



Approved: January 11, 2021

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**CITY OF ARDEN HILLS, MINNESOTA  
REGULAR CITY COUNCIL MEETING  
DECEMBER 14, 2020  
7:00 P.M. - ARDEN HILLS CITY COUNCIL CHAMBERS**

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**CALL TO ORDER/ROLL CALL**

Pursuant to due call and notice thereof, Mayor David Grant called to order the regular City Council meeting at 7:00 p.m.

*Note: On March 20<sup>th</sup>, the Mayor signed a determination allowing Councilmembers to participate in City Council meetings via telephone pursuant to State Statute 13D.021*

**Present:** Mayor David Grant, Councilmembers Brenda Holden, Fran Holmes, Dave McClung and Steve Scott

**Absent:** None

**Also present:** City Administrator Dave Perrault; Public Works Director/City Engineer Todd Blomstrom; Finance Director Gayle Bauman; Community Development Manager/City Planner Mike Mroska; and City Clerk Julie Hanson

**PLEDGE OF ALLEGIANCE**

**1. APPROVAL OF AGENDA**

**MOTION:** Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the meeting agenda as presented. A roll call vote was taken. The motion carried unanimously (5-0).

**2. PUBLIC INQUIRIES/INFORMATIONAL**

**Gregg Larson**, 3377 North Snelling Avenue, commented on the City's claims and payroll. He stated there were 19 transactions that do not have clear information listed.

**Mayor Grant** requested staff investigate this further and provide detailed information for these 19 transactions at the next regular City Council meeting.

**3. RESPONSE TO PUBLIC INQUIRIES**

None.

#### 4. STAFF COMMENTS

##### A. COVID-19 Update

**City Administrator Perrault** provided the Council with an update on how the City was responding to COVID-19. He encouraged residents to visit the City's website for the most current and up to date information regarding COVID-19. He reported the Minnesota Department of Health and CDC also had websites with current guidelines and recommendations. He explained the City of Arden Hills remains in a peacetime state of emergency and City Hall will remain closed until further notice. He indicated City staff remains operational and can be reached via phone or email. He reported the governor would be addressing the State this week with further directives regarding COVID-19.

#### 5. APPROVAL OF MINUTES

- A. November 9, 2020, Regular City Council
- B. November 12, 2020, Special City Council
- C. November 16, 2020, City Council Work Session

**Councilmember Holmes** reported she had submitted to staff a minor change to the November 16, 2020 City Council Work Session meeting minutes.

**MOTION:** **Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the November 9, 2020, Regular City Council meeting minutes, November 12, 2020, Special City Council meeting minutes; and November 16, 2020, City Council Work Session meeting minutes as amended. A roll call vote was taken. The motion carried unanimously (5-0).**

#### 6. CONSENT CALENDAR

- A. Motion to Approve Consent Agenda Item - Claims and Payroll
- B. Motion to Approve the 2021 Non-Union Employee Compensation Plan
- C. Motion to Approve Resolution 2020-062 Approving the 2021 City Contribution to Employee Monthly Benefits
- D. Motion to Authorize Reducing the 2020 Budgeted Transfer Amount from Sanitary Sewer Fund to Capital Equipment & Building Replacement Fund
- E. Motion to Approve Northeast Youth and Family Services (NYFS) 2021 Agreement
- F. Motion to Authorize Entering into a Joint Powers Agreement for Technology Services with Metro-INET
- G. Motion to Adopt Ordinance 2020-004 Approving the 2021 Fee Schedule and Authorizing Publication of the Ordinance Summary
- H. Motion to Approve Resolution 2020-063 Appointing 2021 City Council Liaisons for Commissions and Committees and Mayor Pro Tem
- I. Motion to Cancel the December 28, 2020 Regular City Council Meeting

- J. Motion to Approve Payment No. 10 (Final) – Sunram Construction – Old Snelling Trail and Watermain Improvements Project
- K. Motion to Approve Amendment to Professional Services Agreement with HR Green – Hamline Avenue, Shorewood Drive, and City Hall Parking Lot Improvements
- L. Motion to Approve Resolution 2020-064 Authorizing the City to Apply for a Grant from the Minnesota Public Facilities Authority (PFA) for Lexington Avenue
- M. Motion to Approve Extension of Final Plat Approval – 4200 Round Lake Road (Scannell Properties) – Planning Case 20-010
- N. Motion to Approve the Policies and Procedures for Federal Awards Administration
- O. Motion to Approve Elimination of Associate Planner Position

**MOTION:** Councilmember Holden moved and Councilmember Holmes seconded a motion to approve the Consent Calendar as presented and to authorize execution of all necessary documents contained therein. A roll call vote was taken. The motion carried unanimously (5-0).

## 7. PULLED CONSENT ITEMS

None.

## 8. PUBLIC HEARINGS

### A. Quarterly Special Assessments for Delinquent Utilities

**Finance Director Bauman** stated water customers whose account is 90 days past due were informed that the City intends to certify delinquent charges to Ramsey County to be collected with property taxes. These customers have the right to a hearing in front of the City Council to discuss this matter prior to certification.

**Mayor Grant** opened the public hearing at 7:14 p.m.

With no one coming forward to speak, Mayor Grant closed the public hearing at 7:15 p.m.

### B. Special Assessments for False Alarm Charges

**Finance Director Bauman** stated notices were mailed to property owners informing them of their account status and the City's intent to certify any unpaid delinquent amounts to Ramsey County for collection with 2021 property taxes.

**Mayor Grant** opened the public hearing at 7:16 p.m.

With no one coming forward to speak, Mayor Grant closed the public hearing at 7:17 p.m.

### C. Truth In Taxation Hearing

**Finance Director Bauman** provided the Council with a presentation on the City's 2021 Tax Levy and Budget. She discussed how property taxes work in Minnesota and noted County assessors determine property values in the year prior to taxes being paid. She explained the City sets the preliminary levy in September of each year and holds a Truth In Taxation Hearing in December. She described how property taxes are calculated and reported Arden Hills would have a 4.25% increase in its levy. She provided the Council with a summary on the General Fund and discussed proposed revenues and expenditures in further detail. She reviewed the proposed tax rate for 2021. She discussed how the proposed tax levy and tax rate compared to other jurisdictions in Ramsey County. She commented further on how the proposed levy would impact the median value homeowner and asked for comments or questions on the levy.

**Mayor Grant** questioned what the increase was for health insurance in 2021.

**Finance Director Bauman** stated health insurance was increasing 9.5% or \$19,500.

**Mayor Grant** inquired how cost of living and step increases would impact the budget.

**Finance Director Bauman** explained the total wages and benefits increases for 2021 was \$152,000.

**Mayor Grant** opened the Truth In Taxation hearing at 7:32 p.m.

**Gregg Larson** stated he would like to address the Council regarding the budget under Item 9C.

**Mayor Grant** explained the Council would be taking comments regarding the budget and tax levy during the Truth In Taxation Hearing. He encouraged Mr. Larson to address his budget concerns at this time.

**Mr. Larson** discussed Attachment A which addresses the reconstruction of Snelling Avenue. He reported this project has been kicked down the road despite the road being in poor condition. He understood this project was slated for 2022 and questioned why a trail was not being completed. He requested the Council reconsider this decision for the safety of the pedestrians that use this roadway. He questioned when the Parks and Trails Committee recommended the trail be removed. He asked when the City held a public hearing to weigh in on striking the trail from the project and inquired when residents were surveyed. He explained he cared about the trail and he would have liked to have been consulted regarding this matter. He reported a trail was needed along Snelling Avenue. He recommended the City bond for this project in order to have a trail completed.

**Mayor Grant** closed the Truth In Taxation hearing at 7:45 p.m.

**D. Planning Case 19-002 – Drainage and Utility Easement Vacation at 1740 Parkshore Drive (Summit Development)**

**Community Development Manager/City Planner Mroska** stated at its July 22, 2019 meeting, Summit Development received required approvals from the Council to construct a three (3) story, 120-unit senior housing building which will include independent living, assisted living, memory

care and skilled nursing. Construction has been delayed due to COVID-19. At this time construction is anticipated to start in the spring of 2021.

**Community Development Manager/City Planner Mroska** explained the applicant is requesting to vacate the southern five (5) feet of the segment of existing Drainage and Utility Easement. The proposed easement vacation is located along the westerly 200 feet of the north lot line for Lot 1, Block 1 as identified in attachment B. The applicant is proposing to construct a concrete building access patio on the north end of the proposed of the building that would encroach into the easement. Engineering and planning staff have reviewed the proposal and have no concerns with the request. A request for a Vacation of Easement requires a public hearing before the City Council.

**Mayor Grant** opened the public hearing at 7:47 p.m.

With no one coming forward to speak, Mayor Grant closed the public hearing at 7:48 p.m.

## 9. NEW BUSINESS

### A. Resolution 2020-065 Adopting and Confirming Quarterly Special Assessments for Delinquent Utilities

**Finance Director Bauman** stated delinquent utility amounts are certified to Ramsey County quarterly and that a list of utility accounts with a delinquent balance was compiled and notices dated November 6, 2020 were mailed. Customers were informed of their delinquent status and were asked to make payment of the delinquent balance by December 4, 2020. She indicated that the City will request that Ramsey County levy the delinquent balances against the respective properties.

**MOTION:** Councilmember Holden moved and Councilmember Holmes seconded a motion to adopt Resolution #2020-065 – Adopting and Confirming Quarterly Special Assessments for Delinquent Utilities. A roll call vote was taken. The motion carried (5-0).

### B. Resolution 2020-066 Adopting and Confirming Special Assessments for False Alarm Charges

**Finance Director Bauman** stated the City Council held a public hearing earlier tonight (item 8B) regarding special assessment certification of delinquent false alarm charges. The City will request that Ramsey County levy the delinquent balances against the properties on which the alarm systems are installed.

**Councilmember McClung** asked if staff worked with the Fire Marshall or the Sheriff's Department to see if there were ongoing issues that could be addressed by property owners.

**Finance Director Bauman** commented all of the property owners do receive letters from the City informing them they are having an issue with their alarm system.

**Councilmember McClung** suggested staff also speak with the Fire Marshall and the Sheriff's Department as well.

**Councilmember Holden** asked if the charges were just for 2020.

**Finance Director Bauman** reported the City did not assess for these charges in 2019, so some of the properties were being assessed for alarm charges in both 2019 and 2020.

**Councilmember Holden** agreed this list should be sent to the Fire Marshall regarding the number of false alarm calls.

**MOTION:** **Councilmember Holden moved and Councilmember Holmes seconded a motion to adopt Resolution #2020-066 – Adopting and Confirming Special Assessments for False Alarm Charges. A roll call vote was taken. The motion carried (5-0).**

**C. Adoption of the 2021 Budget and Tax Levy:**

- **Resolution 2020-067 Setting the Final Tax Levy for Taxes Payable in 2021**
- **Resolution 2020-068 Setting the Final Tax Levy – Karth Lake Special Taxing District for Taxes Payable in 2021**
- **Resolution 2020-069 Adopting the Proposed 2021 Budget**

**Finance Director Bauman** stated a budget workshop was held with the Council on August 17, 2020. Staff was directed to reduce the proposed COLA for non-union employees from 3% to 2% and Council adopted a maximum tax levy increase of 4.25% on September 14, 2020. Another budget workshop was held with the Council on November 16, 2020. Staff was not directed to make any changes to the proposed information. Staff discussed the wages, benefits and General Fund in further detail with the Council and recommended approval of the final tax levy for taxes payable in 2021.

**Councilmember McClung** asked what 1% of the levy was.

**Finance Director Bauman** reported this equated to \$41,350.

**Councilmember Holden** commented on the Old Snelling project and questioned when the feasibility study would be coming before the Council.

**Public Works Director/City Engineer Blomstrom** reported the feasibility report for Snelling Avenue North would be discussed by the Council at the December 21, 2020 Council Worksession meeting. He explained the feasibility study had two options for the Council to review, one option including a trail and the other option without a trail. He indicated the decision about the trail would be made by the Council at the improvement hearing next spring.

**City Administrator Perrault** commented the City would be holding three public comment hearings for the Snelling Avenue Project.

**Councilmember McClung** stated it was safe to say that no decision has been made regarding there being a trail or no trail along Snelling Avenue.

**MOTION:** **Councilmember McClung moved and Councilmember Holden seconded a motion to adopt Resolution #2020-067 – Setting the Final Tax Levy for Taxes Payable in 2021.**

**Councilmember Holden** asked if the City would have a budget shortfall or surplus in 2020.

**Finance Director Bauman** reported the 2020 budget would not have a deficit. She discussed how the CARES Act funding assisted the 2020 budget in having a surplus. She estimated the City would have a budget surplus between \$100,000 and \$200,000 without the CARES Act funds.

**Councilmember McClung** commented given what he just heard the City would have some level of surplus from 2020. He indicated he was having a hard time getting behind the 4.25% tax levy. He recommended the tax levy be reduced to 3.5% which would be a reduction of \$31,010. He stated 2020 has been a hard year and he would like to see the City minimize its budget as much as possible.

**AMENDMENT:** **Councilmember McClung moved and Councilmember Scott seconded a motion to decrease the Tax Levy for Taxes Payable in 2021 to 3.5%.**

**Councilmember Holmes** asked if the City has seen a rise in delinquent utility bills or property taxes.

**Finance Director Bauman** explained staff has not seen an increase in delinquencies in 2020 due to COVID. She reported the delinquencies were right in line with previous years.

**Councilmember Holmes** stated she did not support the levy going down. She would like it to remain at 4.25%.

**Mayor Grant** reported based on the information received from the County, 83% of Arden Hills residents would receive a decrease in property taxes based on the proposed levy.

**Councilmember Holden** reported the value of her home went up \$30,000 for next year and this would impact her property taxes.

**Councilmember Scott** stated most years he would agree with Councilmember Holmes, however given how many people were hurting in 2020, he supported the tax levy being dropped to 3.5%.

**Mayor Grant** questioned how a levy reduction to 3.5% would impact the median value home.

**Finance Director Bauman** explained the median value home would have a reduction in property taxes of \$8 next year if the levy were reduced to 3.5%.

**Councilmember Holmes** stated this was a relatively minor amount. However, she believed this would add up as a whole for the City and for this reason, she recommended the levy remain at 4.25%.

**Councilmember Holden** asked how businesses would be impacted by the levy being reduced to 3.5%.

**Finance Director Bauman** commented she would not be able to make these calculations at this time.

**Councilmember McClung** understood the levy change was not significant, but for those residents who were struggling any decrease at all would assist them in 2021.

Further discussion ensued regarding how a proposed levy reduction would impact commercial businesses in Arden Hills.

**Mayor Grant** stated he could support the proposed reduction.

**Councilmember Scott** commented renters were the ones who could least afford an increase in 2021.

**Councilmember McClung** called the question.

**A roll call vote was taken. The amendment to decrease the Tax Levy for Taxes Payable in 2021 to 3.5% carried 4-1 (Councilmember Holmes opposed).**

**Mayor Grant** requested staff call the roll on the amended motion.

**A roll call vote was taken. The amended motion to decrease the Tax Levy for Taxes Payable in 2021 to 3.5% carried 4-1 (Councilmember Holmes opposed).**

**Finance Director Bauman** requested the Council make a motion on the Karth Lake Special taxing district for taxes payable in 2021.

**MOTION:** **Councilmember McClung moved and Councilmember Holden seconded a motion to adopt Resolution #2020-068 – Setting the Final Tax Levy – Karth Lake Special Taxing District for Taxes Payable in 2021. A roll call vote was taken. The motion carried (5-0).**

**Finance Director Bauman** requested the Council adopt the proposed 2021 budget.

**MOTION:** **Councilmember Holden moved and Councilmember McClung seconded a motion to adopt Resolution #2020-069 – Adopting the Proposed 2021 Budget with the change in taxes to reflect a budget of \$3,715,930. A roll call vote was taken. The motion carried (5-0).**

**D. Resolution 2020-070 Approving Vacation of Drainage and Utility Easement at 1740 Parkshore Drive (Summit Development) – Planning Case 19-002**

**Community Development Manager/City Planner Mroska** stated at its July 22, 2019 meeting, Summit Developments received required approvals from the Council to construct a three (3) story, 120-unit senior housing building which will include independent living, assisted living, memory care and skilled nursing. Construction has been delayed due to COVID19 and at this time construction is anticipated to begin spring 2021. The applicant is requesting to vacate the southern five (5) feet of the segment of existing Drainage and Utility Easement. The proposed easement vacation is located along the westerly 200 feet of the north lot line for Lot 1, Block 1. The applicant is proposing to construct a concrete building access patio on the north end of the proposed of the building that would encroach into the easement. Engineering and planning staff have reviewed the proposal and have no concerns with the request.

**MOTION:** Councilmember Holden moved and Councilmember Holmes seconded a motion to adopt Resolution #2020-070 – Approving Vacation of Drainage and Utility Easement at 1740 Parkshore Drive (Summit Development). A roll call vote was taken. The motion carried (5-0).

**10. UNFINISHED BUSINESS**

None.

**11. COUNCIL COMMENTS**

**Councilmember Scott** thanked City staff for all of their efforts during this trying year.

**Councilmember McClung** thanked City staff, the Sheriff's Department, the Lake Johanna Fire Department and all EMT's for providing City services professionally through the pandemic this year. He explained 2020 did not go the way anyone thought it would and he hoped brighter days were ahead in 2021.

**Councilmember Holmes** reported residents could drop off unused or broken Christmas lights at City Hall. She noted lights would be picked up at City Hall through January 29, 2021. She encouraged residents to visit the City's website to view a map of holiday light displays in Arden Hills and surrounding communities.

**Councilmember Holmes** stated she was looking forward to reading *A Good Time for the Truth: Race in Minnesota*.

**Councilmember Holmes** explained a neighborhood Zoom meeting would be held on Tuesday, December 15 at 6:30 p.m. regarding the Boston Scientific expansion.

**Councilmember Holmes** thanked all City Hall and public safety staff for their tremendous efforts in 2020.

**Councilmember Holden** commended City Administrator Perrault on the recent letter he put in the Arden Hills newsletter.

**Councilmember Holden** commented on a book she received from the St. Paul Realtor's Association noting Gen Xer's and Millennials want larger yards.

**Councilmember Holden** thanked the Representative Isaacson for his assistance in receiving State bonding money.

**Mayor Grant** wished everyone Happy Holidays and encouraged everyone to stay safe. He hoped that 2021 would be better than 2020 and that things would return to normal. He thanked staff for all of their efforts over the past year and for successfully working through the pandemic. He thanked the Council for their understanding and flexibility while conducting virtual meetings this year.

### **ADJOURN**

**MOTION:** **Councilmember Holden moved and Councilmember Holmes seconded a motion to adjourn. A roll call vote was taken. The motion carried unanimously (5-0).**

**Mayor Grant** adjourned the Regular City Council Meeting at 8:58 p.m.

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Julie Hanson  
City Clerk

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David Grant  
Mayor