

**CITY OF FALCON HEIGHTS**  
Regular Meeting of the City Council  
City Hall  
2077 West Larpenteur Avenue  
**MINUTES**  
May 11, 2022 at 7:00 P.M.

- A. CALL TO ORDER: 7:04 p.m.
- B. ROLL CALL: ANDREWS \_\_\_ GUSTAFSON \_X\_ LEEHY \_X\_  
MEYER \_X\_ WEHYEE \_X\_  
STAFF PRESENT: LINEHAN \_X\_

C. APPROVAL OF AGENDA

Council Member Wehyee requested to amend the agenda and change Consent Item G4 to Policy Item H1 for further discussion.

- D. PRESENTATION  
1. 2021 Year-End Annual Audit Report

Matt Mayer, the City of Falcon Heights auditor, presented the 2021 Year-End Annual Audit findings. Matt stated that this audit was very good. Matt gave a high-level overview of the 2021 budget. The City's revenue was budgeted at 2,890,221, but it came out to be 3,183,568, that's almost \$293,347 better than estimated. Two-line items that accounted for this were licenses and permits, 177,400 over the budget, and charges for services around 81,000 over the budget. A significant development project accounted for these line items to be over the budget. The original budget was based on a standard operating year and did not account for the additional costs of licenses, permits, and charges for services. On the spending side, the city budget was estimated at \$2,764,221 but came out to be 2,654,043, which was \$110,178 under the budget. One-line item that accounts for this is public safety. Public safety was \$84,954 under budget. Two different things account for this. The first is the police budget which came a little underestimated, and the second is contracting out the fire department saved the City money. The City came out \$400,000 better than what the budget plan called for from the beginning of the year. A decision was made by the City Council late in the year to bank those funds into the Parks and Public Works capital budget fund because the City was outperforming the budget.

- **General Fund:** The City has a fund balance policy of 45% of the annual budget. The City has more than a year's worth of expenditures in the balance. The City meets the fund balance policy goal of 45% and exceeds them by a significant margin. The City's general fund is in a very healthy position.
- **Revenues:** The revenue stream was down a little bit year over year. The high point was two years ago, in 2020, which was the year of COVID and the CARES Act, where local governments received significant funding from the federal government. The City received \$400,000 to \$500,000 in CARES funding in 2020. The City also received funding for the new American Recovery Plan in 2021. Those dollars are not yet spent, so we will not recognize them as revenues.
- **Expenditures:** Expenditures for the year were up about 7% overall. There were some investments in public safety and public works. During the 2021 fiscal year, a tree

maintenance program was one of the significant increases in the public works department year over year. There was a steady but slow increase each year in the general fund spending. You typically see that in most cities. On the operations level, what you need to do from year to year is relatively static, but there will always be inflationary increases.

- **Sanitary Sewer Fund:** These funds are looked at differently from the rest of the other funds. Unlike the general fund, these funds are operated as a business because they don't receive property taxes. Matt looks at whether these funds are charging enough user fees to cover the cost of doing business. In 2020 the sanitary and sewer revenue dropped, and in 2021 the City will be back to normal operations. Two of the City's significant customers went dormant in 2020. The two customers were the State Fair and the UMN. Despite these challenges of 2020, the sanitary and sewer fund was very close to breaking even though there was a slight loss. In 2021 revenue is generated from sanitary and sewer again.
- **Storm Drainage Fund:** The storm drainage fund is based on a flat fee; there is no meter. It is just based on the size of the property, and that revenue stream was constant over the years. As a result, the storm drainage fund has had revenues exceeding expenses every five years.

Council Member Wehyee thanked staff for doing a great job managing the City's budget.

Council Member Meyer thanked city staff and Matt for the report. He also asked Matt what profit percentages for storm drainage / sanitary sewer are considered adequate to build extra revenue for capital expenditures? Matt said that the City has a very robust fund balance policy of 45% and suggests that the City council thinks about establishing a level of financial health for the sanitary sewer fund and the storm drainage fund.

Mayor Gustafson thanked Matt for the report and his recommendations from years past that the City has implemented.

Motion by Council Member Leehy to adopt the 2021 Year-End Annual Audit Report;  
Approved, 4-0.

- E. APPROVAL OF MINUTES
1. May 2, 2022 City Council Workshop Meeting Minutes
  2. April 27, 2022 City Council Regular Meeting Minutes

Motion by Council Member Meyer to approve the minutes;  
Approved, 4-0.

F. PUBLIC HEARINGS:

G. CONSENT AGENDA:

1. General Disbursements through: 5/4/22 \$118,579.58  
Payroll through: 4/30/22 \$17,492.77  
Wire Payments through: 5/4/22 \$11,912.64
2. Approval of City License(s)
3. Designated Signor of City Funds for Newly Appointed City Administrator/City Clerk
4. ~~Support for No Mow May~~

Motion by Council Member Wehyee to approve the consent agenda;  
Approved, 4-0.

H: POLICY ITEMS:

## 1. Support for No Mow May

City Administrator Linehan stated that the No Mow May initiative was first kicked off by the City Edina, which the NPR covered. Residents heard about this initiative and started calling to support the initiative and for the City to implement this initiative. City administration proposed a modified No Mow May because we are already in May. The staff is offering a request for the City Council to restrict the City administration from enforcing sections 2219 and 2221 of the City Code. These sections require that grass and weeds be maintained under 6 inches at all times. The attached resolution would give temporary relief and allow city administration to temporarily waive the restrictions that residents and businesses maintain their grass and weeds under 6 inches. This resolution aims to allow pollinators, particularly bees, additional time to come out safely after their Spring hibernation. If you mow too soon, it does not give them enough time to properly pollinate with the City's history of being very pro-environment with having a beekeeping ordinance. The City staff felt this was a consistent approach and did not want to pass this by this year. If the City Council approves this resolution, it will allow residents to participate. Residents would not have to sign up for this initiative. Starting June 1, the City will begin enforcing the City Code again. After approval, look at a more permanent ordinance change if this year is successful. City administration has made a sign available for residents to use if they want to show support. Longer-term, such as next year, City administration would like to purchase signs for residents to put in their yards.

Council Member Wehyee asked if the City would participate in No Mow May or will it just be the residents? Linehan stated that the City had internal discussions about that. Public Works' concern about not mowing beyond appearance is some of the extra efforts in mowing the medians once the grass is over six inches is a tremendous amount of work and may require specialized equipment because Public Works covers large areas more than just a yard. The second part is the noxious weed requirement. The City is required to treat noxious weeds, and the only easy way to do that on a mass scale is to mow, unfortunately. For a resident, they can weed their grass by hand; however, for Public Works, it is more complicated. Linehan suggested strategic mowing; this is where the City would only mow high use or difficult areas such as the soccer fields and some of the medians.

Council Member Wehyee asked Linehan how the City plans to communicate this to residents. Linehan stated that Brennan Sorensen, the new Administrative and Communications Coordinator, has a statement on the No Mow May initiative that he will post on social media and the website. Ideally the City would have discussed this prior to the month of May, but we still hope to reach residents. Staff is aware of how important communication will be starting June 1<sup>st</sup> when residents will have to start mowing again. Staff won't be out conducting code enforcement right away and will probably allow for a grace period unless pertinent issues arise.

Council Member Leehy asked Linehan if he could repeat whether residents need to sign up for this. Linehan responded that while talking to other cities to see how they implemented this initiative half of the communities had residents sign up, and the other half did not. If the City had done this earlier, the city administration would have wanted residents to sign up and give a yard sign for the first 250 residents. Due to timing and it already being May, staff decided that this could be a trial year to waive the restriction and allow anyone who wishes to participate.

Mayor Gustafson asked Linehan to confirm that there will be no penalty if residents decide to mow their lawn. Linehan stated that this is correct and No Mow May is a voluntary initiative.

Council Member Meyer is leaning against a signup period next year because it would add more administrative work for city staff and could cause confusion for residents. He also asked whether

the City currently sprays for noxious weeds. Linehan responded he didn't know which chemicals were used, but he will look into it. Public works does control noxious weeds. However, there is a caveat on this because a Minnesota State Statute mandates that cities and residents have to control noxious weeds, and the City cannot wave that statute.

Council Member Wehyee stated that raises an interesting question on how residents balance No Mow May and follow State law. Linehan agreed it will be a balancing act and that most residents won't have too many noxious weeds. Council Member Wehyee also asked whether the City will be liable if residents who participate in this initiative don't follow state law by controlling noxious weeds. Linehan stated the DNR is the enforcement agency for this, and their biggest concern is typically Buckthorn and invasive species. He planned to review with legal and see how other municipalities have handled this. The main concern is that the City cannot preempt State authority to require that residents still control noxious weeds.

Mayor Gustafson stated that the City landscaping ordinance did address noxious weeds, and was still the homeowner's responsibility to control noxious weeds.

Motion by Council Member Meyer to approve Resolution 22-19 Supporting the No Mow May Initiative by Temporarily Suspending the Regulation Requirements of Sec. 22-19 and Sec. 22-21 of City Code for a Period Ending May 31, 2022;  
Approved, 4-0.

#### I. INFORMATION/ANNOUNCEMENTS:

Council Member Meyer stated that there is a lot of progress being made on the climate change emergency declaration and there should be something brought before Council next month.

Mayor Gustafson announced that the Community Engagement Commission had a joint meeting on May 2nd and was finalizing plans for Spring Ahead for Saturday, June 4, at Curtiss Field from 4 p.m. to 6 p.m. where there will be free ice cream and games. Also, hoping residents bring games to share as well. In addition, the Sheriff's Office would distribute marking kits for catalytic converters.

City Administrator Linehan thanked the Mayor, City Council, and staff for their patience over the past few months before he got started. He stated have a small team, and being down two staff members put a lot of additional work on the rest of the staff. He especially wanted to thank Tim Pittman, who stepped up and did a great job keeping things moving forward as an Interim.

- **Sale of Fire Department 1998 Chevy K3500 Crew Cab Pickup**  
The Purple Wave Auction for the Fire Department 1998 Chevy K3500 Crew Cab Pickup closed on Tuesday, May 10. The truck closed for a total of \$25,300. The City purchased the truck in 2010 from Little Canada for \$15,5000, so it was great to get a good value on the vehicle. It was the first municipal auction I've ever seen where a vehicle appreciated in value.
- **New F250 – Vehicle #17**  
The new F250 Truck #17 ordered in 2021 was picked up last week. The new truck replaced Truck #4, which had nearly 70,000 miles and increasing repair concerns. Staff was waiting on decaling for the new truck before it's deployed. The total cost of the truck was \$29,513.45 from Midway Ford. Staff planned to keep Truck #4 for the summer to

provide a backup vehicle during the busy summer months and then work on auctioning the vehicle as surplus in the fall.

- **Hydro-Kleen Sewer Lining**

Hydro-Kleen was in town performing sanitary sewer lining work. The vehicles were parked at City Hall overnight while the work was performed.

- **Tennis Recycling Contract Renewal**

The recycling hauling contract with the City expires on December 31, 2022. Ramsey County's consultant, Foth, performed an analysis of our agreement compared to other cities. Falcon Heights currently received extremely low rates compared to nearby communities. The extension proposed to increase rates to bring our rate comparable with other communities. Based on feedback from the Environment Commission, staff will be countering the offer from Tennis for a more gradual increase in rates. The City would also explore using some of the Fund Balance in Recycling Fund 206 to help subsidize recycling rates, as was done to keep resident rates low.

- **City Council Retreat**

Traditionally, the City Council met each spring for a day-long retreat as a mini-Strategic Planning session. Unfortunately, this was delayed until Linehan could start, so he will be reaching out to Councilmembers to find a day that works best for everyone in June. Historically the retreat was held on either a Friday or Saturday.

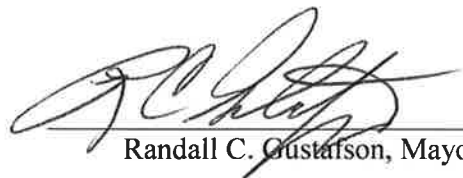
- **Stakeholder Meetings**

As part of Linehan's onboarding process, he is meeting with many individuals and important community stakeholders to establish positive relationships. A few of the important meetings he had in the past week were with the Ramsey County Sheriff, the State Fair, St. Paul Fire, and the University of Minnesota.

J. **COMMUNITY FORUM:**

*Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification, but no council action or discussion will be held on these items.*

K. **ADJOURNMENT: 8:17 p.m.**

  
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Randall C. Gustafson, Mayor

Dated this 25th day of May, 2022

  
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Jack Linehan, City Administrator