

AGENDA
MAPLEWOOD CITY COUNCIL
MANAGER WORKSHOP
5:00 P.M. Monday, August 25, 2014
City Hall, Council Chambers

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF AGENDA

D. UNFINISHED BUSINESS

None

E. NEW BUSINESS

1. Gateway Transit Corridor Presentation
2. 2015 Budget Discussion
3. Review and Approval of City Manager Position Description and Supplemental Questionnaire

F. ADJOURNMENT

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MEMORANDUM

TO: City Council

FROM: Michael Thompson, City Engineer / Director of Public Works

DATE: August 20, 2014

SUBJECT: Gateway Transit Corridor Presentation

Introduction

Washington County staff will be present to discuss the progress of the Gateway Corridor project and next steps which will include the council considering a resolution of support for the locally preferred alternative at a future council meeting, likely in early September. No action is required at this time.

Background

The Gateway Corridor is a planned, approximately 12-mile, transitway located in Ramsey and Washington Counties. The corridor runs generally parallel to I-94, connecting downtown Saint Paul with its East Side neighborhoods and the suburbs of Maplewood, Landfall, Oakdale, Lake Elmo, and Woodbury.

The Gateway Corridor will be a bus rapid transit line that will connect the east Twin Cities metro to the greater regional transit network via bus and rail lines at the Union Depot multimodal hub in downtown Saint Paul.

The Gateway Corridor will provide an efficient mode of travel, allow people to access jobs, services, and housing that were previously unreachable without a car, and bring an amenity to the east metro that will attract people and economic growth.

Through Maplewood, the transitway would be located between McKnight Road and Century Avenue along the north side of I-94, with a station proposed near the 3M campus.

Budget Impact

None.

Recommendation

No action is required. This is an informational update by the lead agency, Washington County.

Attachments

1. Gateway Corridor Transit Presentation



The Gateway Corridor Project will provide:

All-day bi-directional service every 15 minutes or better

Reliable travel time between stations

Connections at Union Depot to Green Line LRT and local and express buses

Comfortable transit stations with weather protection, seating, lights, and ticket vending machines

Stations become focal points for housing, jobs, and commercial activity

The Purpose & Need for the Gateway Corridor Project

The purpose of the Gateway Corridor Project is to provide transit service to meet the existing and long-term regional mobility and local accessibility needs for businesses and the traveling public in the project area.

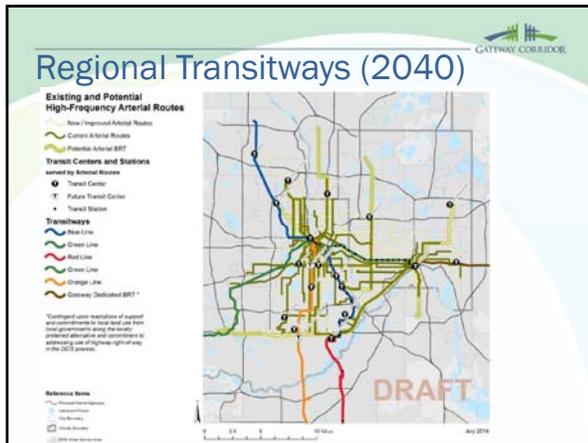
There are five factors that describe the need for the project:

- Limited existing transit service
- A policy shift toward travel choices and multimodal investments
- Population and employment growth in the corridor
- Needs of people who depend on transit
- Local and regional objectives for growth and prosperity

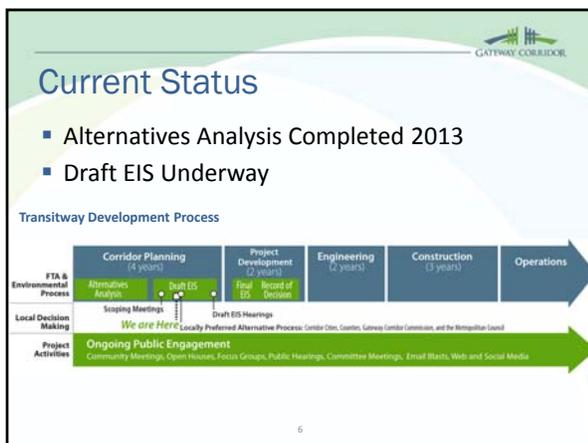
Customers board the Metro Transit bus and train nearly \$1.4 billion times in 2012. 26.4 million rides were on local and express buses, 58.2 million rides were on the Metro Blue Line (now the Light Rail).

Gateway Corridor service will run every 10-15 minutes throughout the day.

The Linc is a new 176-unit affordable and apartment building near the Regional Station on the Metro Green Line in St. Paul.







Public Engagement informs Project Decisions

The project has actively sought community input since planning began in 2009. Most recently, engagement efforts were focused on the Draft EIS Scoping Process, which included:

- **User Friendly Materials**
 - Scoping Booklet and Project Fact Sheets
 - Informational Video – 945 views on YouTube
- **Official Scoping Meetings and Scoping Comment Period – 97 comments received**
- **Additional Engagement Events – over 45 held since start of DEIS**
 - “Pop-up” information sessions
 - Focused Interest Group (FIG’s) Presentations
 - Presentations to interested stakeholders, community and business groups, local government boards and commissions




Gateway Corridor Alternatives

Transit Mode	Alignment
• BRT or LRT	• Segments A, B, and C common to all alternatives
• Managed Lane	• Segments D1 vs. D2 and E1 vs. E2 vs. E3



Transit Modes Considered

<p>Bus Rapid Transit in a dedicated guideway</p> 	<p>Light Rail Transit</p> 	<p>Bus Rapid Transit in a managed lane</p> 
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Scoping Decision vs. LPA

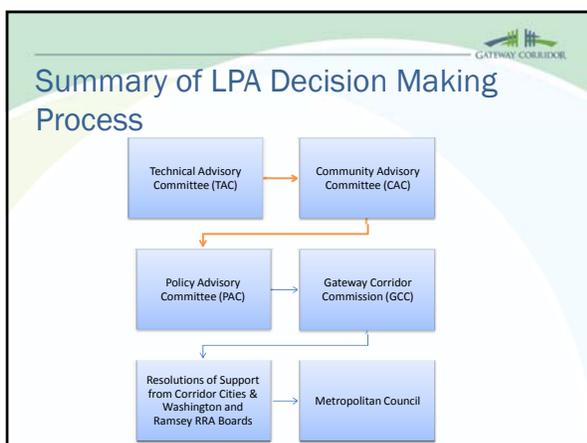
<p>Scoping Decision</p> <ul style="list-style-type: none"> ▪ Why study transit improvements? ▪ Which alternatives? ▪ Evaluation methods ▪ LPA will be one of but not the only alternative studied in the Draft EIS 	<p>LPA</p> <ul style="list-style-type: none"> ▪ Early indicator of local preferences ▪ General description of alignment and mode ▪ Process is governed by Met Council for adoption into their Transportation Policy Plan ▪ Key step in pursuit of federal funding
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PAC/GCC Scoping Decision

- **BRT Alternatives recommended for further evaluation in the Draft EIS:**
 - BRT A-B-C-D1-E1
 - BRT A-B-C-D2-E1
 - BRT A-B-C-D2-E2
 - BRT A-B-C-D2-E3

These BRT alternatives will be further refined to minimize impacts, enhance economic development potential and reduce capital costs
- **Managed Lane Alternative**
 - Managed Lane Alternative will be further studied in the Draft EIS as requested by FHWA/FTA.
 - The PAC continues to support the findings of the AA that the Managed Lane Alternative does not support the Purpose and Need for the project.
- **LRT Alternative was not recommended for study in the Draft EIS.**





Locally Preferred Alternative (LPA)

Technical Information

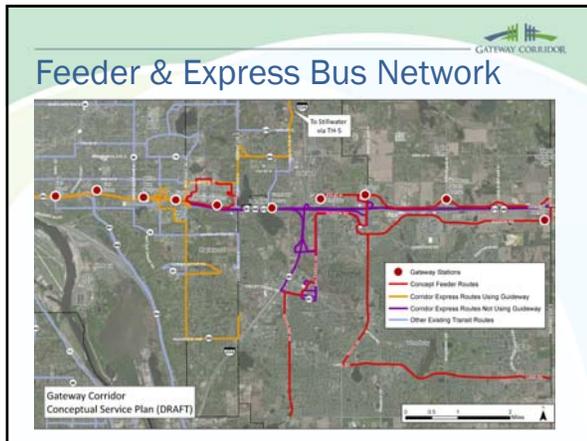


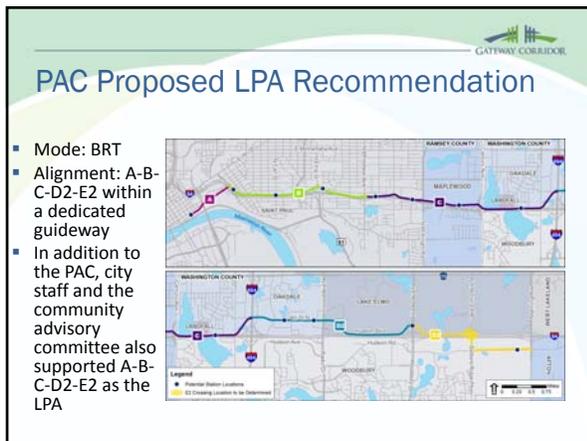

BRT Alternatives under consideration for LPA.



Travel Time, Ridership, & Costs

	BRT Alternatives			
	A-B-C-D1-E1	A-B-C-D2-E1	A-B-C-D2-E2	A-B-C-D2-E3
Length (miles)	12	12	12	12
Number of stations	12	12	12	12
2030 Daily Ridership: Station to Station BRT	8,600	8,800	8,800	8,900
2030 Daily Ridership: Total Corridor	13,100	13,300	13,300	13,500
Estimated Travel Time (minutes from Union Depot to Manning Avenue)	30.0 – 30.3	30.2 – 30.5	29.5 – 30.3	29.4
Estimated Capital Cost	\$500 - \$505	\$470 - \$475	\$460 - \$465	\$460









City Resolutions of Support for the LPA

- In order for the Gateway Corridor LPA to be included in the final version of the 2040 Transportation Policy Plan, a resolution of support for the LPA must be obtained from each city and county through which the line passes.
- The project has prepared resolution language for all cities' use to be modified as needed.
- The resolution of support is also an opportunity for each city to formally recognize issues of importance to the city as they relate to the Gateway Corridor.
- It is important that the resolution does not make city support for the Gateway Corridor LPA conditional upon any given project decision.



Thank you!

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GATEWAY CORRIDOR

Background Information

Where is the Gateway Corridor and what is the Gateway Corridor Project?

The Gateway Corridor is a planned approximately 12-mile transitway located in Ramsey and Washington Counties in Minnesota. The corridor runs generally parallel to I-94, connecting downtown Saint Paul with its East Side neighborhoods and the suburbs of Maplewood, Landfall, Oakdale, Lake Elmo, and Woodbury. The Gateway Corridor will be a **bus rapid transit** line that will connect the east Twin Cities metro to the greater regional transit network via bus and rail lines at the Union Depot multimodal hub in downtown Saint Paul. Please see Figure 1 on page 3 for the corridor map.

Why is the Gateway Corridor Project needed?

Currently there is limited service throughout the day in the Gateway Corridor and a need for more frequent service over a longer time period. Approximately 32,000 people living in the corridor cities do not own a car, and the existing transit service in the Corridor provides few options for people who depend on or choose to travel using transit. The Gateway Corridor will provide all day, bi-directional transit service, improving access to jobs and housing in the corridor and residents' mobility around the region as a whole.

The Twin Cities Metropolitan Area is committed to growing in a way that uses our existing infrastructure effectively, creates economic growth, preserves our natural spaces, and perpetuates the high quality of life that residents enjoy. Implementation of the Gateway Corridor will provide an efficient mode of travel, allow people to access jobs, services, and housing that were previously unreachable without a car, and bring an amenity to the east metro that will attract people and economic growth.

What is Bus Rapid Transit (BRT)?

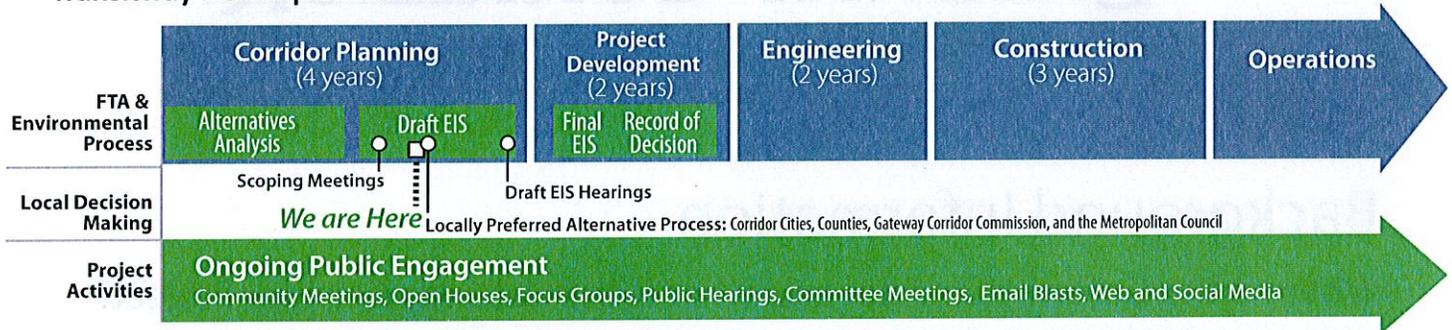


BRT in the Gateway Corridor will operate in a dedicated guideway using a uniquely branded bus. Dedicated BRT incorporates many features of light rail transit including level boarding, off-board fare payment, and permanent stations with full amenities such as covered and enclosed waiting areas, benches, and bike racks, to provide a rail-like experience on a bus. Dedicated BRT in the Gateway Corridor will operate every 10 to 15 minutes in both directions, all day, every day.

What is the project timeline?

Because local residents, cities, counties, the Metropolitan Council, the State of Minnesota, the Federal Transit Administration, and Gateway Corridor Cooperating Agencies have a say in project design, each of the steps in the transitway development process takes time. Though the process is lengthy, its intent is to create a financially feasible project that delivers mobility, accessibility, environmental, economic development, and quality of life benefits while imposing few negative impacts to the people and land around it.

Transitway Development Process



Transitway Development Phases

Corridor Planning includes the **Alternatives Analysis** and **Draft Environmental Impact Statement (EIS)** phases, as well as the **Locally Preferred Alternative (LPA) selection process**.

- The Gateway Corridor **Alternatives Analysis** was completed in 2013 and is a comparison of the benefits, costs, and impacts of a range of light rail, commuter rail, bus rapid transit, and express bus alternatives in the Corridor. The conclusion of the Alternatives Analysis was to retain two alternatives for study in the Draft EIS: LRT along I-94 and Hudson Road, and BRT along I-94 and Hudson Road.
- The **Draft EIS** is the first step in environmental review for the Gateway Corridor Project. The Gateway Corridor Draft EIS will assess the social, economic, and environmental impacts of each Gateway Corridor alternative and potential ways to avoid, minimize, or mitigate these impacts. The Gateway Corridor Draft EIS began with the Scoping Process in spring 2014. As a result of the Scoping Process four BRT alternatives and a managed lane alternative will be studied during the Draft EIS. The four BRT alternatives are A-B-C-D1-E1, A-B-C-D2-E1, A-B-C-D2-E2, and A-B-C-D2-E3. Please see Figure 2 on page 4 for a map of these alternatives.
- The Gateway Corridor **LPA selection process** is underway now and is the focus of the August 7th public hearing. The LPA is the transitway alternative that the corridor's cities, counties, and the Metropolitan Council prefer and expect to be competitive and achieve support at the federal level. The LPA is a general description of the transit mode and route; LPA design specifics and definition of additional elements of the project, including station locations, are decided during subsequent engineering and planning efforts. The proposed LPA for comment at this public hearing is BRT on the A-B-C-D2-E2 alignment through the cities of Saint Paul, Maplewood, Landfall, Oakdale, Lake Elmo, and Woodbury.

Project Development includes the **Final EIS** and **Record of Decision**.

- The **Final EIS** is the second step in environmental review for the Gateway Corridor Project. The Final EIS and subsequent **Record of Decision** will commit the project to a range of actions and physical elements that mitigate its negative impacts. In order to complete the Final EIS and Record of Decision, project engineering will advance, and design decisions and elements of the project will be defined more specifically.

During the **Engineering** phase further advances are made in project design and construction documents are prepared. During **Construction** the guideway, stations, and all other infrastructure associated with the project are constructed.

Operations is when the project is open and customers can ride the line.

Locally Preferred Alternative Information

What is the Locally Preferred Alternative (LPA) and why is it important?

The LPA is the transitway alternative that the corridor’s cities and counties prefer and expect to be competitive and achieve support at the federal level. The LPA is a general description of the type of transit that will be used (mode) and the location (alignment). The LPA definition is general; LPA design specifics and definition of additional elements of the project, including station locations, are decided during subsequent engineering and planning efforts.

Identification of an LPA is a critical step in pursuit of federal funding. The selection of an LPA tells the Federal Transit Administration which alternative local agencies expect to be the most competitive in achieving support at the local, regional, and federal levels. It is expected that the region will pursue federal funding for the Gateway Corridor Project through the FTA New Starts program.

The recommended LPA is dedicated BRT generally on the Hudson Road – Hudson Boulevard (A-B-C-D2-E2) alignment that crosses to the south side of I-94 at approximately Lake Elmo Avenue to Manning Avenue.

Figure 1

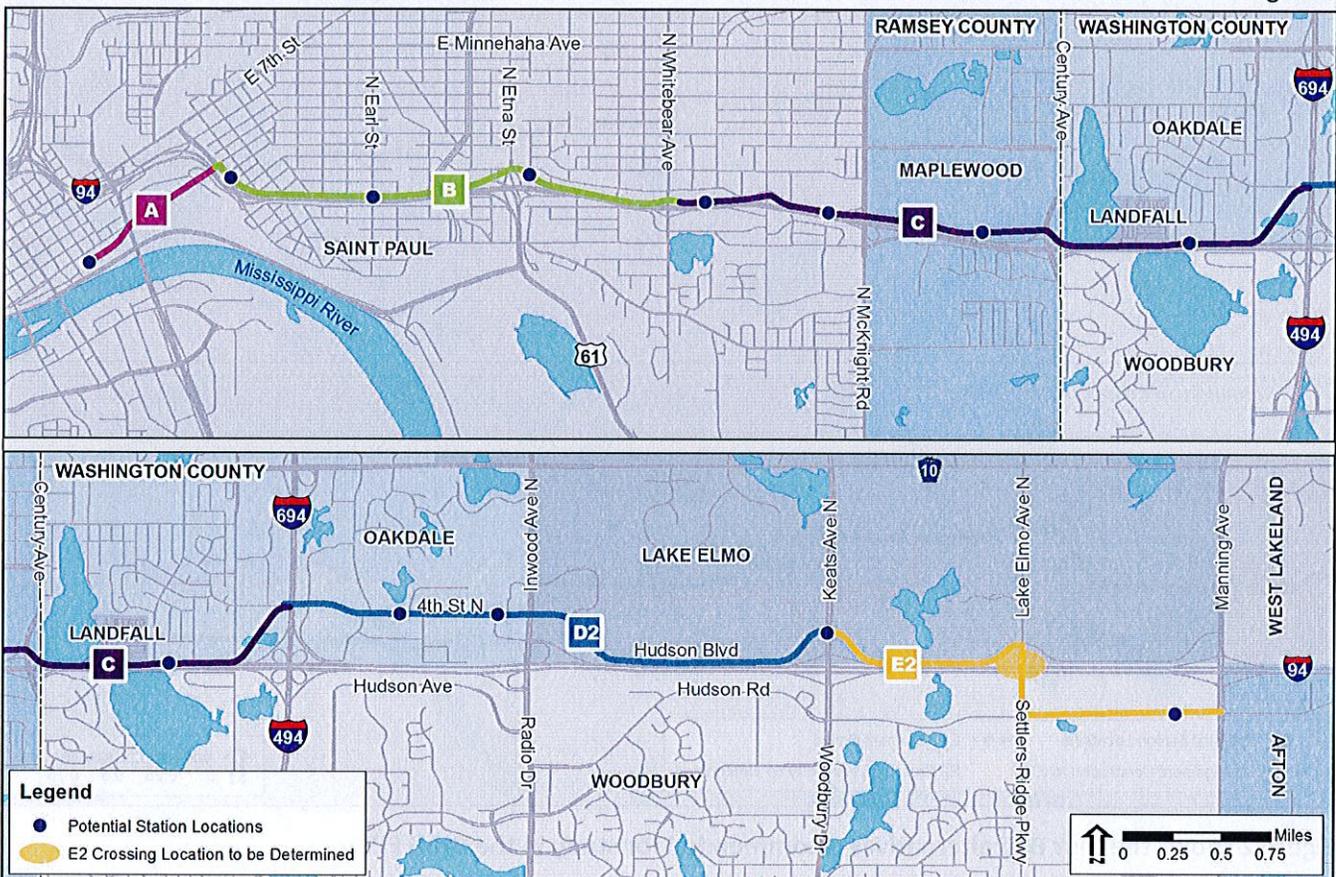


Figure 1 shows the recommended alignment for the Locally Preferred Alternative in the in the Gateway Corridor. The recommended mode is dedicated bus rapid transit.

What is the purpose of this public hearing? Why is it needed?

On July 24, the Policy Advisory Committee (PAC) recommended BRT alternative A-B-C-D2-E2 as the proposed LPA. Today's public hearing is an opportunity for the public to provide input on the LPA – which includes both the transit mode and the route for the Gateway Corridor Project. The PAC is preparing for a September 11 meeting where it will discuss and make a final recommendation on the LPA, which will then be forwarded to the Washington and Ramsey County Regional Railroad Authorities and each of the cities through which the transitway will travel. To ensure full local support for the LPA, each of the cities and counties must pass a resolution in support of the LPA for the project to advance. For more information about these actions, please contact the individual cities and counties. The final step in the process involves the Metropolitan Council's approval of the LPA by including it in the 2040 Transportation Policy Plan and approving that plan, which is currently in draft form.

What alternatives were considered for the Locally Preferred Alternative?

Four bus rapid transit (BRT) alternatives were considered for the LPA: A-B-C-D1-E1, A-B-C-D2-E1, A-B-C-D2-E2, and A-B-C-D2-E3. Please see the map below which shows the route of each alternative, and page 6 which provides comparable technical information about each alternative.

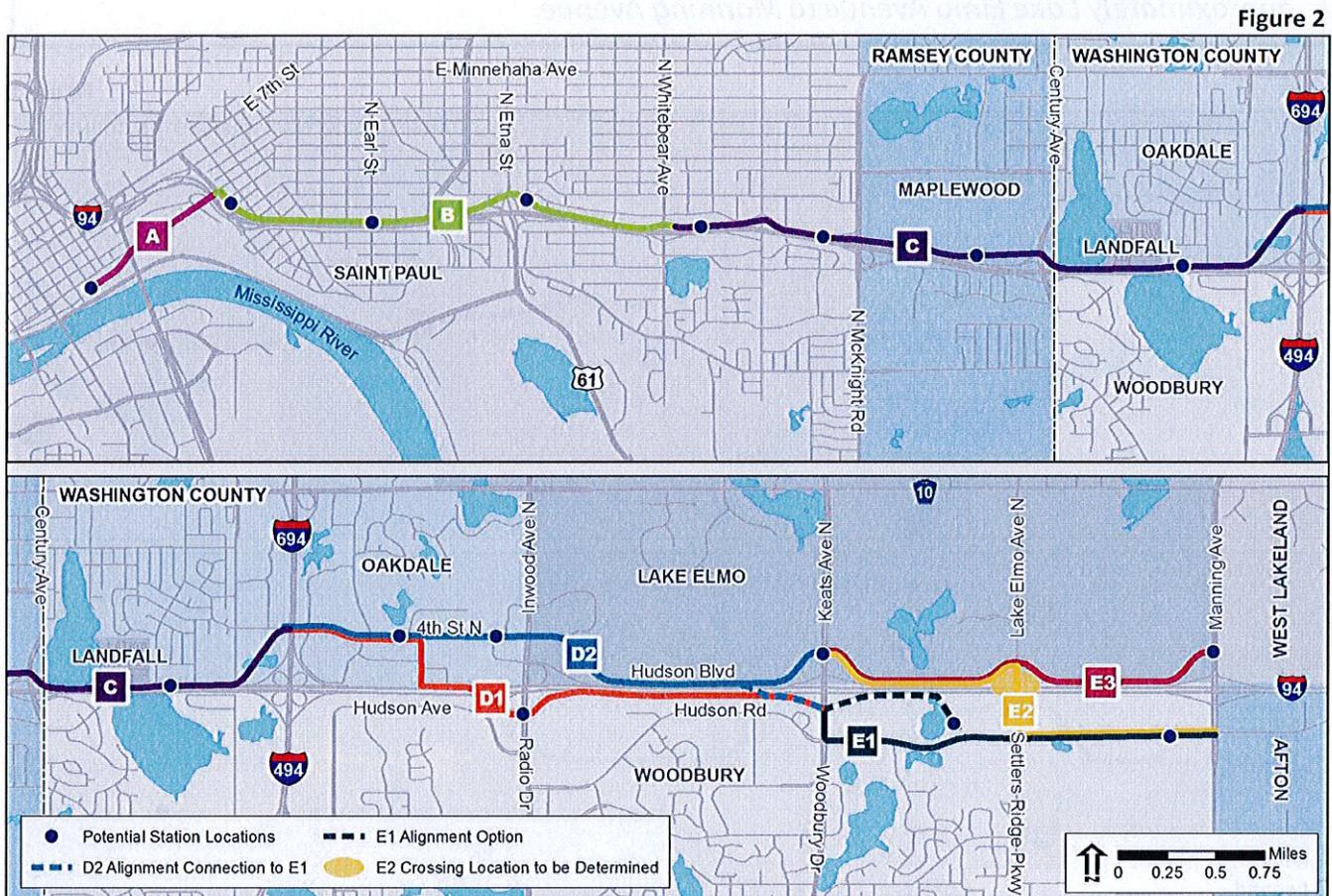


Figure 2 shows the four BRT alternatives recommended for study in the Draft EIS.

How was this list of alternatives established?

The Gateway Corridor Alternatives Analysis completed in 2013 compared the benefits, costs, and impacts of a range of light rail transit (LRT), commuter rail, bus rapid transit (BRT), and express bus alternatives in the Gateway Corridor. The Alternatives Analysis identified two transitway alternatives to be carried forward for study in the Draft Environmental Impact Statement (EIS): BRT on I-94 and Hudson Road, and LRT on I-94 and Hudson Road.

The next step in the project was to begin the Draft Environmental Impact Statement (EIS). The first step in preparing a Draft EIS is the "Scoping Process" which establishes the foundation of the Draft EIS, including why the project is being proposed (its Purpose and Need), the alternatives that will be studied, the topics that will be studied, the methodology used to study the alternatives, and the public involvement process throughout preparation of the Draft EIS. The Gateway Corridor Scoping Process began in February 2014 with publication of the Scoping Booklet. The Scoping Booklet documented the two alternatives from the Alternatives Analysis (BRT and LRT on I-94 and Hudson Road), as well as several other alternatives that had been proposed.

Two Scoping meetings were held in March at Guardian Angels Church in Oakdale, and at Conway Recreation Center in St. Paul, where attendees could view a video about the project, review information on boards and maps, discuss the project with staff, and submit comments in writing or verbally to a court reporter. Project staff also organized "pop-up" information sessions at park and rides and community events, and presented project information to community and business groups, local government boards, and commissions as part



of the Scoping Process. The project received 97 comment letters and testimonies during the Scoping Process from cities, counties, state and federal agencies, and many community members regarding alternatives and topics to be studied in the Draft EIS. The project video, posted at www.thegatewaycorridor.com, has had more than 850 views. At the end of the Scoping process after reviewing all comments received during Scoping, the Technical, Community, and Policy Advisory Committees recommended four BRT alternatives for study in the Draft EIS: A-B-C-D1-E1, A-B-C-D2-E1, A-B-C-D2-E2, and A-B-C-D2-E3.

All of these alternatives, shown in Figure 2 on page 4, will be studied in the Draft EIS, regardless of the LPA selection.

Why is the Locally Preferred Alternative decision occurring now?

The LPA decision is based on technical, community, and policy input. The proposed Gateway Corridor LPA is currently included in the Metropolitan Council's Draft 2040 Transportation Policy Plan (TPP), which will be out for public review in August 2014. As the Metropolitan Council is currently in the process of updating the TPP, the inclusion of the proposed Gateway LPA in the Draft TPP provides an opportunity to streamline the LPA decision making process, while providing for additional public review opportunities.

Technical Information Used For Scoping And Locally Preferred Alternative Decision-Making

The information presented below was used by the project Technical Advisory Committee (TAC), Community Advisory Committee (CAC), and Policy Advisory Committee (PAC) to provide recommendations on the Scoping Decision (the determination of which alternatives should be studied in the Draft EIS) and the LPA. Specific to the Scoping Decision, the PAC recommendation is that four BRT alternatives be analyzed in the Draft EIS. At the direction of federal partners, a managed lane alternative will also be studied. The PAC decided not to continue studying LRT, as it provides similar service to BRT but has much higher costs, without substantial ridership benefits. This recommendation is under review by the FTA, the federal agency leading development of the Gateway Corridor Project.

This information is the best information about each alternative currently available and is appropriate as the basis for the proposed LPA decision. This information may change as more detailed planning and engineering proceeds on the project.

What are the differences between alternatives?

The alternatives have been compared across several criteria: length and number of stations; ridership; travel time; capital costs; potential Federal Transit Administration New Starts ratings; jobs and job types; potential for transit-oriented development & current development activity; feeder and express bus routes; and traffic impacts.

	BRT Alternatives				Managed Lane Alternative	LRT Alternative
	A-B-C-D1-E1	A-B-C-D2-E1	A-B-C-D2-E2	A-B-C-D2-E3		A-B-C-D1-E1
Length (miles)	12	12	12	12	10	12
Number of stations	12	12	12	12	6 online stations	12
2030 Daily Ridership: Station to Station BRT	8,600	8,800	8,800	8,900	—	—
2030 Daily Ridership: Total Corridor	13,100	13,300	13,300	13,500	8,100*	9,300*
Estimated Travel Time (minutes from Union Depot to Manning Avenue)	30.0 – 30.3	30.2 – 30.5	29.5 – 30.3	29.4	20*	28*
Estimated Capital Cost	\$500 - \$505	\$470 - \$475	\$460 - \$465	\$460	\$540*	\$950*

*Estimates based on 2013 Alternatives Analysis

Length and Number of Stations

The four BRT alternatives are nearly the same length and each have 12 stations. The managed lane alternative is shorter at only 10 miles and includes six stations in the center median of I-94.

Ridership

The BRT alternatives do not vary widely in their ridership. In the table above “Station-to-Station BRT” is the low range of the ridership. If express buses use the guideway, those riders are counted as well; that is the high range of the ridership. Each BRT alternative’s ridership will likely fall at a similar point in this range. The managed lane alternative has slightly lower ridership than the station-to-station BRT alternatives’ ridership.

Travel Time

The four BRT alternatives have very similar travel times, while the managed lane travel time is slightly faster due to its shorter length, fewer stations, and their location in the I-94 median. These travel times include stopping for about 20 seconds at each of the 12 stations along the route, and also incorporate traffic information to the extent it is available. Travel time estimates are measured between Union Depot and Manning Avenue. Ranges of travel times reflect slight variations in alignments under discussion at this time.

Capital Costs

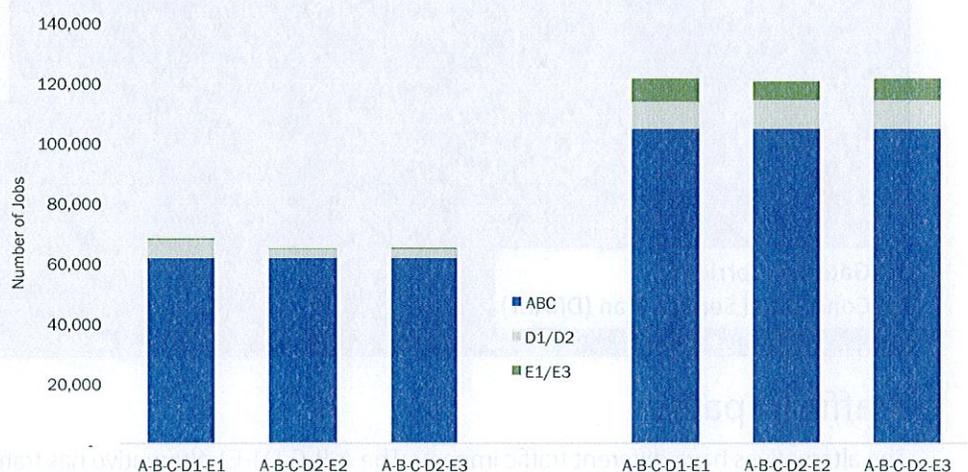
Capital cost estimates for each alternative include: construction of the guideway infrastructure, stations, and an operations and maintenance facility; utility relocation; and acquisition of right-of-way and transit vehicles. Costs are inflated to the mid-year of construction, 2020.

Federal Transit Administration New Starts Ratings

Overall, the Gateway Corridor Project needs a composite “medium” rating on the six New Starts project justification criteria: mobility improvements (ridership), cost effectiveness, environmental benefits, congestion relief, land use, and economic development. All of the Gateway BRT alternatives rate “medium-low” for ridership and hover between “medium” or “medium-low” ratings for cost effectiveness. All Gateway BRT alternatives would likely receive a “medium” rating on the environmental and congestion relief criteria. The land use and economic development criteria will be a focus throughout the project, as those ratings are affected by planning efforts, policy changes, and the physical form of new development. The managed lane alternative is not eligible for New Starts funding.

Jobs & Job Types

The majority of jobs in the corridor are west of I-494/I-694, so there are relatively small differences in the number of jobs proximate to each of the alternatives which differ only east of I-494/I-694. Alternative A-B-C-D1-E1 currently has more jobs than alternatives A-B-C-D2-E2 or A-B-C-D2-E3 because Woodbury is more developed than Lake Elmo. Employment projections account for planned growth in Lake Elmo, however so the number of jobs along each alternative will be nearly the same in 2030. The A-B-C-D1-E1 alternative has a higher number of retail jobs (approximately 7,900)



Source: Metropolitan Council

The number of jobs along the A-B-C-D2-E1 alternative is estimated to be very similar to the other BRT alternatives.

because of the retail base in Woodbury today. The three other BRT alternatives, A-B-C-D2-E1, A-B-C-D2-E2, and A-B-C-D2-E3 have lower numbers of retail jobs (approximately 5,550). In the future, the overall number of jobs and non-retail jobs is relatively similar.

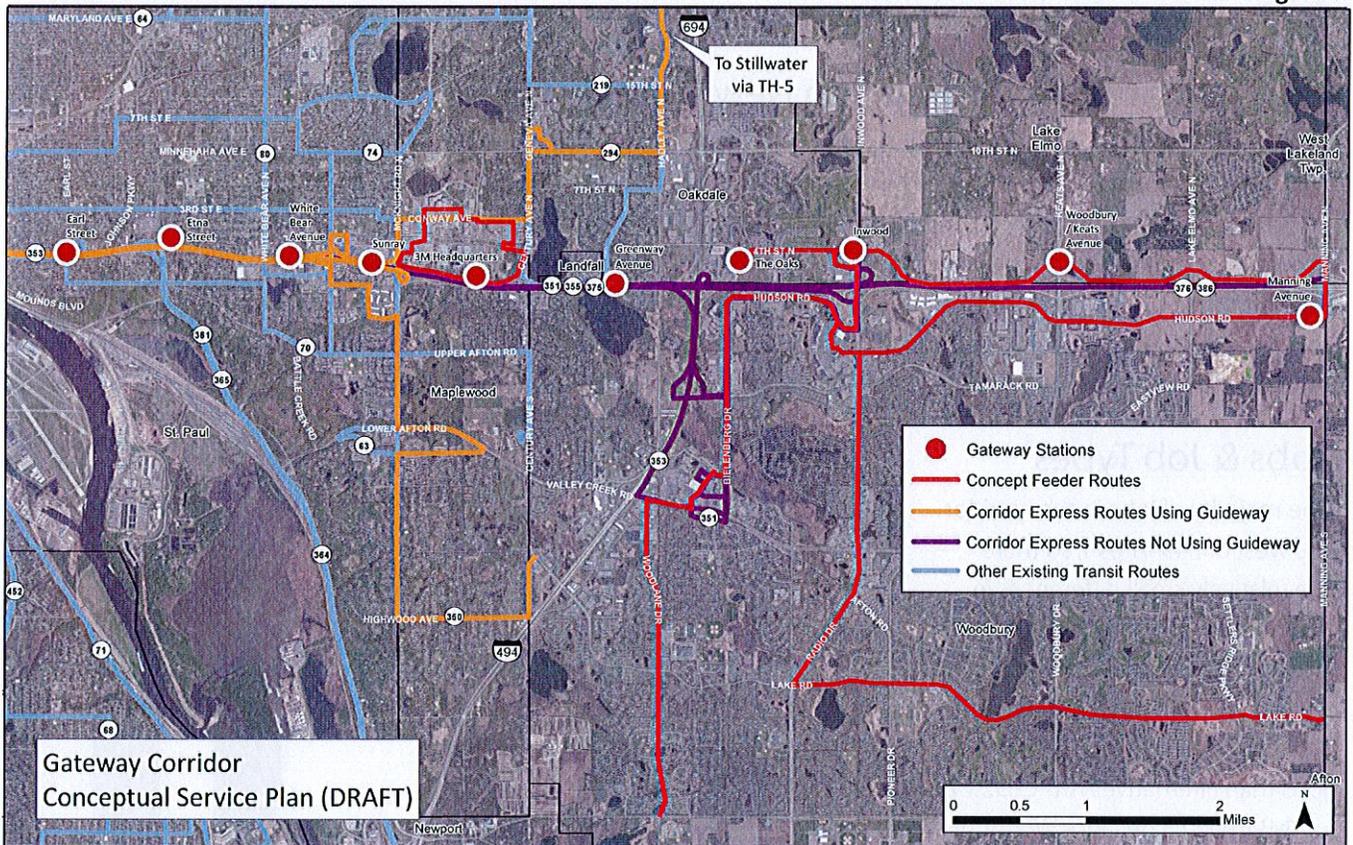
Potential for Transit-Oriented Development & Current Development Activity

East of I-494/I-694 where the four alternatives differ, the A-B-C-D1-E1 alternative passes through auto-oriented commercial areas that were developed fairly recently and are not ready for redevelopment into pedestrian-friendly areas suitable for station locations. The A-B-C-D2-E1 and A-B-C-D2-E3 alternatives provide more opportunity for station area development, however the vacant land in combination with supportive property owners and developers along the A-B-C-D2-E2 alternative provide the strongest opportunities for transit-oriented development.

Feeder and Express Bus Routes

The express bus routes that currently operate in the Gateway Corridor will continue to operate after Gateway opens. Express routes 294 and 350 will use the Gateway guideway for part of their route, as it will provide a faster, more reliable trip than their current routes. New feeder bus routes will be added to the system to provide coordinated service to some Gateway stations.

Figure 3



Traffic Impacts

The alternatives have different traffic impacts. The A-B-C-D1-E1 alternative has traffic impacts at Radio Drive and Woodbury Drive because of the current and forecast high volumes of traffic on those streets. Traffic mitigation at 4th Street and Inwood Avenue may also be needed along the A-B-C-D2-E1, A-B-C-D2-E2, and A-B-C-D2-E3 alternatives, but can likely be accommodated with traffic signal changes. A traffic signal may eventually be needed at Keats Avenue and Hudson Boulevard.

Recommended Locally Preferred Alternative

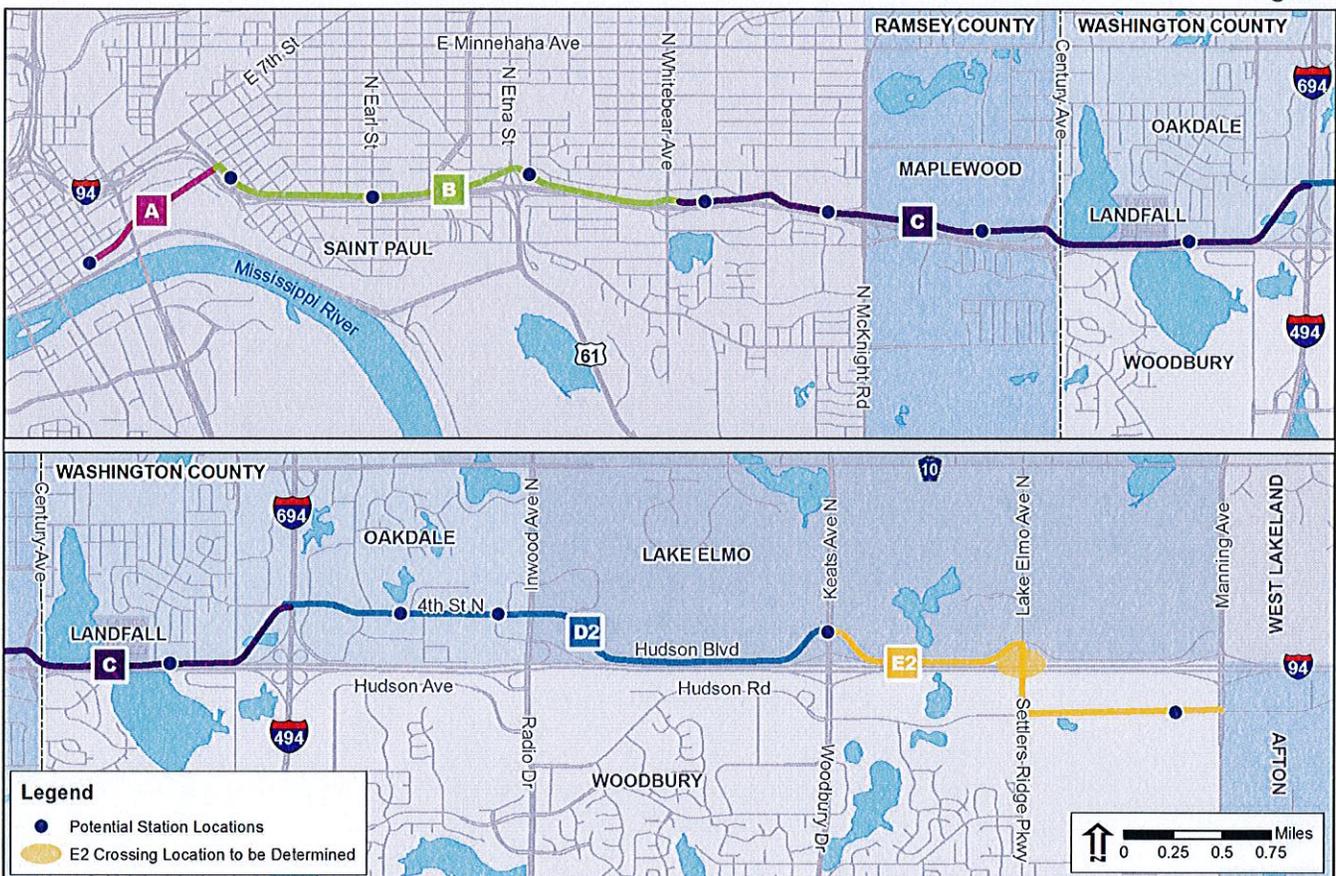
On July 24, the Gateway Policy Advisory Committee (PAC) recommended BRT alternative A-B-C-D2-E2 as the LPA. The LPA is a general description of the transit mode and route; LPA design specifics and definition of additional elements of the project, including station locations and park and ride locations, are decided during subsequent engineering and planning efforts.

The PAC recommended this alternative because its travel time, costs, and ridership are comparable to the other BRT alternatives, and it has several distinct advantages:

- Its route accesses parts of the cities of Oakdale, Lake Elmo, and Woodbury that are currently underdeveloped or undeveloped and present opportunities for new, denser, pedestrian-oriented development that is conducive to riding transit.
- These opportunities for denser development around stations improve the project's competitiveness on the land use and economic development New Starts criteria, increasing the project's likelihood of federal funding.
- Its route and station locations minimize impacts to congested roadways and traffic.

The PAC seeks public input on the LPA recommendation at today's public hearing.

Figure 4



More information about the Gateway Corridor Project

Need more information about the Gateway Corridor Project? Please contact Washington County staff. Staff will answer questions, receive comments, or present to your group or organization about the project.

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gatewaycorridor@co.washington.mn.us
www.thegatewaycorridor.com



MEMORANDUM

TO: City Council

FROM: Melinda Coleman, Interim City Manager
Gayle Bauman, Finance Director

DATE: August 19, 2014

SUBJECT: 2015 Budget Discussion

Introduction

The maximum tax levy for 2015 needs to be adopted and filed with the County by the end of September 2014. The City Manager, Finance staff, and department heads have been actively engaged in planning and preparing the 2015 budget, which funds all City operations and functions. Like most units of local government, Maplewood is facing very challenging budget circumstances. Some may wonder why budgets would be tight now given the generally positive economic recovery overall. Maplewood, like many largely developed communities, faces some unique circumstances. Maplewood has very few areas within its boundaries that offer tax generating development opportunities. In fact, the City's emphasis on economic development is really an effort at redevelopment.

Background

At the City Council/Manager Workshop held on August 11, 2014, staff discussed General Fund expenditures and the trend data from revenue other than property taxes (i.e., fees, licenses, permits, fines, charges for services). It showed that revenues generated from sources other than the City's property tax levy are generally flat. It can be quickly realized that non-tax revenues from other sources are not increasing commensurate with increases in City expenditures. This shows that our General Fund is reliant on property tax increases to fund any growth in the operating budget which limits the amount of tax revenue available for debt and capital projects.

Staff also talked about bonding debt and the reasons for its increase over the past several years. This was a strategic decision to buy needed infrastructure improvements during a time of economic downturn, when the City could benefit from getting more for the investment because of the competitive environment in construction. The result of this has been an increased need for property taxes to support debt service expenditures. Operational costs and capital projects are competing for the same tax dollars and our recent levy increases have not been able to keep up with both. Based on requests made during the preparation of our Capital Improvement Plan, we continue to have a need for capital projects such as street improvements, parks, redevelopment and investment in city facilities.

Budget Planning

Priorities of the City include maintaining reasonable tax levies and user fees, a strong financial condition, moderate debt levels and a high bond rating.

Department Heads, along with the City Manager and Finance Director have been focused on the following:

- The need to control and/or reduce costs
- Assessment and consideration of new sources of revenue
- Review of all existing City services for possible service delivery changes
- Analysis of inter-departmental and inter-governmental service and/or resource sharing
- Identification of critical needs in City-owned buildings and facilities

The City Manager has directed Department Heads to prepare and refine both operational and capital budgets in a balanced manner using the philosophy of:

1. Responsible stewardship of the public's resources
2. Providing services and programs that will reflect a commitment to excellence; and
3. Recognizing and valuing the high quality of service and innovation of city employees through fair and equitable compensation.

Department Heads are looking at methods of addressing structural budget challenges in a way that is sustainable and makes increases in the City property tax levy based upon need and responsible decision-making. This is a multi-year process and not something that happens overnight.

The tax levy increase needed to fund initial departmental requests was between 9%-10%. Staff is still actively engaged in the budget planning process and had previously agreed on some reductions in operating expenditures, changes to capital requests, and further deferment of building maintenance issues. Additional budget cuts currently being recommended are:

Reduce the number of newsletters published in 2015 from 12 to 9	\$30,840
PW-reduce building repair/maintenance	\$5,000
PW-reduce consulting	\$5,000
PW-reduce street maintenance materials	\$8,000
PW-reduce engineering temp wages	\$5,000
PW-reduce forestry fees for service	\$3,000
PW-reduce park maintenance materials	\$5,000
Parks-reduce Administration	\$2,100
Parks-reduce Nature Center	\$1,040
Parks-reduce Open Space	\$1,540
Rec Prog-eliminate Gym Jammers at Carver and staffing of warming houses	\$5,000
PD-No longer store forfeited vehicles	\$30,000
Fire-reduce staffing from 8 FF to 7 2/3 FF	\$35,000
Fire-add non-resident fee to ambulance runs	\$65,000
Proposed budget cuts	\$201,520

Staff is also having discussions about adding a Gas Franchise Fee, part of which, if implemented, could reduce certain General Fund costs. More information will be brought to the Council regarding this subject at a later date.

Recommendation

Staff seeks Council guidance around priorities and considerations for the "maximum tax levy" for 2015. In full recognition of the range of implications, department heads will continue final preparation of a "maximum levy" recommendation based on the framework or guidance as

provided by the Council. With some budget cuts and deferrals already identified, the final staff recommendation will be based upon feedback from the Council. Staff will continue to work with Council to present a “maximum levy” recommendation and implications assessment for your consideration and adoption on September 22, 2014.

Attachment

1. Worksheet on current budget position

2014 LEVY	18,528,400
Increases for:	
Debt Service	134,220
Police vehicles and equipment	114,560
Projected decrease of other revenue sources	273,300
General Fund expenditure increases	284,660
Fund street project deficits	250,000
Decreases for:	
Reduce MCC levy	(25,000)
Reduce Ambulance Service levy	(50,000)
Reduce Recreation Program levy	(15,000)
Remove Fire Truck Fund levy	(50,000)
Remove Park Development Fund levy	(30,000)
Remove Redevelopment Fund levy	(40,000)
Reduce CIP Fund levy	(15,000)
Position as of 8/11/14	19,360,140
	4.5%
Additional cuts/revenue	
Reduce number of newsletters	(30,840)
PW cuts	(31,000)
Parks & Rec cuts	(9,680)
Police cuts to vehicle storage fee	(30,000)
Reduce fire staffing	(35,000)
Add non-resident fee to ambulance runs	(65,000)
Current position with above changes	19,158,620
	3.4%

MEMORANDUM

TO: City Council

FROM: Chuck Bethel, City Attorney for HR/Labor Relations

SUBJECT: Review and Approval of City Manager Position Description and Supplemental Questionnaire

DATE: August 19, 2014

Introduction / Summary

Pursuant to direction the HR Department received from the City Council, we have met with the City Manager Hiring Subcommittee twice to review and approve a revised City Manager Job Description. At the most recent of those meetings, the Subcommittee agreed in principle to a draft of a job description and decided that the proposed job description should then be provided to the remaining members of the Council for any final input and/or approval of the proposed job description.

Therefore, at this workshop I will provide each member with a draft of that proposed job description for you each to mark up with any comments and/or suggestions you may have and then I will collect those copies back at the end of the meeting. Additionally, the Subcommittee reviewed proposed questions that will be included in a supplemental questionnaire to be provided to prospective applicants. I will also provide each member with a draft of those proposed questions for your review/comments/suggestions and approval.

However, pursuant to Minnesota Statute 13.34 this is nonpublic data and so this material will not be available for the general public and should be returned to me at the end of the workshop. Once agreement is reached on the final form for the job description and the supplemental questions, then that job description and supplemental questionnaire will be used in conjunction with the normal posting process used in hiring by our HR Department.