

Meeting of: COLUMBIA HEIGHTS CITY COUNCIL  
Date of Meeting: September 8, 2020  
Time of Meeting: 7:00 pm  
Location of Meeting: Council Chambers  
Purpose of Meeting: Work Session

CALL TO ORDER/ROLL CALL - The meeting was called to order at 7:26 pm

Present: Mayor Schmitt (via Zoom), Councilmembers Murzyn Jr, Novitsky, and Buesgens

Absent: Councilmember Williams

Staff Present: Kelli Bourgeois- City Manager, Will Rotter- Communications & Events Specialist, Kevin Hansen- Public Works Director (via Zoom), Joe Kloiber- Finance Director, Lenny Austin- Police Chief, Nicole Tingley- City Clerk.

Council President Novitsky read an opening statement declaring that the meeting is being conducted via electronic means pursuant to Minnesota State Statutes Section 13D.021 as Mayor Donna Schmitt is attending via Zoom.

1. 100<sup>th</sup> Anniversary Committee Council Liaison

Communications & Events Specialist Rottler requested a Council Liaison for the 100<sup>th</sup> Anniversary Committee to help with answering questions and providing feedback. The Council Liaison would also help update the other councilmembers.

The City Council decided to have Councilmember Novitsky serve as the liaison.

2. 3821 Reservoir Abatement

Public Works Director Hansen provided an overview of the why 3821 Reservoir is being recommended for a potential abatement and a summary of events. Hansen stated that it started off with a building permit for a garage and large driveway applied for at the end of 2018. In April 2019, public works discovered large excavation without any soil control or containment. In August of 2019, the property owner applied for a new building permit application. At that time, further excavation led to higher vertical unprotected walls in heights of 6 and 8 feet as the property owner took additional material and placed it on top of existing slopes.

Hansen stated that there are two components to this issue first there is no erosion control with erodible soil and second the property has unprotected high slopes. The City has not received response from the property owner with the last contacts in April and May. Hansen explained how the City has completed abatements twice for erosion control.

Hansen explained the range of options available to address the site. Options are a retaining wall, a semi-permanent solution of shotcrete (spray on concrete) that would last 3-5 years or simply removing the vertical slope and regrading the property. The retaining wall would be the most expensive and regrading would be the least expensive.

When asked, Hansen stated that in his viewpoint the two ways to go would be the shotcrete or regrading.

The City Council discussed the options. Councilmember Murzyn, Jr. stated he would agree with the option that Hansen thought was best. Councilmembers Novitsky and Buesgens agreed with selecting the least expensive option of regrading. Councilmember Buesgens stated that the property owner has had a lot of time and opportunity to correct. Councilmember Novitsky stated that he would not like for the property to get sold with the shotcrete. Buesgens added that if no garage is built it may come back to the City Council in 5 years.

### 3. Budget Overview

Finance Director Kloiber provided a status update on the current 2020 budget. He noted the following:

- Fund 201 (Planning and Inspections) is currently at a \$63,000 deficit. Two large permits are expected to come in which would help balance it out, but a deficit is still expected. There is a fund balance of \$350,000 that can address that.
- Liquor operations is currently at breakeven. It is anticipated it will show a small profit as most of their sales are during the upcoming holiday season. There have been more sales when open, but factors including civil unrest and staffing shortages have caused interruptions.
- A budget amendment foregoing to liquor operations transfer to the infrastructure fund and general fund will be coming to the City Council
- City staff is recommending seeking bids to remodel store 3 as it will be easier to complete this project with being open less hours and so they are more competitive when full operations restore. The funds are already set aside.
- The General Fund is 10% under projected expenditures
- City staff is recommending a \$600,000 transfer from the general fund to the government buildings fund. This is to address a \$1,000,000 surplus in the general fund from 2019.

Kloiber played a prerecorded presentation of an overview of the 2021 budget. Highlights of the presentation include:

- Each annual budget follows a 5-year financial plan
- Tax supported funds increase smoothly each year in a stair-step fashion to allow for stable operations and adequate funding
- A 4.8% increase is recommended for tax-supported operating expenses. 3% is for inflation on current services, 1.2% is for adding a police officer, and 0.6% is for adding a Community Service Officer.
- The local taxpayer share of the proposed property tax levy for 2021 is unable to be determined as the Metro Area Fiscal Disparity amount has not been published
- An estimated \$100,000 more property taxes will be collected in 2021 due to a decertification of 2 TIF districts
- One option that has been discussed by the City Council is to use the \$100,000 to maintain parks, which would increase the levy.
- The City will receive almost \$1.9 million dollars in Local Government Aid. It is proposed to use \$450,000 towards general fund operations, \$450,000 towards debt service on buildings, and \$972,000 for equipment and capital improvements.
- 2021 combined rate increase for utilities is 4.5%

- Next steps are approving proposed budget & tax levy, budget presentations, and adopting a final budget and tax levy

4. Jackson Street Update

Police Chief Austin provided an update regarding the rental license for 5049/5051 Jackson Street that was modified to a provisional rental license in August. Austin stated since the modification to a provisional rental the tenant has moved out and there have been 0 calls to the property. The Police Department will continue to meet with the property owner on a monthly basis. Austin will provide a final update in May or June. Any further issues will be brought to the attention of the City Council.

The City Council thanked Austin for their work on this property.

5. City Council/School Board Meeting

City Manager Bourgeois stated that at the last joint City Council and School Board Meeting a tentative meeting date of September 29 was set. She asked the City Council if they would still like to meet and what the agenda items would be.

The City Council agreed not to meet on September 29. Councilmember Buesgens commented that it would be nice to meet before the end of the year.

The City Council listed possible agenda items including how the school district is navigating through the pandemic and more information on how distance learning is working.

City Manager Bourgeois stated that the City could also share how we are navigating through the pandemic. She added other topic ideas including a development update.

Bourgeois stated that she had a conversation with Police Chief Austin regarding including school resource officers as an item as she knows that the school board has had general discussions on it. They concluded that there would not be a lot to discuss in that forum. Councilmember Buesgens shared through attending school board meetings that her impression was that the school board wants to keep it as is.

Bourgeois asked the City Council to let her know if they come up with anymore ideas. She stated she would let the City Council know about setting a date and if there needs to be a meeting with the Mayor, School Board President, the Superintendent, and herself to formalize an agenda.

Motion by Councilmember Murzyn, Jr., seconded by Councilmember Buesgens, to adjourn the work session. A roll call vote was taken with all ayes. Motion carried 4-0.

Meeting adjourned at 8:12 pm.

Respectfully Submitted,

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Nicole Tingley, City Clerk/Council Secretary