Capital Improvement Plan Summary – Updated 06/30/2014."

<b>Department</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>	<b>Budget / CIP</b>
Skating Center	ECA Electrostatic	Painting – includes pressure wash of painting of the entire facility, priming Arena portion	\$19,400.00	CIP

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**e. Accept the Roseville Area High School Police Liaison Officer Agreement for the 2014 – 2015 School Year**

Willmus moved, Etten seconded, approval of the 2014-2015 Roseville Area School Police Liaison Officer Agreement (Attachment A), and authorizing the Mayor and City Manager to execute the document.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**f. Approve IT Shared Service Agreement with the City of Columbia Heights**

Willmus moved, Etten seconded, approval of an Information Technology Shared Service Agreement (Attachment A) between the Cities of Roseville and Columbia Heights for the purpose of providing IT support services.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**h. Adopt City Manager Goals**

Willmus moved, Etten seconded, approval of the 2014 City Manager Goals as presented in Attachment A to the RCA dated July 14, 2014.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**i. Authorize Fire Department to Use the HGACBuy Purchasing Agreement for Buying New Fire Engine**

Councilmember Willmus advised that his questions of the previous presentation of this item had been answered by Chief O'Neill, including confirmation of a nominal administrative cost of \$2,000 and program warranty concerns addressed.

Willmus moved, Etten seconded, authorizing the Fire Department to use the HGACBuy Program for purchase of the replacement fire engine.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**8. Consider Items Removed from Consent**

**d. Approve a Resolution Authorizing the City of Roseville to Participate in the Minnesota GreenStep Cities Program**

At request of Mayor Roe, City Manager Trudgeon summarized this request as detailed in the RCA dated July 14, 2014.

Councilmember Laliberte expressed appreciation that this item was coming forward following Councilmember Etten's reference at a previous meeting. However, Councilmember Laliberte questioned if the Public Works, Environment and Transportation Commission (PWETC) had signed off on this or were still working on it, and if they preferred to bring it back as a presentation and recommendation.

City Manager Trudgeon advised that it would not be necessary, as the PWETC had worked on the program, and would continue to do so, and the issue has simply dropped down on the priority list by default and was not coming forward for finalization of the agreement to initiate the program toward the next steps.

Councilmember Laliberte expressed interest in always ensuring the City Council's advisory commissions were involved and not omitted from the process.

While there is no financial impact for Step 1, Councilmember Laliberte questioned if future steps or requirements were of impact to the budget, causing the City Council to reconsider participation or defer future steps, how it would affect the City's position in the program.

City Manager Trudgeon clarified that there would be some costs for staff time in documenting information, but if the City continued its same operational methods and programs, it would not fall behind, as they were generally part of standard operational procedures. City Manager Trudgeon noted that there may some a point where the City may opt to strive for more efforts, or there may be a change in regulations in the future, which could result in a cost savings or increases, and at that time a policy discussion may be indicated. However, for the present, City

Manager Trudgeon opined that he didn't anticipate the City falling out of compliance with the program.

Councilmember Laliberte cautioned that entering into such positive programs as this were good steps to take, but the perception of making a decision that may not allow the City to continue in a program long-term was never good; and her goal was to ensure the City continued to meet requirements of the Minnesota Green-Step Cities Program.

City Manager Trudgeon advised that the City was already meeting requirements, and did qualify; but reiterated that if the City chose to strive for a higher step in the future, there may be a cost that would require further discussion by the City Council.

Councilmember McGehee thanked staff for bringing this forward, since she had understood that the process had been started some time ago, but didn't realize a formal resolution was needed. Councilmember McGehee opined that the program had been impressively presented jointly by the PWETC and former Roseville Communications Specialist Tim Pratt. Councilmember McGehee further opined that this was a good program, allowing the City to work toward sustainability efforts and enhancing the goals of the "Living Smarter" marketing campaign, and represented a program designed for long-term sustainability.

Councilmember Etten echoed the comments of Councilmember McGehee; and advised that his rationale in bringing the item up was that the program provided a number of positive ways to run the City for the health of its residents, the budget and overall operations.

Etten moved, Willmus seconded, adoption of Resolution No. 11162 (Attachment A) entitled, "Resolution Authorizing the City of Roseville to Participate in the Minnesota GreenStep Cities Program."

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**g. Approve Park Building Electronic Door Access Control and Video Security**

At request of Mayor Roe, City Manager Trudgeon summarized this request as detailed in the RCA dated July 14, 2014.

City Manager Trudgeon briefly noted that this request was for step one of the process by installing hardware, and connection of fiber optic service to the Arboretum at a modest cost of \$8,000; with other connections much more costly and still pending based on policy discussions by the City Council. City Manager Trudgeon noted that the Roseville Network Manager Terre Heiser and Director of Parks

& Recreation Lonnie Brokke were present to address questions of the City Council.

Councilmember McGehee sought clarification on whether this request is only for fiber, access and security cameras for the Arboretum; and if it goes beyond that, she found it premature to fund hardware at this time for a system yet to be selected. Based on previous discussions, Councilmember McGehee stated that she was not satisfied with the number of systems that were being attempted to cobble together (e.g. Verizon, Comcast, and fiber) and would prefer a comprehensive plan, including the number of cameras proposed per location and other details prior to making a decision, as well as how to ensure proper band width. Councilmember McGehee expressed concern in installing different and/or insufficient systems for every activity or location; and her preference to see a more comprehensive plan before moving forward.

City Manager Trudgeon clarified that this proposal is to install hardware and wiring in the six existing park buildings as well as six newly constructed park structures, but that fiber would only be installed at the Arboretum – including hardware and wiring – at this time. City Manager Trudgeon advised that by doing the installation at this time, it would set the stage for completing connectivity once determined, with the hardware and wiring universally available to those future components.

Network Manager Terre Heiser concurred, noting that when staff discussed equipment at a previous meeting with the City Council, it was confirmed that all equipment for network connectivity was universal and independent of software applications depending on the most cost-effective option, whether through wireless, Comcast or City fiber lines, with the same BPN nodule.

Mr. Heiser reviewed his solicitation of prices from the phone company for DSL service available, resulting in an astronomical service fee per year for those buildings; as well as pricing he'd received through Comcast that was more favorable for a monthly fee for individual buildings, and their potential waiver of a 36-month agreement for service on those buildings. Mr. Heiser noted that several of the buildings (e.g. Lexington and Rosebrook) could be serviced through a capital expenditure to extend fiber that would reduce long-term operating costs and be considerably less than the Comcast proposal.

As for equipment and installation at this time, Mr. Heiser advised that the equipment consisted of a network switch, router and door controller, which were always identical, and the benefit in making the installation at this time was that even if and when options changed, the City would not need to change that initial interface. When looking at the other buildings beyond the seven core buildings, Mr. Heiser advised that consideration needed to be given as to their proximity to the road, with some only having a wireless option for card access. Mr. Heiser ex-

pressed his confidence that for those seven major buildings, a cost-effective way could be found to provide internet through open wireless. However, Mr. Heiser clarified that this request currently before the City Council would ensure staff could continue to work with the building contractor(s) to get door controllers in place, after which staff could decide the most cost-effective way to complete the process. Mr. Heiser further clarified that this request did not include purchasing equipment now and then later discarding it if found not to fit.

Councilmember McGehee stated that part of her problem was that this was discussed at some length, with the City Council advising staff that they wanted these amenities, but not designed fully at the front end. Councilmember McGehee opined that, it seemed to her at the last meeting that DSL was available for some places, fiber for some and Comcast in others. If staff was guaranteeing that all the hardware and wiring was absolutely guaranteed to work with any interface even as new technologies come forward, Councilmember McGehee stated that she was okay with that. However, absent that guarantee, Councilmember McGehee opined that this shouldn't be approved; and further opined that fiber into the City's own system was the best thing for the City and the actual price. Since this is fairly substantial cost, Councilmember McGehee expressed her interest in building these operating costs into the Parks & Recreation Department's budget to provide the system needed by the City and its residents.

Councilmember Laliberte opined that the way the RCA was written, it appeared that the request pertained to much more than the Arboretum building; and suggested the requested action be reworded accordingly.

Mayor Roe clarified the requested Council action, which provided that clarity, on page 4 of the RCA, lines 120-132.

#### **Public Comment**

##### **Roger Hess 1913 Shady Beach Avenue**

Mr. Hess opined that the only way to provide the service is to do so through Comcast until the City decided to install fiber; and asked that the City Council look at it that way. Otherwise, Mr. Hess opined, there would be no bandwidth available for the public; and further opined that it would be more secure for cameras and key entry rather than through wireless, which someone could break into. Mr. Hess noted that Comcast had video packages available, that may be good or better than what the City was currently considering, and would already be set up to run through their internet services.

Etten moved, Willmus seconded, approval of the installation of electronic door access and video security in park buildings as presented and detailed in the RCA date July 14, 2014; and installation of fiber to the Muriel Sahlin Arboretum building at a total cost of \$107,440.00 to be taken from the budgeted 2014 Parks & Recreation Capital Improvement Fund.

Based on the comments of Mr. Hess, Councilmember McGehee asked Mr. Heiser to respond; and asked if this requested hardware would work with that video program as well.

Mayor Roe further questioned if the City wanted the Comcast package installed.

Mr. Heiser clarified that video security was an enterprise-wide system, with every camera in the City connected to the City Hall's IP network, and all video images stored on services actually located in City Hall. When considering a network connection, Mr. Heiser advised that there was no more secure connection than that of the City, with all connections terminating at City Hall from each location rather than available on an internet system such as Comcast. Mr. Heiser noted recent instances over the last few months where security was breached through the Comcast system, and expressed his desire to balance City needs and security with services available through Comcast. For instance, Mr. Heiser noted that Villa Park was a long distance from City Hall, and Comcast may be the best and most cost-effective solution; while Rosebrook Park was very close in proximity to the city's fiber system, and therefore that may prove the best option. Mr. Heiser noted that the video security system was completely different for the City's operation allowing the Police Department to monitor City Hall, parks and the arena; including the other five cities on the system that could also be monitored from this one-enterprise-wide system.

At the request of Councilmember McGehee, Mr. Heiser confirmed that the IP cameras used would be the same no matter which system was used, and were available from many sources.

Councilmember Laliberte advised that she would vote in support of this request in order to move it forward, reminding that she was the person pushing for Wi-Fi availability, but suggested those facilities used more or larger and used more exclusively for PowerPoint presentations or needing such amenities, should be first on the priority list, with smaller facilities to follow as applicable. Councilmember Laliberte clarified that, while she preferred the remaining installation issue return for City Council sooner versus later, she didn't think installations needed completion immediately at all facilities at once, with the exception of door access and security cameras in all buildings.

Mayor Roe noted that part of the City Council's previous direction to staff had been the cost and prioritization components as part of their overall analysis.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**9. General Ordinances for Adoption**

**10. Presentations**

**a. Joint Meeting with Ethics Commission and Consideration of Proposed Changes by the Ethics Commission to the Roseville Ethics Code**

Recognizing that only two members of the Ethics Commission were available tonight, City Manager Trudgeon noted that this was due to scheduling conflicts, and should not be taken as intent at offense by the City Council.

Ethics Commission members present were Vice Chair Ben Lehman and Commissioners Nancy O'Brien.

Vice Chair Lehman reviewed the recommendation of the Ethic Commission to the City Council for an amendment to the Roseville Ethics Code, as detailed in the RCA dated July 14, 2014; and followed several drafts to get to this final recommendation, subsequently approved by the City Attorney.

Councilmember Willmus spoke in support of the recommendation, and opined that, based on his viewing of the Commission meeting discussions, the final recommendation made sense given the context from which it originated, and provided a step in the right direction.

Commissioner O'Brien reviewed the origination of the problem with a complaint received and subsequently withdrawn in 2012, with no process in place for addressing withdrawal, while recognizing the need for the City Council to determine if it was appropriate to be withdrawn.

Councilmember McGehee questioned if there were provisions made if something was ongoing and while the complainant wanted to withdraw, there could be a process for the City Council to take action.

City Attorney Mark Gaughan responded that, based on his recollection of discussions, he had intentionally worded the amendment to address that option, with the City Council able to carry on a review of an allegation of their own volition as applicable and no matter if and when a complainant may withdraw their complaint.

Laliberte moved, McGehee seconded, adopted Resolution No. 11163 (Attachment B) entitled, "A Resolution Amending the Code of Ethics for Public Officials in the City of Roseville (Resolution No. 10905);" amending Section 5 of the Code regarding withdrawal of ethics complaints.

Mayor Roe offered a friendly amendment, accepted by the makers of the motion, amending language of the first sentence of Section 5, Item H as follows:

“A complainant may withdraw a complaint [*filed under this code at any time,*] in writing with the City Manager or City Attorney [~~*filed under this code at any time*~~]. ...”

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

Commissioner O’Brien reviewed the most recent Ethics training session, with the average thirty-five attendees, and presentation made by the City Attorney and much more educational in providing examples specific to the Roseville Code of Ethics, and much shorter in length this year which seemed to be appreciated by those attending. Commissioner O’Brien noted that the training had been varied over the years, and they would continue to try different approaches, and solicited City Council comments for those future training sessions.

Councilmember Etten opined that the changes made by the Commission in their training efforts were appreciated and he found to be positive overall. From the feedback he’d heard from those attending, Councilmember Etten stated that they appeared to appreciate the big picture given by previous outside speakers, but they also appreciated the specifics with the City of Roseville Code, finding them most important and what they needed to understand at a deeper level, suggesting the need to continue focusing on those items.

Councilmember Laliberte echoed those comments; noting that she had heard several years ago when there was an outside speaker doing the training that it was hard for attendees to tie back to the City’s Code of Ethics and the City’s expectations. At this most recent session, Councilmember Laliberte advised that she heard many comments that those attending had a much clearer understanding of their role in municipal government.

Vice Chair Lehman thanked City Attorney Gaughan for his presentation.

Councilmember Willmus expressed his appreciation of the many venues available for the training, whether live, on C-TV or via internet, and agreed that the training at the front end for new commissioners was most beneficial; and suggested continuing that process going forward as providing the most benefit, especially if they were strongly encouraged to attend the live event.

Mayor Roe concurred; and offered using him as an example by the Commission and City Attorney for future presentations as applicable. Mayor Roe expressed his appreciation to the Commission for their ongoing work, and for providing the annual training and exploring creative ways to bring ethics issues to the forefront.

**Recess**

Mayor Roe recessed the meeting at approximately 6:55 p.m. and reconvened at approximately 6:58 p.m. Since the meeting was running ahead of schedule, Mayor Roe advised that some agenda items would be adjusted to allow presenters to arrive.

**14. Business Items – Presentations/Discussions**

**a. Discuss Amusement Devices as a Conditional Use**

In summarizing the RCA dated July 14, 2014, Community Development Director Paul Bilotta noted staff's previous recommendation to the City Council to amend this portion of Code allowing amusement devices to be considered under a Conditional use approval process. However, Mr. Bilotta noted that the City Council had not felt comfortable with that recommendation pending further information, and addressing additional questions, and meet with the City Attorney to address those issues. Mr. Bilotta noted that the current definition of amusement devices was very different than simple video arcades from the past, especially with advanced technology available, with some of those identified in the RCA, and sought direction from the City Council.

Based on their planning expertise, Mayor Roe asked why staff believed the original ordinance provided for exemption of certain types of establishments, and whether that was based on more stringent requirements for those facilities under State Statute (e.g. liquor license controls), with Mr. Bilotta responding affirmatively.

Mayor Roe question whether, in pages 2 and 3 of the RCA, those items listed (e.g. lighting plans, traffic management, parking, etc.) were already covered more broadly for commercial uses in the City's Zoning Code.

Mr. Bilotta noted that there were higher restrictions for these amusement devices, areas and game rooms - as defined – under the Conditional Use application; and attempted to address future issues (e.g. roving circuses) that may find such higher restrictions prudent.

Mr. Bilotta noted one area of special concern may be that of bowling alleys, and how to specifically address them, since many serve food and/or liquor and would be under those regulations as well. However, Mr. Bilotta noted that attempts could be made by a business to circumvent regulations if they didn't fall under a food and/or liquor license regulation.

Councilmember McGehee stated that she found the majority of this recommendation appropriate; however, she questioned the higher lighting restrictions which she found to be ridiculous. Councilmember McGehee further questioned whether there may be a problem with auxiliary retail malls in residential neighborhoods or other locations that may become home to slot machines, laser tags, or other devic-

es that could present a problem for the City and/or those adjacent neighborhoods. Councilmember McGehee concurred with Mayor Roe's questions regarding tax exempt clubs, opining that she saw no reason to exempt anything in particular.

Councilmember Laliberte questioned if there were any bowling alleys that didn't serve food and/or alcohol that would not be covered elsewhere in code or statute.

Mayor Roe suggested one point to remember is that this is under the licensing section of City Code, and a fee would be paid to have video games, etc. in a facility, which had already come up once with a retail establishment seeking such a license. Therefore, Mayor Roe stated that his struggle was with the need for regulation for this sub-use versus requirements for uses in the Zoning Code. Mayor Roe stated that his tendency was to let the Zoning Code cover these things and address carnivals or roving circuses through a separate means or prohibit them entirely. Mayor Roe opined that this seemed outdated and to be covered in other parts of City Code.

Councilmember Willmus opined that the language could be cleaned up, but he also considered it not necessarily a bad thing for amusement devices to go through a Conditional Use process; and he would support that if it came before the City Council. Councilmember Willmus opined that some situations and sites were unique enough that the City may want to retain that check with the City Council and neighbors; and expressed his support for Conditional Use approval, but moved into the Zoning Code as Item C as suggested in the RCA, page 3, lines 94-95. However, Councilmember Willmus stated that he agreed with Mayor Roe and Councilmember McGehee that some items spelled out in Section 303.08 (page 2 of the RCA) needed to be re-evaluated.

Councilmember Etten concurred with the comments of Councilmember Willmus, supporting amusement devices as a Conditional Use under the City's Zoning Code.

With one such application currently before staff, Mr. Billota suggested that one additional area for staff review would suggest whether or not to tighten up the exemption for restaurants. Mr. Bilotta noted that someone could attempt to bypass this provision for regulation by throwing frozen pizzas in as an offering to circumvent it.

Mayor Roe clarified that his intent was not to have no regulation whatsoever, particularly those things that may have yet to be considered, but to simply clean up language to retain things needing licensed under licensing regulations, such as insurance requirements, etc., but to move other applicable items under consideration through a Conditional Use process.

With no objection, staff was directed to continue to pursue code changes to provide for conditional use approval of amusement devices in the zoning code, and clean up the license requirements in the licensing code, per the discussion this evening.

**Recess**

Mayor Roe recessed the meeting at approximately 7:10 p.m. and reconvened at approximately 7:11 p.m.

**b. Morris Leatherman Roseville Survey Presentation**

Mayor Roe welcomed and introduced representatives from Morris Leatherman Company: William Morris and Peter Leatherman.

Mr. Morris thanked the City Council for seeking the services of their firm again; opining that the City of Roseville was a gem; and this survey served to prove that point and signify how far things have continued in a positive direction. Mr. Morris noted that Roseville has been able to accomplish the much admired goal for a unified, cohesive community that bridged all generations. A bench handout was provided incorporating the entirety of the survey result presentation,

At the request of Councilmember Laliberte, Mr. Morris confirmed that the slide showing the “close to job” percentage for what residents most liked about the city was much higher by comparison than other suburban communities.

Mr. Morris noted “most serious issues” responses showed “aging infrastructure” to be the highest, which their firm was finding not uncommon in the metropolitan area, even though the City of Roseville’s was higher. At the request of Mayor Roe, Mr. Morris confirmed that this was most definitely due to this issue being raised often and consistently over the last few years during City Council discussions, therefore raising awareness throughout the community.

Mr. Morris noted “Most important aspect of quality of life” included safety, good schools, and upkeep of the City (code enforcement); which were comparable to their survey performed for the Roseville Public School District, the results of which he was happy to provide to the City Council as well. At the request of Councilmember Etten, Mr. Morris advised that the school survey interpretation under the slide “Important for high quality of life” provided two choices, with good schools (at 34%) and crime rate/safety (at 32%) very comparable, thus the variances in those two categories.

Specific to park and recreation facility responses, Mr. Morris noted a higher use of trails than anticipated; with residents looking for more connection neighborhoods and parks. Given the length of time the Park Renewal Program had been in place, and the responses of those apparently not aware of it, Mr. Morris suggested the need for the City to increase awareness of that program, opining that 20% was a significantly low percentage.

Since park renewal efforts and the program itself had been in the community for years, Councilmember Etten questioned if that lack of awareness may be related to a lack of funding in place to pursue the program, and delay in the projects.

Mr. Morris opined that this would explain a lot, and as people see the renewal process happening, that would serve to increase their awareness.

Given the considerable attention in various media sources for an extended time, Councilmember Etten noted that this had caught his attention.

Councilmember Laliberte concurred, if nothing else than the significant amount of money being expended; and questioned how it could have been missed, whether from the cost perspective or from actual construction occurring.

Mr. Morris suggested, when doing these projects, billboards or signage clearly identify "Park Renewal Project" as part of their verbiage, allowing residents to make the connection. Mr. Morris opined that the 20% awareness needed to increase over the next few years, and he would anticipate and prefer 50% within the next three years.

Councilmember Willmus noted that, when the survey was conducted, ground had yet to be broken on the first project; and opined that the significant two-year delay between planning and identified funding allocation may have increased this perceived lack of awareness.

Mr. Leatherman qualified survey results, by clarifying that the ceiling was not 100% of what it is; with referendum cycles and votes quite often didn't exceed a 75% awareness level; and since the ultimate ceiling was not at 100%, he'd consider a 50% to 60% rating as a solid base.

Councilmember McGehee stated that she'd also found this shocking, but noted that of course, a referendum had not been held, even though it was shocking to her to find that nobody knew about it. At the same time, Councilmember McGehee noted that 98% of respondents were saying that everything was good to excellent and they were happy with what the City was doing, and expressed her hope that within that three year period, residents remained happy.

Mr. Morris clarified that the movement should be from "good" to "excellent." Mr. Morris reiterated the need for making sure the City is identified with programs in place, emphasizing connecting trails to Central Park and the Nature Center, as an example. While updating parks may be of lower awareness, if signage needed to be allocated, he would suggest that signage be given to the top three areas of interest expressed by survey respondents as noted. Mr. Morris noted that facilities appeared to be meeting the needs of the community, with survey results

being the highest in the metropolitan area, but just needed City actions tied to what was being accomplished to emphasize them.

Specific to the Community Center questions and slide, Mr. Morris clarified that the question was related to the concept only, not dollars, which could prove a different reality when property tax increases were discussed. Mr. Morris noted that 64% of respondents said the City should consider a community center, it would be important to project market uses in relationship to the percentages under "likelihood of use."

Mr. Morris reviewed tax increase willingness responses and what additional taxes residents would be willing to pay for a community center (median tax increase of \$2.58/month) if a referendum were pursued; noting that a solid 40% stated that they'd support no tax increase for this purpose. If the City was to pursue a community center, Mr. Morris stated that he'd prefer that percentage to be at 30% and suggested consideration by the City Council accordingly. Mr. Morris suggested that the key component in a referendum would be actual amenities versus the cost, which would be a delicate balance. Mr. Morris compared recent survey results in the City's of Shoreview and Chaska specific to a community center; and suggested more extensive community discussion before proceeding with such a project.

Regarding "City service ratings," Mr. Morris stated that "people love your city services," with results within the top 10% of all metropolitan cities. Mr. Morris cautioned that only apparent thing to watch in the future would be street repairs and maintenance. At the request of Councilmember Willmus, Mr. Morris confirmed that the survey did distinguish between city- and county-maintained streets, but could not verify that respondents actually differentiated or not in their responses.

Mr. Morris reported that responses indicated that the City's tax climate was "moderate," and would be considered "hostile" if the percentage was above 50%, with some suburbs on the west side of the metro at 70%. Mr. Morris noted that residents still wanted to be made aware of why their taxes may or may not increase, but remained open to discussion without totally shutting the City Council out of such options. Mr. Morris noted that, when asked if they were willing to accept a tax increase to maintain services where they were at currently, responses were split, which was comparable to many communities metro-wide, including some in Ramsey County, depending on the history and demographics a community. Mr. Morris noted that responses indicated a mild negative to tax increases to maintain current levels of service, that would require the City Council to justify why an increase was necessary to maintain services, but could also change depending to what the increase was being applied (e.g. street repairs and maintenance), some of which may be more acceptable in this climate than others (e.g. code enforcement).

Mr. Morris noted that the “Value of city services” was outstanding and the highest favorable response in the metropolitan area with 82% saying the value of services to taxes was excellent or good.

As expected, when asked about “Infrastructure investment,” residents were more willing to support city roads based on previous responses; with further support for bikeways and pedestrian pathways and city buildings; with water and sewer pipes following closely, and all within the range between 67% and 76%.

Mr. Morris noted that empowerment felt by residents was off the scale at 71%, which spoke highly of how the City did things beyond voting; with those responding “no” at the lowest percentage (22%) across the metro. Mr. Morris indicated that this meant an overwhelming majority trusted and were willing to hand off decision-making to the City Council, with only 8% feeling that the City Council didn’t listen to them, which he found a very low percentage across most communities in Ramsey Council.

Mr. Morris noted the approval rating of the Mayor and City Council at 87% strongly approving or approving of the job being done, signifying 9 out of 10 approving, was the strongest their firm had seen anywhere, with only a 4% disapproval rate. As pollsters, Mr. Morris advised that the rule was expected at 10% which they found in most every community; and congratulated Roseville on these results. Mr. Morris suggested that, with only 9% indicating they were unsure of their satisfaction levels, it appeared that the general theme was that residents liked what was going on in Roseville and the general direction the Mayor and City Council were taking the City, even though it may not be perfect.

Mr. Morris reported that the question regarding respondent satisfaction with City staff indicated an approval rating of 95%, which was within the top five communities across the metropolitan area.

In general appearance and condition of the City, Mr. Morris noted that there was a 4-1 margin of those indicating it was excellent or good.

Mr. Morris addressed the public perception of “Enforcement of nuisance codes,” with respondents indicating the current council versus past council’s were doing a satisfactory job, but suggested this area needed to receive more attention. Of the complaints fielded by surveyors, Mr. Morris noted that 41% indicated messy yards as a problem, 25% for rundown homes, 19% loose animals, and 16% junk cars. Mr. Morris noted that 1 in 5 residents were concerned with animal control, even though animal control was rated highly in community services; with some apparent idiosyncratic issues in play. While respondents were homing in on various things, overall residents thought the City was doing a fair to good job with code enforcement.

Councilmember McGehee stated that she'd heard from other communities as well that part of this dissatisfaction was based on older residents having a concept of a neat and trimmed yard, while younger people may have a different perception, and questioned if that such a distinction may be indicated in Roseville.

Mr. Morris responded that there was some tendency in that for respondents over 55 years of age; however, he noted that respondents complaining about these issues during the survey included new and younger people, especially commenting on messy yards. Mr. Morris advised that respondents were identified by neighborhood, and in their firm's analysis, and for follow-up purposes would provide staff with precinct by precinct areas where problems appear to be occurring.

Mr. Morris advise that another area of concern was with public safety, with the perception of "youth crime/vandalism" at a higher percentage than the norm across Ramsey County at 21%; and auto break-ins usually at 2%-3%, but Roseville coming in at 11%. Mr. Morris noted that youth crimes were typically tied to auto break-ins; and drugs at 13% was a typical percentage across Ramsey County. Mr. Morris noted that the traffic speed percentage at 12% was low, with some metropolitan communities at 25% - 26. Mr. Morris reiterated that the two obvious areas of concern for respondents were with auto break-ins and theft; and youth crime and vandalism, which could serve as a supporting foundation for youth programming or a youth center. Mr. Morris noted that, overall, respondents seemed satisfied with the amount of neighborhood patrolling being done.

Mr. Morris reviewed the "Characteristics of City of Roseville" and amenities offered. Mr. Morris noted that the perception of respondents was that more senior assisted living was needed, indicating that those people wanted to stay in the community but move out of their current homes. While this was an expected preference among community surveys, Mr. Morris noted that Roseville's response rate was high in comparison to its neighbors, with people really wanting to stay in Roseville, evidence of that cohesiveness again that was addressed previously.

At the request of Councilmember McGehee as to whether this was defined by starter homes, Mr. Morris advised that it was beyond market rates and more of an issue from the heart; the desire to provide an opportunity for their adult children to return to Roseville as a life cycle event and the younger generation replacing the older generation.

Councilmember McGehee expressed confusion, since the problem heard was that people want a different type of home than they currently have with those single-family homes then serving as starter homes for those very people. Councilmember McGehee questioned if that meant respondents didn't feel those homes were good enough for their children to move back into.

Mr. Morris responded that it had more to do with property value increases and whether those homes were any longer affordable for young families.

While Councilmember McGehee noted that this was a nationwide issue, Mr. Morris responded that while that was true, the situation in Roseville was also due to the cohesion perspective.

Councilmember Laliberte questioned if part of the survey question was specific to assisted living or verbally expressed by respondents on their own in their desire for affordable housing for seniors requiring less upkeep and yard maintenance for them.

Mr. Morris advised that part of the question, in terms of senior assisted living, indicated people interested in living options where they could downsize into a basic unit, with the availability of added services they could opt for and pay for as part of their life cycle and as they aged in place. Mr. Morris stated that 10% of those responding were quite coherent in explaining that preference.

Councilmember McGehee indicated that she had also people wanted to downsize and move into a nice, new condo unit in Roseville, but seeking more upscale housing units than were currently available in Roseville.

Mr. Morris concurred; however, while not asking specifically about senior condos in the survey, it continued as part of the generation issue with residents choosing to remain in Roseville and their desire to see their adult children and families return to Roseville.

Mayor Roe suggested that it would be interesting to compare these results with the results of the most recent Maxfield Research study commissioned by the Roseville HRA.

At the request of Mayor Roe, Mr. Morris advised that the question of “affordable rental units” tended to polarize people, as in general, many people were against them based on their image or perception of affordable housing. Mr. Morris opined that there wasn’t one really accurate with respect to Roseville, but they had found that situation in the City of Brooklyn Center, with over 30% saying there were too many affordable rental units, and 33% saying there were too few, which was fairly representative of what their firm was finding in the suburbs and based on people’s perception of the term “affordable housing.”

Mr. Morris noted the overwhelming response rate of those committed to staying Roseville, one of the highest found metro-wide and indicating the strong linkage between the community and its residents. Mr. Morris advised that this response was similar to what they found in the City of Richfield; and referenced his discussions in the past with former City Managers about the challenge and blessing in

attempting to move existing residents from their current housing to free it up for younger or new people to move into. Mr. Morris advised that this percentage was the highest connectivity they found anywhere to-date.

At the request of Councilmember McGehee, Mr. Morris indicated that not only the City's boosters were indicating their commitment and support, but it was found across the board and could be based on normal longevity of long time residents, but also was found among newcomers, which was exactly the goal for the City.

Mr. Morris advised that housing related program awareness was not at as high of a percentage as they'd like to see, and further advertising and communication efforts for residential improvement offerings and free home and garden workshops was indicated.

Mr. Morris reviewed the question regarding "Designated hauler" in Roseville, and the reasons for opposition or support:

- Opposition: 52% want choice; 9% lower cost
- Support: 21% less traffic; 13% lower costs; 3% safer

With those responses, Mr. Morris advised that the strong opinion was 2 to 1 for opponents, with 36% favoring a designated hauler, and 46% opposed to it. Based on their survey of several other communities, Mr. Morris advised that those responses put the City of Roseville in a better position to consider change than any of those other suburbs polled; and while people were beginning to see the arguments in favor of designating a hauler, the issue needed more discussion.

Mayor Roe clarified, with confirmation by Mr. Morris, that the percentages provided in reasons for support or opposition were indicative of respondents in that category, not inclusive of all reasons of the entire community.

At the request of Councilmember McGehee, Mr. Morris clarified that when asked about multiple haulers in other community surveys, the responses were usually based on people supporting multiple haulers due to their preference in keeping current hauler versus basing that on whether or not someone may lose their job.

Mr. Morris noted the very high marks received for the City's recycling program with 89% excellent or good, and only 4% only fair. Mr. Morris advised that the excellent rating at 26% was the highest across the metro area; and the only comment heard repeatedly was a desire for the program to take more materials or that it not be as much work to recycle.

Regarding the City's "Communications performance," Mr. Morris opined that when working with the City on community surveys in the past, the City of Roseville always appeared to have a great communication system in place, and based on current responses, they still had one of the highest percentages metro-wide,

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with 90% about as high as possible to attain, with only 2-3 other communities higher at 91% and 92%. Mr. Morris stated that this proves that the City continues to do a fantastic job keeping its residents informed.

Regarding the “Sources of information,” used by respondents, Mr. Morris noted that many cities were trying to switch to online communication, but it was not found to work for residents over the age of 45 years, who still depended on city publications, newsletters, and weekly newspapers and mailings. By and large, Mr. Morris noted that, Roseville included, residents were still attuned to mailed communications versus online sources. Mr. Morris advised that no one indicated their preference for social media, with cable television at a higher percentage than anticipated as a relevant source, with viewers watching live or via tape. Mr. Morris noted that most residents still looked to the City to inform them of what was occurring in the community.

At the request of Councilmember Laliberte, Mr. Morris advised that he did find it unusual for a decrease of 11% in Roseville residents to relying on local newspaper as a primary or preferred source of information, which indicates the City’s credibility in mailings to keep residents informed, as well as the *City News* newsletter. However, Mr. Morris stated that he was not sure what that said about the City’s relationship with local newspapers.

At the request of Councilmember Willmus, Mr. Morris advised that renters and some newer residents in the community were still being missed. While this is an excellent rating, Mr. Morris cautioned that the preference for the newsletter may not be solely based on information, but a 92% effectiveness rating was still great.

Specific to the potential use of social media by the City, Mr. Morris suggested the City be slow to develop that and instead continue to rely on e-mail and the City’s website as the two most likely information sources for residents to track what their local government was doing. Mr. Morris noted that other options (e.g. Facebook, Twitter, YouTube, and Nextdoor) were used more for chatter rather than as a standard information source. However, if the City chose to prioritize one option over the other, he would suggest using Facebook. However, Mr. Morris reiterated the two key options remained e-mail and the City’s website.

In general, Mr. Morris noted that the first theme about the Roseville community was its cohesiveness and the amazing amount of loyalty to the community as a whole. Mr. Morris noted that the City had an unusually high percentage, or 1 in 4 of its residents saying they trusted the City Council and by and large were doing nothing wrong in the community, which was outstanding.

Mr. Morris advised that one issue he’d flag would be crime, with 1 or 2 major aspects considered by residents to affect their quality of life as they perceived an increase in juvenile/youth crimes and auto break-ins; and suggested any additional

public safety programs focus on that, even with the public safety satisfaction rate high.

At the request of Councilmember Etten, Mr. Morris confirmed that his firm would provide break-downs of those concerns by zone.

Mr. Morris noted another area pointed out by critics was messy yards, and suggested more defined code enforcement, with the greatest intensity of residents identifying junk cars as one area of code violation, and suggested greater concentration in the future.

Specific to the community center, Mr. Morris opined that there was nothing to say it would be impossible to pursue, but would certainly require more discussion with residents. Mr. Morris noted that the City's park and recreation system continued to be a jewel in its crown, and continued to be highly used and rated. Mr. Morris noted that the high percentage of use and interest in trails to connect neighborhoods and parks, supported demographically in the survey data by younger and older respondents, should be something to explore for further consideration and construction efforts.

Overall, Mr. Morris noted that communication had improved and more people were being reached. However, Mr. Morris cautioned that if the online system evolved too quickly it may not prove to be in the best interest of the City; and submitted that, if the City did so, to move on line more slowly. Mr. Morris noted that people continued to prefer mailed information, which was attested to by the effectiveness ratings indicated in the survey.

Compared to other Ramsey County suburbs, Mr. Morris opined that the City of Roseville was in extraordinarily good shape. Mr. Morris noted that the cities of Roseville and Shoreview stood out in Ramsey County, but both for very different reasons, which he briefly summarized based on their individual amenities and community preferences. In Roseville, Mr. Morris suggested that it was apparent that residents wanted more cohesiveness and to be part of the community, with nearby shopping and amenities for a complete community with a heart, which was obviously being provided by the City.

As to how to improve on that in the future, Mr. Morris reiterated the need to look at crime and keeping the communication system as strong as it is currently and proceed cautiously with future additions to that system. Mr. Morris noted that residents expressed clear priorities on what they'd like to see, referencing the 90% support for road construction and impact for potential funding and budgeting.

Overall, Mr. Morris opined that respondents were very pleased with where the City was currently at, and noted that this provided a reservoir of good will that he found extraordinarily strong compared to other communities in the metropolitan

area. Mr. Morris further opined that residents trusted their local government and were willing to listen to ideas, and continue to move the City forward in the same way and in a positive direction in the future.

Councilmember McGehee stated that her take-away from the survey results was that Roseville was a solid community and the people who built the community were interested in retaining those core values, and the City's infrastructure and roads as a basic quality of life issue, with amenities provided (e.g. shopping) that provided a complete community. Compared to other communities, Councilmember McGehee opined that, at 70% homeowners and 30% renters, she found Roseville already provided affordable housing compared to other communities; and moving forward, residents did not want to become another Shoreview or another Arden Hills, but stay as they are now and with what had been done in the past. Councilmember McGehee opined that their preference included being fiscally responsible; maybe a little dull, but solid.

Mr. Morris stated that he could agree with those comments; and further suggested that residents didn't necessarily want Roseville to be on the cutting edge, but to adopt best practices to continue moving the community in the direction as it had in the past without creating a large break from that past. Mr. Morris noted that, with the moderate tax climate, affordability seemed to be the key in residents backing things that made sense in the community in a cohesive way and accommodating different lifestyles and age segments, but not anything costly or astonishing. Mr. Morris suggested doing what it had done in the past, but also making some improvements based on comments across demographics; and to proceed on this current even keel versus past turbulence that was proven unprofitable. Based on that continuity, Mr. Morris opined that residents essentially trusted the City Council, which could be taken as an example of their preferences compared to previous eras.

Mayor Roe thanked Mr. Morris and Mr. Leatherman for their presentation and adding life to the survey report.

City Manager Trudgeon confirmed for Councilmembers that the survey information would be placed on the website, along with tonight's PowerPoint presentation.

## **15. Public Hearings**

### **Recess**

Mayor Roe recessed the meeting at approximately 8:36 p.m. and reconvened at approximately 8:44 p.m.

## **16. Budget Items**

**a. Receive the 2015 City Manager Recommended Budget**

As a bench handout, City Manager Patrick Trudgeon provided a copy of his presentation slides dated July 14, 2014, and entitled, "City of Roseville – 2015 Budget." Mr. Trudgeon's presentation included an overview and highlights, proposed new positions and use of reserves, projected tax levy impact on Roseville homeowners, and how the budget related to meeting community aspirations and goals. Discussion points were detailed in the RCA dated July 14, 2014 and references: Attachment A entitled "Recommended 2014 Budget – Total;" Attachment B entitled, "Recommended 2014 Budget for the Property Tax-Supported Programs;" Attachment C entitled, "Recommended 2014 Budget for the Non Property Tax-Supported Programs;" Attachment D entitled, "Recommended 2014 Budget Expenditure Detail for the Property Tax-Supported Programs;" and Attachment E entitled, "Recommended 2014 Budget Expenditure Detail for the Non Property Tax-Supported Programs."

Mr. Trudgeon reviewed his memorandum outlining alternative budget scenarios (Attachment F), indicating that the 5% budget increase scenario was encapsulated in the City Manager Recommended Budget; and the zero percent levy removing \$450,000 from the proposed budget and 5% reduction in levy removing \$1,350,000 from the City budget. Mr. Trudgeon cautioned that reduction assumptions would not hit every department equally since cuts affected some departments more than others based on the dependence on the levy versus fees or other revenue sources, and did not indicate a flat levy base. As part of those potential impacts for each scenario, Mr. Trudgeon reviewed projected personnel reductions, customer service and response time impacts, and discretionary service and program impacts. Mr. Trudgeon noted that there would also be an impact to the allocation of levy funds toward capital replacement funds, and require a greater use of reserves as well, as outlined in the memorandum.

In conclusion, Mr. Trudgeon advised that he was recommending a levy increase of 5% for 2015, actually a 4.9% increase, representing an addition of \$1,350,000 to the City's 2015 budget. Mr. Trudgeon noted that there would be several opportunities in the near future for City Council and public response to this recommended budget prior to City Council adoption of the Preliminary Levy by September 15, 2014 (August 11, 2014 Public Hearing and August 25, 2014 City Council meeting).

At the request of Councilmember Willmus, Finance Director Miller clarified that the current full-time employee equivalent (FTE) in 2014 was 174 and proposed FTE in 2014 was an increase of 8.5 for a total of 182.5. At the request of Councilmember Willmus, Mr. Miller further clarified that the proposed cost of living adjustment (COLA) for 2015 (page 2 of the RCA) for tax supported programs in the amount of \$252,000 was based on the projected 182.5 FTE, with numbers pending finalization as additional information comes forward. At the request of Councilmember Willmus, Mr. Miller clarified that this COLA adjustment was

across the board, and not specific to one non-union employee group; and that roughly half of the City's employees are in collective bargaining units on the tax-supported side.

Councilmember Willmus questioned if the City was to forego COLA adjustments for that group of employees and defer implementing an additional number of FTE for 2015, could staff realistically be able to get down to the levy in line with inflation as referenced in Attachment F. Councilmember Willmus opined that, on January 1, 2013, that group received a 2% COLA, in October of 2013 another 3.6%, then in January of 2014, received another 2%. In responding to people who wondered why he kept coming back to that group, Councilmember Willmus explained that his rationale was to defer any increased for FTE and COLA in 2015 to realistically get to a levy scenario in par with the rate of inflation.

Finance Director Miller responded that only \$69,000 would come from the levy for the new positions; with the remainder funded from other sources. If the City didn't fill any positions at all, Mr. Miller clarified that it would save an approximate projected \$126,000 plus the \$69,000, or generate a projected levy savings of approximately \$200,000, or a levy increase of 3.8%.

At the request of Councilmember McGehee, Mr. Miller clarified that the savings realized from reduced debt service and Fire Relief Fund contributions were being proposed to be repurposed for the street reconstruction program and facility replacement. Mr. Miller noted that in 2014, the Capital Improvement Program (CIP) was not fully funded, but was actually \$50,000 short, and staff would recommend that \$160,000 be allocated to streets with the remainder toward facilities. Based on the CIP funding plan enacted by the City Council and projected in 2012, it called for additional funding in 2014, with some anticipated from State Aid, but not all, resulting in the reduction by \$50,000 from that original plan.

Knowing the projected CIP plan was for the long-term, Councilmember Miller questioned if this budget adequately took that into consideration in projecting CIP goals for buildings and streets. Councilmember McGehee stated that she wanted to make sure that the CIP was on track or ahead of those figures to make provision for the \$50,000 shortage in 2014.

Mr. Miller advised that he was not sure of the operational or service levels for the CIP, but based on what was available now and what needed to be raised to meet replacement scheduled, the 2015 budget as proposed would get closer back on track that the CIP was several years ago.

As part of the CIP Task Force recommendations made several years ago, Mayor Roe noted that there was an annual set aside to fund the CIP, and a related annual review of projected costs. Based on his analysis, Mayor Roe opined that it appeared that even with the loss of \$225,000 in state aid due to their revised formu-

la, there were no adjustments needed, based on his last revision in 2014 looking out twenty years. Mayor Roe opined that the numbers would work with allocations without that \$225,000; and without that \$50,000 that the city had not funded in 2014 compared to the recommendation of the committee but remaining sufficient.

Mayor Roe recognized staff's recommendation, as confirmed by Mr. Miller, for allocation of \$55,000 for new capital replacements, with City Hall refunding bonds going toward capital.

In addition to staff recommendations beyond refunding for 2015, Mayor Roe suggested looking annually at CIP projections to determine benefits from changes in planned replacement costs. However, Mayor Roe opined that it still looked fine to him, and changes could be made in the future as parks and recreation capital funding and skating center costs 2-3 years from now needed funding. Mayor Roe noted that the original CIP looked at \$800,000 plus for retirement of City Hall bonds in 2020; and the original projection was to use one-quarter of that toward CIP needs. In his most recent analysis, Mayor Roe advised that perhaps that amount could be reduced, or increased to assist with those costs, or could serve to provide some form of tax levy relief. Based on his analysis, Mayor Roe advised that he was comfortable with where the CIP was at even considering the loss of Local Government Aid (LGA) funds.

Mayor Roe opined that one reason the CIP was still on track was based on the CIP Task Force's recommendation to not add an inflation number each year when planning out twenty years, as that could change, but to be fair to taxpayers and provide a more realistic projection, it not be put on automatic pilot but be reviewed annually.

Councilmember Etten referenced and noted that, in the original schedule provided by the CIP Task Force, by repurposing the levy for savings financially, it helped fill in some of that gap in 2015.

In response to the City Manager Recommended Budget, and since the COLA policy referred to the CPI and Employment Cost Index for Municipal and State Workers, Mayor Roe asked that staff provide up-to-date numbers based on the latest information from both sources to assist in deliberations.

Also, Mayor Roe asked for a better explanation and understanding from staff as regarding his personal challenge in considering FTE's how on-call firefighters were considered "0" FTE or the technical definition of FTE and how the City was actually identifying that to achieve a net FTE.

As a request for information, Mayor Roe asked that staff provide a comparison of General Fund Reserve levels at December 31<sup>st</sup> with respect to that year's budget to determine how the City stood with its goal of a 35% to 40% reserve policy.

At the request of Councilmember Willmus as to how many years to compare, Mayor Roe asked for five years worth of comparisons, starting from 2013 and going backwards.

Regarding the transition of firefighters, Councilmember Laliberte reviewed her understanding for the transition and loss of no full-time firefighters, but questioned how those full-time positions would be filled, whether internally or externally, and whether the current level of part-time firefighters would be retained.

Mr. Trudgeon responded that staff was still working through that process, but for this initial step, the intent was to post and recruit internally, and further clarified that he did not see external filling as part of that initial process given the amount of interest expressed internally. Mr. Trudgeon opined that the choice of the first six would be tough enough; but as the department expanded or as people retired, there may be a future potential for external posting and recruitment, suggesting a future need for an eligibility list similar to that used by the Police Department for police recruits as needs open up.

Councilmember Laliberte asked for more specific information as to current part-time firefighters and a timeline of when retirements or movements in the department may occur in order to provide a 2015 projection of full-time and part-time firefighters and the potential rate estimated for if and when that number may dwindle.

While not having that number immediately available at tonight's meeting, Mr. Trudgeon advised that Fire Chief Tim O'Neill had been analyzing that. Mr. Trudgeon clarified that, as people retired, the department would not look to fill part-time positions; but advised that he was working with Chief O'Neill on a concrete plan to move from where the department was at currently to where it wanted to be short-term in the next few years. Mr. Trudgeon suggested several factors to keep in mind, including a shift in operations, and the pros and cons of moving forward with six full-time firefighters; as well as how to deal with the Fire Relief Association in the future. Mr. Trudgeon noted that it would all take time to sort out and work through the details with the Association, and asked that the City Council allow staff time to go through that process. Mr. Trudgeon further noted that the potential for unionization of full-time firefighters was a reality and those details remained an unknown until further down the path. Mr. Trudgeon reported that he anticipated a more concrete plan being available for the City Council by this fall, including all associated costs.

At the request of Mayor Roe, Mr. Trudgeon reiterated upcoming budget discussions, including:

- August 11, 2014: Public Hearing with staff continuing to prepare and provide information available for the public's response through normal channels, including the website;
- August 25, 2014: City Council discussion in more depth on staff's recommendations and their responses, proposals and further direction; along with discussion of the CIP Budget (originally scheduled for August 18<sup>th</sup>, but deferred to the 25<sup>th</sup> due to other agenda items and time constraints);
- September 8, 2014: Further City Council discussion
- September 15, 2014: Further City Council discussion; and adoption of the Preliminary Levy
- October and November of 2014: Further City council discussion prior to adoption of the Final 2015 Levy and 2015 Budget.

Councilmember McGehee expressed her appreciation for this presentation; opining that this was one of the nicest, most accessible presentations she'd been aware of, including alignment with community goals and aspirations. Councilmember McGehee expressed her appreciation to staff for their efforts in providing a sustainable and well-thought-out recommended budget.

### **13. Business Items (Action Items)**

- a. **Request by the Community Development Department for a Text Amendment to the Commercial and Mixed Use Districts Section of the Zoning Ordinance, Specifically Table 1005-1 regarding Residential, Civic and Institutional Uses**  
City Planner Thomas Paschke briefly reviewed this request of text amendments recommended by staff, and as detailed in the RCA dated July 14, 2014. At the request of Mayor Roe, Mr. Paschke displayed Table 1005-1 and highlighted proposed amendments.

Based on her personal review, Councilmember McGehee questioned why student housing was proposed as a permitted use in Community Business (CB) and Regional Business-1 (RB-1) and -2 (RB-2) Districts, but not post-secondary colleges. Councilmember McGehee opined that previous discussions were specific to office based colleges or secondary schools, but not actual campuses in those districts.

Also, under the live-work units in RB-1 and RB-2 Districts, Councilmember McGehee opined that those would not be suitable for student housing.

Mayor Roe clarified that those permitted uses were not changed from the current use table, but only added as permitted uses in the CB Districts.

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Mr. Paschke further clarified that this was what was approved with the recent University of Northwestern land use application, moving from dormitory to student housing, and permitted in CB, RB-1 and RB-2 Districts, and Community Mixed Use (CMU) Districts as approved conditionally, but not permitted in Neighborhood Business (NB) Districts).

Mayor Roe sought further clarification related to the University of Northwestern application and rezoning the former Comfort Inn and Suites to RB to allow dorms as a permitted use, which to him seemed contrary to Mr. Paschke's last statement.

City Manager Trudgeon clarified that the change was from "dorms" which were permitted on college campuses, to "student housing." Mr. Trudgeon advised that this had created a conflict with City Code and definition, which still had dorms listed as not permitted.

Mr. Paschke concurred, noting that the standards and definitions sections were changed accordingly.

In now reviewing this as a whole, Councilmember McGehee stated that she didn't see the point in permitting student housing in business districts; while she had no problem allowing office-based campuses as previously discussed, but not straight-forward student housing in these areas as it is currently shown. Councilmember McGehee opined that she didn't find it appropriate and found a Conditional Use more feasible than opening student housing to all business areas.

Mayor Roe stated that this discussion had been held at a previous meeting, a vote taken, and majority prevailing as noted.

Councilmember Etten, having participated in that discussion and pushed for Conditional Use, expressed his understanding that the conversation was not finished and the issue would return for a broader discussion; and his understanding that nothing was in black and white nor options crossed out yet. Councilmember Etten opined that discussions indicated additional consideration as to whether conditions made sense in the future, even though they didn't matter in the specific University of Northwestern application, at which time the text amendments were also not changed.

Mayor Roe, and Councilmember McGehee, concurred with Councilmember Etten's recollection; however, Mayor Roe advised that this was tonight's discussion, and the other referenced discussion would occur at a future time.

Councilmember Etten agreed to that, stating that his key point was that it was that the issue had not been decided, and would be coming back for further discussion.

Mayor Roe advised that the City Council could take action on these proposed changes tonight, or table those changes for the broader discussion.

Councilmember McGehee expressed further questions related to multi-family dwellings in upper stories of mixed-use buildings (pages 2 and 3 of the RCA) and rationale for them going from not permitted to permitted uses. Councilmember McGehee stated that she had a problem visualizing where RB-2 areas were located in the City, since CMU was previously defined with retail below and housing above, based on how the buildings were laid out and parking lot structure. Councilmember McGehee suggested further discussion as part of the broader discussion on those aspects as well.

Mayor Roe opined that it would be appropriate to have those discussions yet tonight.

Councilmember McGehee stated that for most of the Table, she had no issues, other than housing, and whether individual or dorms in RB-2 and RB-2 Districts.

Mayor Roe pointed out that CMU Districts did not specify housing above retail or office, but simply stated mixed uses, and then not necessarily stacked units.

Mr. Paschke noted that the Comprehensive Plan directed more mixed use projects, which were currently only supported in CMU Districts, while other corridors in CB, RB-1 or RB-2 may be much more better situated to support them and provide an allowance for mixed use, whether such a development would ever occur or not in those districts.

Mayor Roe noted that the definitions in the Comprehensive Plan didn't preclude housing from NB, CB or RB Districts, with housing listed in all to his recollection.

Mr. Paschke opined that if found appropriate in CMU Districts, staff thought they were reasonable in RB Districts as well.

In his effort to surmise Councilmember McGehee's concerns in RB Districts, Councilmember Willmus questioned whether multi-family housing on top of Rosedale – as an example – was a good idea. Councilmember Willmus expressed his interest in looking more closely at it as well.

Mayor Roe opined that the point is that current uses get redeveloped, and while not necessarily Rosedale, could be other entities in RB Districts; with staff's objective to allow mixed uses on those sites, and recognizing challenges adjacent to other uses.

Councilmember McGehee stated that her question was, instead of making this so broad and allowing whatever to come in anywhere, when a specific project came forward, as done with the Dale Street Project, it can then be rezoned versus having open season across the City without regulations in place. Councilmember McGehee noted that this was a problem the City Council had found itself in from time to time in the past, without a place to take a stand.

Mayor Roe sought Council consensus on whether to take action tonight; and from his perspective opined that he had no problem with the proposed changes with one exception to consider the first two residential uses under CB (multi-family) recognizing that sometimes CB sites are strip malls and may make sense for redevelopment for housing in the future.

Due to no time limit and unfinished discussion on many of these issues and the need for a fuller discussion to address those items not yet settled, McGehee moved, Willmus seconded, **TABLING TO A DATE UNCERTAIN THE** request by the Community Development Department for a Text Amendment to the Commercial and Mixed Use Districts Section of the Zoning Ordinance, Specifically Table 1005-1 regarding Residential, Civic and Institutional Uses

**Roll Call**

**Ayes:** McGehee and Laliberte.

**Nays:** Willmus; Etten; and Roe.

**Motion failed.**

Willmus moved, Laliberte seconded, **TABLING TO THE JULY 21 COUNCIL MEETING** the request by the Community Development Department for a Text Amendment to the Commercial and Mixed Use Districts Section of the Zoning Ordinance, Specifically Table 1005-1 regarding Residential, Civic and Institutional Uses

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; and Etten.

**Nays:** Roe.

**Motion carried.**

City Manager Trudgeon requested that the City Council clarify what they wanted staff to bring back.

Mayor Roe directed that the entire issue be presented, with consensus of the body that the same RCA be brought forward for further discussion.

**14. City Manager Future Agenda Review**

City Manager Trudgeon reviewed upcoming agenda items.

**15. Councilmember-Initiated Items for Future Meetings**

Councilmember Laliberte requested, duly noted by City Manager Trudgeon, previous agreement by the City Council to meet quarterly with the Parks & Recreation Commission and the need to plug those meetings into the City Council calendar.

Willmus moved, McGehee seconded, RECONSIDERATION OF THE MOTION TO TABLE discussion to July 21, 2014, the request by the Community Development Department for a Text Amendment to the Commercial and Mixed Use Districts Section of the Zoning Ordinance, Specifically Table 1005-1 regarding Residential, Civic and Institutional Uses

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

Willmus moved, Laliberte seconded, TABLING discussion to August 11, 2014, the request by the Community Development Department for a Text Amendment to the Commercial and Mixed Use Districts Section of the Zoning Ordinance, Specifically Table 1005-1 regarding Residential, Civic and Institutional Uses.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

**16. Adjourn**

Etten moved, Laliberte seconded adjournment of the meeting at approximately 9:48 p.m.

**Roll Call**

**Ayes:** McGehee; Willmus; Laliberte; Etten; Roe.

**Nays:** None.

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Daniel J. Roe, Mayor

ATTEST:

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Patrick J. Trudgeon, City Manager