

Meeting of: COLUMBIA HEIGHTS CITY COUNCIL
Date of Meeting: October 7, 2019
Time of Meeting: 7 pm
Location of Meeting: Conference Room #1
Purpose of Meeting: Work Session

CALL TO ORDER/ROLL CALL - The meeting was called to order at 7:00 pm

Present: Mayor Schmitt, Councilmembers Murzyn Jr, Novitsky, Williams, and Buesgens

Staff Present: Kelli Bourgeois-City Manager, Joseph Kloiber-Finance Director, Keith Windschitl- Recreation Director, Lenny Austin- Police Chief, Erik Johnston- Police Captain, Charlie Thompson- Fire Chief, Dan O'Brien- Fire Captain, Aaron Chirpich-Community Development Director, Jason Schulz- Liquor Store Operations Manager, and Nicole Tingley-City Clerk/Council Secretary.

Others Present: Steve Smith- Charter Commission President, KT Jacobs- Resident, Amada Marquez-Simula-Resident.

1. Modernizing the Charter Amendment Process Policy Comments

Mayor Schmitt explained that the League of Minnesota Cities (LMC) drafted a policy to use to advocate to the state legislature on behalf of municipalities regarding city charters. Schmitt stated that this LMC policy addresses clarifying language regarding "registered voters" in charter amendment petitions as well as modifying liquor provisions included in a charter without an election being required. Charter Commission President Smith stated that the City Charter does not include any provisions regarding liquor. It was noted that the Charter Commission will have an opportunity to discuss this at their October 17th meeting.

2. Joint Resident Meeting – Open House Meeting with the City of Fridley for a Trail Project

City Manager Bourgeois explained that City staff recommends holding a joint public open house with the City of Fridley prior to applying for grant funds for pedestrian connections along 53rd Avenue. These pedestrian connections would supplement the 53rd Avenue turnabout, median, and trail project as well as the City of Fridley trail on 7th Street from 53rd Avenue to 61st Avenue that is to be constructed. It was noted that the tentative day for this meeting is Saturday, October 26th.

3. 2020 Budget Discussion

a. Recreation

Recreation Director Windschitl stated that the Recreation budget is proposed to increase by 3% or approximately \$27,000. Windschitl noted that \$6,000 of the increase was due to the Jamboree fireworks being moved to the Recreation budget and another \$5,000 is to increase part-time staff at Murzyn Hall for events and programs. Windschitl provided an overview of what is included in each recreation department budget.

Windschitl then answered a series of questions submitted by the Mayor prior to the work session. Much of the discussion regarded maintenance and updates to Murzyn Hall. Windschitl stated that this year there were many items needing repair and maintenance including wood floor sanding and refinishing, HVAC repairs, and dishwasher/water heater repairs. Windschitl also shared a list of desired

future updates including tile replacement, addressing water and leak issues, modernizing the elevator, and upgrading the bathrooms and making them ADA compliant.

Councilmember Buesgens stated that Murzyn Hall should have a condition assessment completed similar to the one conducted at City Hall to use to make a long range plan. Councilmember Novitsky agreed. Williams stated that Murzyn Hall needs to be renovated. The City Council provided direction to contact Leo A Daly (company that completed City Hall condition assessment) regarding completion of a condition assessment of Murzyn Hall.

b. Police

Police Chief Austin provided an overview of the 2020 Police Department Budget. Austin shared an overview of changes for 2020 expenditures by category. For Personnel it was noted that the major changes are from the staffing study which are adding a 28th officer and back-filling a Records Tech position. Supplies expenditures changed for uniforms because of additional staff. Other Services and Charges changes included a property room audit (to be completed in the off-years of body worn camera audits), work cell phones for each officer, and a captain's attendance at Northwestern Staff and Command School. Capital Equipment expenditures planned for 2020 include two new Ford Explorers that have hybrid engines and a drone to be used by police, fire, and public works staff. Austin also shared budget considerations for 2021 and beyond. Some of these items included adding a 29th officer and a second full-time CSO, building updates, training, and taser replacement.

Next, Austin discussed the Five Year Vision of the department in terms of staffing, remodeling, and equipment. Items in the five year vision included municipal building security review, building updates, increase of staffing, technology, training, vehicles, and wellness and safety of officers.

Police Chief Austin addressed budget questions the Mayor submitted in advance of the work session.

c. Fire

Fire Chief Thompson provided an overview of the 2020 Fire Department Budget. Thompson noted there is a 22% increase in the budget primarily due to personnel. Thompson stated that the budget includes the addition of two daytime staff in property inspections and increase in number of paid on call firefighters and increase to minimum wage. Other budget increases due to additional staffing were mentioned including psychological testing, clothing, training, cellphones, and radios. Other major budget items include replacement of the 2011 Chevrolet suburban that has an engine problem, telemetry equipment for new air packs, and contribution towards a drone purchase.

Next Thompson discussed the Five Year Vision of the department in terms of staffing, remodeling, and equipment. Items in the five year included building needs and upgrades, replacement of air compressor, replacement of Engine 2, and increasing paid on-call firefighters to 30.

Thompson showed the City Council his envisioned organization chart for the fire department. It is more detailed than the current chart. The Assistant Chief will be the deputy Fire Marshall and be responsible for property maintenance and the captains. Each of the 3 full-time captains will have areas in which they focus on. Captain 11 will specialize in fire safety, logistics, and supply and support. Captain 12 will specialize in code enforcement and fire investigations. Captain 13 will specialize in training, public fire education, and will be the emergency management assistant.

Fire Chief Thompson addressed budget questions the Mayor submitted in advance of the work session. Thompson noted that a citizen's academy, a CERT program, and more communications are some of his ideas for engaging the community. Furthermore, the City Council provided direction to work on communicating and showing how the inspection fees pay for inspections.

d. Community Development

Community Development Director Chirpich stated that the Community Development budget is proposed to decrease by 5% overall. Chirpich highlighted each of the fund within the Community Development budget. Chirpich stated that the Planning and Inspections budget decreased by \$45,950 due to the elimination of the Community Development Manager position. Chirpich also noted the Economic Development Authority budget decreased by 2.5% due to changing the Community Development Manager position to a Community Development Coordinator and eliminating a Community Development Intern. In regards to the Downtown Parking Fund, Chirpich noted that Fairview has purchased their space and is no longer leasing therefore the City is in negotiations regarding maintenance and costs. The budget is not proposed to change from 2019. Finally, Chirpich stated that the EDA Redevelopment Project fund will remain unchanged for 2020. It was noted this fund is for the façade improvement grant program, commercial revitalization projects, and purchasing single family homes zoned commercial. Additionally, Chirpich stated that the department would like to purchase new e-permitting software.

Community Development Director Chirpich answered questions submitted by the Mayor prior to the work session. Much of the discussion regarded staffing and coverage when two employees will be out later this year. Chirpich stated he plans to use the Community Development Coordinator salary to pay for a planning consultant and anticipates using Northwest Associates. Furthermore, the License and Permits Administrative Assistant will be starting a phased retirement in February 2020. To prepare for that Chirpich has posted for a full-time Administrative Assistant II.

e. Liquor

Finance Director Kloiber stated that the Liquor operating budget increased by 3% with approximately half due to pay increases (cost of living and bargaining agreements) and the largest portion of the other half is seal coating the parking lots at all three stores. Other components of the non-personnel increase include credit card fees, advertising, and property and liability insurance. Kloiber noted that the budget does not include a specific line item for uniforms. It is anticipated that uniforms that are shirts with a new logo will be purchased in 2020. Finally Kloiber clarified that the increase in the principal payment on bonds is due to the payment structure established by Ehlers.

Liquor Store Operations Manager Schulz shared objectives and near to mid-term goals of the liquors stores. Schulz stated that one objective is to have product offerings and sales strategies capture new customers. High-end brown spirits, craft beers and non-alcoholic beers are some examples of current trends. Schulz stated that there will also be a shift in mediums of advertising utilized. There will be increased use of social media, online advertising, local search engine optimization, industry specific publications such as "The Growler," phone apps, and zip-code focused mailings. It was also indicated that newspaper advertising would be decreased.

Next Schulz stated that the point of sale equipment will be changed in 2020. It is anticipated that the system will be upgraded with the current vendor RITE. It was noted that RITE has the best price, it

would be an easier transition, and they have the ability to support future desired features including a membership program and delivery e-commerce.

Finance Director Kloiber stated that they are also working on branding. Initiatives include a new logo, uniform shirts, and remodeling Liquor Store 3 and making it the Top Valu brand instead of Heights Liquor. This includes a new sign which will be on the City Council agenda on October 14.

f. Administration

City Manager Bourgeois highlighted the major changes of each department within Administration. First, the costs for the public special events were moved into the Mayor-Council budget under general supplies. Formally, these expenditures included in the Recognition and Special Events budget which was eliminated. It was clarified that the expenses for employee events were redistributed into the City Manager budget. Mayor Schmitt suggested looking into having all special events in the City Manager budget next year.

Next, for the City Manager budget, the primary changes are the addition of the Special Projects and Events Coordinator, the increase in general supplies for employee events, and the Human Resources Module and NEOGOV under repair and maintenance services which were previously included in the cable budget.

For the City Clerk budget, there are three elections in 2020 instead of only two. It is anticipated that the State will reimburse the City for the costs of the Presidential Primary, but that is not being incorporated into the budget. Bourgeois noted that if the City was reimbursed that revenue would replenish the fund balance.

There were no significant changes in Assessing and Legal Services. Bourgeois stated that she would follow-up and ask other cities the cost of their legal services to answer the Mayor's question about attorney costs.

Under the Cable budget, there is an increase of \$30,000 for the newsletter due to moving funds from the Recognition and Special Events budget that was eliminated. Additionally, there is an increase of \$2,000 for post for the mailing of the newsletter by a company. With the company there has been more success in directly reaching all apartment units individually.

City Manager Bourgeois addressed questions submitted by the Mayor prior to the work session. The City Council provided direction to move the Peace Clock maintenance to the Public Works budget. It was also clarified that the records retention schedule will remain the same with the transition to a new City Hall. There was a discussion about sorting through records and digitizing them.

The City Council had a discussion regarding completion of a Community Survey in 2020 at a cost of \$20,000. Mayor Schmitt suggested utilizing the School Districts recent survey results on communication now and completing a survey in the future. Councilmember Buesgens thought it was important to have survey completed next year. It was noted a survey has not been completed since the late 80s or early 90s. Finance Director Kloiber stated that reducing the cable budget by \$20,000 would not reduce the levy. The City Council provided direction to continue this discussion at the next work session.

Furthermore, it was clarified that the cable funds can be transferred to other uses for 2020, but this may change in future cable franchise agreements. Bourgeois also mentioned that the City was contacted by CTV for cable services.

Councilmember Williams commented that he thinks the levy increase should be decreased to 7.5%. It was noted that this would be \$140,000 less in revenues. The other members of City Council disagreed with Williams as the changes that are causing the increase are necessary.

Mayor Schmitt adjourned the work session at 10:20 pm.

Respectfully Submitted,



Nicole Tingley, City Clerk/Council Secretary