

City of Excelsior  
Hennepin County, Minnesota

MINUTES  
EXCELSIOR CITY COUNCIL WORK SESSION

Monday, February 3, 2014

**1. Call to Order/Roll Call**

Mayor Gaylord called the meeting to order at 6:10 p.m.

Present: Councilmembers Beattie, Fulkerson, Miller (arrived at 6:16 p.m.),  
and Mayor Gaylord

Absent: Councilmember Caron

Also Present: City Manager Luger, Finance Director Tumberg, City Attorney  
Staunton, Public Works Superintendent Wisdorf and City Clerk  
Murphy

**2. Agenda Approval**

Fulkerson moved, Caron seconded, to approve the agenda. Motion carried 3/0.

**3. Long-Term Financial Plan Goals and Priorities**

Tumberg stated that the Council needs to establish the prioritized goal and objective list and publish it in the local newspaper. Tumberg will add more verbiage in the Long Term Financial Plan regarding how the goals and objectives were prioritized and the significance to the long term plan. Luger said a list with specific projects would be beneficial so the status of the project and a completion date can be included. Mayor Gaylord asked how to access the wish list and if it should be made more publicly accessible.

Beattie asked if the stormwater treatment plan should be on this list. Wisdorf said it should probably be placed on the wish list.

Luger said the items on this list are those that have been funded. Mayor Gaylord suggested having a categorized list of unfunded projects and believes it's important for visibility to make it clear that they are unfunded.

Mayor Gaylord questioned the process of sealcoating the year after the project is complete. Wisdorf said that the life span of a street can be 50 years or more if a good base is put in and that, with proper maintenance, some streets in Excelsior have lasted over 50 years.

Staff will draft a resolution for Council to adopt at the February 18, 2014 Council meeting.

Beattie asked how to move some projects to the funded list. Luger mentioned that the Phase 3 Street project was an unfunded item and is now on the funded list.

### **3. Long-Term Financial Plan Goals and Priorities - *Continued***

Beattie asked if we should have a column of projected or estimated costs. Tumberg said it can be included but they would only be estimated costs.

### **4. Food and Beverage Tax**

Luger stated that the Council requested an updated list of potential projects at the previous Work Session. Luger recommends including a list of projects with the overall cost when meeting with the Senator and Representative, rather than an itemized price list.

Tumberg said she spoke with Gary Carlson from the League of Minnesota Cities, who suggested starting on this as soon as possible. The Legislative session starts February 25 and ends about May 19 and a tax bill could be approved in the beginning of April. Tumberg requested examples of marketing type materials for other cities from Gary Carlson and he forwarded some information from the City of Marshall. Tumberg also spoke with the cities of Bemidji and Detroit Lakes about their processes, though their circumstances are different (i.e., sports arenas and convention centers).

Luger said that staff has put together a rough draft of a marketing material and is looking for feedback on the type of marketing material the Council would like to use. Luger said this marketing material sets the stage for what is going on with the City's budget. Fulkerson asked if there should be more information. Luger said the material is meant to create talking points to start the discussion. Mayor Gaylord asked to see the examples from other cities, but Tumberg said there is only the bill without any examples.

Beattie asked if the City would bond for this. Luger said the City could bond for projects until the revenue comes in.

Luger said a dual track would be best, with the Council talking with the Representatives and also talking with local businesses at the same time. Luger said the local businesses could be invited to a Work Session meeting to discuss it.

Tumberg said that the City of Bemidji didn't receive enough buy-in from their local businesses and their bill failed. Tumberg said the Representatives told them they should have had unilateral support from the businesses first.

Mayor Gaylord asked which businesses would be affected. Luger said it would only affect food and beverage businesses. Fulkerson suggested talking to other businesses for their support, also, and not just those being impacted by it.

Luger said she has had preliminary discussions with businesses over the years and they have not been opposed to it. Miller said that some of the businesses he has talked to are against it and they are concerned about driving business elsewhere.

Mayor Gaylord asked how we can motivate the local businesses. Miller said the sales pitch should be towards our local businesses, not just the Representatives.

#### **4. Food and Beverage Tax - *Continued***

Luger said that the marketing material may need to include more information, including that the tax will go away once the money is raised, and that it is for a specific project and a specific amount.

Mayor Gaylord said it would be helpful to include how many commercial businesses we have, specifically the number of restaurants.

Staunton suggested including how many of the patrons come from out of town, which will show that Excelsior is a destination. Beattie believes the local businesses already know how many patrons are from outside of Excelsior.

Mayor Gaylord suggested adding three or four "did you know" items about Excelsior, along with a page of signage from local businesses that are supportive of the tax.

Mayor Gaylord suggested personal conversations with the businesses. Luger said that staff could put together an email to let the businesses know that a Councilmember will be contacting them to answer any questions they may have.

Luger will check if it will include businesses only in Excelsior proper or if it will include all businesses by the nine-digit zip code. Luger requested that the Council review the draft email and let her know if there are any concerns before it is sent out.

Luger asked if the Council would like to get business support and then discuss again at another Work Session, where the Council can decide who will talk to the Representatives. Mayor Gaylord suggested talking with the businesses first and then get the information more refined.

Beattie said we need to find out the legislature schedule because it will be a short session, since it's not a bonding year.

The Council discussed that some of the numbers for the projects seem low. Mayor Gaylord suggested adding more to The Commons, the trail connections on Mill Street, and connecting the trail system with Shorewood, Greenwood and Cottagewood. Mayor Gaylord questioned if this would make the scope too large, though he said it's about connecting the communities and supporting The Commons as a destination. Fulkerson said she would rather improve The Commons for the residents of Excelsior. Beattie thinks the City should bond to make these improvements and asked how much can be bonded with a revenue of \$200,000 a year. Beattie doesn't think there will be enough money to do outside projects besides The Commons and that the City may only be able to bond for \$3-4 million in order to pay it back with tax revenue.

Tumberg said that residents may be concerned if the tax is raised, but no projects occur for several years. Tumberg also said that the City can go back to the legislature at a later date and request that the tax be extended, if the project is a success. Mayor Gaylord said that the Council will email Luger with direction.

## **5. Council Meeting Process**

Staunton provided suggestions on conducting meetings that would put some organizational structure into the public hearing process and also give direction to the applicant and the public, allowing the Council to maintain control. Staunton also discussed the level of formality that the Council may like in their own discussions.

Mayor Gaylord said that the outline Staunton provided has been used at the Planning Commission level but that the Planning Commission did not have a motion to close a public hearing. Staunton stated that the applicants from Excelsior Brewing Company may not have known that there is a process to the Council's discussion, rather than an informal discussion with the Council.

Fulkerson stated that it needs to be pointed out that the public cannot interrupt the Council's discussion. Staunton said it is easier to confront someone if the ground rules are set out ahead of time.

Mayor Gaylord said to continue this item to the next Council Work Session on February 18, 2014.

## **6. Adjournment**

Beattie moved, Fulkerson seconded, to adjourn at 7:00 p.m. Motion carried 4/0.

Respectfully submitted,

Shirley Murphy  
City Clerk