

## Cloquet City Council Work Session

Tuesday, September 5, 2017

**Present:** A. Bailey, D. Bjerkness, K. Kolodge, S. Langley, R. Maki, J. Rock, Mayor Hallback

**Absent:** None

**Staff:** J. Barclay, N. Klassen, C. Peterson

### **Budget/CIP Discussion**

Ms. Klassen reviewed the 2018 budget/CIP roll-up. Highlights are as follows:

#### Revenues:

- Property tax levy increase of 3.87% is the same as the planning amount in the 2017 budget but noted a change in the Police Building Debt Levy moving from 2020 to 2021.
- LGA increased approximately \$100,000 and property tax levy amounts shifted to capital funds for future project and equipment funding.
- Mr. Peterson will be requesting approval for a utility rate study tonight.
- Discussion of adding franchise fees for electric and gas. Revenues from franchise fees could be dedicated funds for street projects, pavement management plan or possibly building projects. Council agreed to wait for the new City Administrator to begin before deciding on the fees.

#### Expenditures:

- The Police Department is proposing a part time secretary for approximately \$20,000. Interim Chief Palmer stated the current police secretary positions have evolved over time in addition to the department increasing in size. A part time position would be more clerical in nature and allow the full-time positions to have more time for evidence cataloging and forfeitures. Discussion of the possibility of this position being shared with City Hall Administration.
- \$75,000 is budgeted for a Planning and Building Services Department for a comprehensive plan is scheduled in 2020.
- Nuisance remediation increased \$7,500/year for 2019-2021. Need to have discussion on whether that is enough.
- Community Development is looking at the possibility of their own website. This is a recommendation from the marketing study by Addy. Discussion was had whether it could be paid for by EDA funds. More discussion will be had by the EDA.

#### Discussion Items:

- Conversation in regards to the utility rate study and the impact on local businesses. Per Ms. Klassen, a rate increase could possibly lead to thousands of dollars of an increase for a business.
- Mr. Barclay is going out for bids for health insurance quotes. The last bid was in 2010.
- Councilor Bjerkness asked how well does the budget cover streets, curbs, etc. Mr. Peterson explained that he is planning for more investments with the new pavement management plan. They are in the process of building a database and staff is currently being trained on it. The plan will provide information on appropriate treatment of pavement at appropriate times. This plan

will be critical in making decisions moving forward. He will bring more information to Council when the plan is implemented.

- Mr. Peterson reminded Council that 2 items are still not on the 5 year CIP, the dog park and pickle ball court. Councilor Bjerkness suggested both items be considered in the next budget.
- The preliminary budget will be presented to Council at the December 5<sup>th</sup> Regular meeting for discussion. Any changes can be made before that time except for the tax levy, which cannot be increased. Council will approve the budget at that same meeting.

**Other Discussion Items**

- Mr. Cottingham discussed the air quality issue related to the Shamrock Landfill. EPA testing takes place daily over Ashland and results show below standards for air quality. Does the Council want to bring someone in to do our own testing? Councilor Rock stated testing needs to take place directly in the landfill site. Councilor Bjerkness' view is we owe it to the citizens to get testing done. Councilor Rock also commented on safety measurements that are in place in Ashland but not here at the Shamrock site. Council gave support for a 2-day study to be completed.

There being no further business, the meeting adjourned at 7:00 p.m.

Respectfully Submitted,

James Barclay  
Interim City Administrator