



**CITY COUNCIL
WORK SESSION MEETING MINUTES
September 6, 2023**

1) Call to Order

Mayor Whalen called the meeting to order at 5:30 pm.

Roll Call of Attendees:

Present – Council: Mayor Lisa Whalen, Cathleen Reffkin and Ann MacGregor;

Staff: City Administrator Jasper Kruggel, Finance Director Brian Grimm, Director of Public Safety Paul Falls, Director of Public Works Gary Peters, and Deputy City Clerk Angela Boll **Consultants:** City Engineer Alyson Fauske, WSB Engineering

Absent: Council: Peter Vickery and Claudia Lacy

2) 2024 Budget Discussion

Finance Director, Grimm provided an overview for discussion.

Highlights include:

- At the August 21st, 2023 City Council Meeting there was a consensus to further discuss 14.60% as a preliminary levy to adopt for 2024.
- Since that meeting, there has been some revenue and expenditure impacts including decreased fiscal disparities revenue from Hennepin County, City of Mound 2024 Fire budget expenditures, and City of St. Bonifacius 2024 Fire budget expenditures.

MacGregor stated that she has heard concerns that residents aren't comfortable with the levy going above 15%. MacGregor also asked for clarification on the fire budget increases. Reffkin explained that the formula for the fire budget has changed, and there have been some additional one-time capital expenditures in 2024.

Whalen stated that there should be a discussion on whether the Council feels comfortable using the fund balance in 2024 for these additional expenditures once the surplus in 2023 is further solidified.

There was discussion on increasing the preliminary levy to 15.1% and then have future discussion on how to offset the additional expenditures before the final levy adoption.

Grimm stated that over the next couple months staff should be able to provide more certain numbers for the surplus in 2023 and the Council can then decide how best to mitigate these additional expenditures.

The Council directed staff to move forward with the 15.1% preliminary levy.

3) Mediacom Franchise Agreement Update

City Administrator, Jasper Kruggel provided an overview for discussion.

Highlights include:

- The City renewed its franchise agreement with Mediacom in 2013 for 10 years.
- In November 2022, Mediacom requested an extension of the franchise agreement to 2029. The City responded in April 2023 that they would not extend the agreement unless certain items were addressed.
- The City notified Mediacom that they failed to build out and serve certain areas required by the agreement. Since then, staff has determined that this issue has been addressed by a combination of Mediacom's recent completion of some system expansion and Midcontinent's plan to expand its service to remaining unserved areas in the City.
- The City proposed an extension of the agreement for seven years, ending in 2031 which is proposed to be formally approved on September 20, 2023.

There was discussion on the PEG fees and Franchise fees. Kruggel clarified that PEG fee revenue can only be used for certain expenditures, while franchise fee revenue can be used for any expenditure.

Whalen stated that the franchise agreement is only applicable to video systems, not broadband or phone. Kruggel stated that as long as there is video service provided in the city, a franchise agreement is required.

There was discussion on the length of extension.

The Council directed staff to move forward with the proposed franchise agreement on September 18, 2023.

4) Use of Substances in Public Places

City Attorney, Sarah Sonsalla provided an update for overview.

Highlights included:

- As of August 1, 2023 the use of cannabis products is legal in Minnesota. The law that legalized cannabis products did not place any restrictions on the use of them in public places.
- Currently, the City prohibits the consumption of liquor and beer in public places. The City currently does not prohibit smoking or vaping in public places.
- Staff proposes that the City Council adopt an ordinance that would prohibit the use of cannabis in public places such as city parks, public ways and city parking areas.
- Because the use of cannabis products includes the act of smoking, the Council should discuss prohibiting the smoking of cigarettes, cigars and the utilization of vaping devices in these places as well.

Whalen stated concerns about prohibiting smoking cigarettes in public places. Falls stated that it is easier for enforcement purposes to prohibit smoking as a whole.

The Council directed staff to move forward with the proposed ordinance and strike the cigarettes and cigars language.

5) Capital Bonding Lobbyist-Discussion

Kruggel provided an update for discussion.

Highlights include:

- The Council had a representative from Lockridge, Grindal, Nauen presented about potential lobbying services for the City.
- The Council should have a discussion on if they wish to conduct a request for proposals for this service.

MacGregor stated she thinks the services are necessary and it should be built into the 2025 budget. The Council agreed.

6) Adjourn

Motion by Reffkin, seconded by MacGregor to adjourn the meeting.
Motion passed 3-0. Absent: Vickery and Lacy

Mayor Whalen adjourned the meeting at 6:16 pm.

Respectfully submitted,

Angela Boll
Deputy, City Clerk