

**CITY OF SHOREVIEW
MINUTES
CITY COUNCIL WORKSHOP MEETING
April 11, 2016**

CALL TO ORDER

Mayor Martin called the workshop meeting of the Shoreview City Council to order at 7:00 p.m. on April 11, 2016.

ROLL CALL

The following attended the meeting:

City Council: Mayor Martin; Councilmembers Quigley, Springhorn and Wickstrom

Councilmember Johnson was absent.

Staff: Terry Schwerm, City Manager
Mark Maloney, Public Works Director

North Suburban
Tobacco
Compliance
Project: Katie Engman, Project Director

WaterSmart Bret Foreman, Representative
Neva Widner, Natural Resources Specialist

**DISCUSSION WITH REPRESENTATIVE FROM THE NORTH SUBURBAN
TOBACCO COMPLIANCE PROJECT/RAMSEY TOBACCO COALITION**

Compliance Checks

The Council met with Katie Engman, Project Director of the North Suburban Tobacco Compliance Project to discuss recent tobacco compliance check issues with Shoreview businesses and to discuss flavored tobacco regulations.

Ms. Engman commended Shoreview for all the work done in tobacco regulation. Tobacco continues to be the cause of 1 in 5 deaths in the United States. There are 1,200 deaths each day, which is one death every 2 minutes. The Association for Nonsmokers Minnesota (ANSR) is a nonprofit organization dedicated to reducing the human and economic costs of tobacco use in Minnesota. The North Suburban Tobacco Compliance Project conducts compliance checks in businesses of 13 north suburban Ramsey County cities. Training of vendors, their staff and City staff is included. The cost is approximately \$50 per vendor, which can be paid from license fees. State law requires at least one compliance check each year; ANSR conducts two in Shoreview.

Councilmember Quigley stated that the pressure point for compliance is with store owners and managers to train staff. He asked for a review of the penalties. City Manager Schwerm stated that the first failure is a fine of \$250; a second failure in the same year is a \$500 fine; a third

failure is a fine or \$1000 and a time of suspended sales. No one has had a third failure. Two of the vendors in the second compliance check in 2015 had a second failure. All four vendors who failed the second compliance check in 2015 asked for identification but did not read it properly. Minnesota drivers' licenses clearly state whether the person is under age 18. That is why training is so important.

Mayor Martin suggested the City send a letter after more than one compliance failure to let vendors know how serious the City views this issue. Training is available, and compliance needs to be stressed with employees. She also suggested following up on the City's ordinance that failure will compel a third compliance check for that year. Mr. Schwerm noted that the City ordinance already calls for an additional compliance check after two failures. Ms. Engman agreed to work with the Sheriff's Department for an added compliance check if needed.

Mayor Martin emphasized that it is important that vendors know the City is watching and will enforce regulations.

E-Cigarettes/Flavored Cigars

Ms. Engman reported that state law states that it is illegal to sell an e-cigarette to a minor, and it is illegal for minors to possess an e-cigarette. E-cigarettes must be sold behind the counter in stores, but that requirement is not made on tobacco shops. The amount of nicotine in e-cigarettes is unregulated. All cities in Ramsey County have added e-cigarettes to clean indoor air policies. The percent of high school students trying tobacco products is decreasing, but the tobacco industry spends \$135.5 million each year for advertising in Minnesota targeting youth. This amounts to \$370,000 per day in the state of Minnesota. Advertising emphasizes a sweet taste to attract youth. These products will lead to nicotine addiction.

New tobacco prevention trends include setting a minimum price for flavored cigars and regulating the number of flavored cigars in a pack, as well as establishing a minimum age for purchase. Cheap cigars are 3/\$1.00 with colorful packaging that smells good. The problem with flavored cigars is that they have the same health effects as smoking cigarettes. The flavoring makes them very attractive to youth, and they are sold in small package sizes at a low cost.

Cigar and cigarillo use is prevalent among youth at Mounds View High School. In 2013, it was found that within a 30-day period, 12% of 11th grade males had used cigars. Promotions use Hip Hop artists and subcultures that attract youth. Many promotions can also be seen on social media sites that are popular with youth. Cigarillos are often used as drug paraphernalia. These products are designed to avoid tobacco control regulations.

Ms. Engman described the Maplewood ordinance, which has implemented a minimum price and pack size. Cigars must be sold at \$2.60 each. A pack of two is \$5.20; a pack of 3 is \$7.80 and a pack of 4 is \$10.40 before sales tax. Similar ordinances have been adopted in St. Paul, Brooklyn Center, Bloomington, Richfield and Minneapolis. Vendors can refuse to carry products that are pre-priced. Ms. Engman advised a 30-day to 60-day roll out period to inform vendors and residents, if Shoreview were to implement similar regulations.

Councilmember Wickstrom asked at what price point youth are discouraged from purchasing these products. Ms. Engman stated that research shows that any price increase becomes a discouraging factor.

Other measures that are being taken across the metro to prevent flavored tobacco products from being sold to youth include: 1) prohibiting sale of all flavored tobacco products including cigars except at tobacco retail stores; 2) regulating menthol tobacco products; 3) setting the minimum age to 21 for a purchaser.

Mayor Martin asked what opposition occurred in Maplewood. Ms. Engman stated that vendors were in opposition, but the regulations were supported by the public. Mayor Martin stated that her preference would be to follow through with price changes but not prohibit sales. She noted the last time the City changed tobacco regulations not only were vendors opposed, but the Public Safety Committee was also opposed. Mr. Schwerm explained that the Public Safety Committee was opposed because Shoreview would be the only City with these regulations, and people would just go to a nearby city to make their purchase. Mayor Martin stated that now that a number of cities have taken regulatory action, she is supportive of more restrictive tobacco sales.

It was the consensus of the Council to have Ms. Engman meet with staff and vendors to present this information in anticipation of the City moving forward with further regulations.

REVIEW AND DISCUSSION REGARDING WATER CONSERVATION GRANT PROGRAM

Mr. Maloney stated that a \$54,000 grant was awarded to the City last year from Minnesota's Environmental and Natural Resource Trust Fund (ENRTF). The grant money is to be used to determine if providing timely, bi-weekly water consumption data to a group of 400 customers would improve their water conservation. Shoreview's normal schedule is to provide water consumption data quarterly. Since receiving the funds, staff has become aware of a sophisticated program created by WaterSmart that would fit the customer interaction and outreach portion of the grant work plan named "Know Your Flow."

Presentation by WaterSmart Representative Bret Foreman

Through the WaterSmart program, customers will be able to determine their water usage on a daily basis with explanation of what the numbers mean and recommendations on how people can take action to reduce water usage. Software will be provided to the Public Works team to set up an individual website portal for each customer. The software identifies any leaks, underperformance of meters or other needed repairs. If a repair is needed, there are links to videos that explain how to make the repair.

WaterSmart currently works with approximately 50 water utilities throughout the country in both small and large communities. Similar programs have been used with electric companies in Minnesota for the last five years. Customers like receiving more specific data about their usage. Ratings of satisfaction are higher with the WaterSmart program. City staff will be trained and will send out reports on City letterhead. Any questions can be addressed to City staff. Customers will also have access to City reports on water.

Councilmember Quigley asked how the information is pertinent to the individual. Mr. Foreman explained that a profile is built on each individual property based on size, number of people living at the property, etc., to give personalized feedback.

Mr. Maloney added that the Ramsey County Assessor's Office has property information about lot size and number of bedrooms. WaterSmart uses this public information and climate to begin building a profile. Mr. Foreman added that an estimate of the number of people in a home is made based on the number of rooms and water use. Customers are asked to update their portal with accurate information, if WaterSmart has not estimated correctly.

Mayor Martin asked if there is ever opposition to the personal information gathered and reported. Mr. Foreman acknowledged that some people do not like the reports. He estimated approximately 1% do not like the system. It is very easy for staff to take customers off the program, if they do not like it.

Mr. Schwerm asked if comparative models are used from other geographical areas that would not apply or work well here. Mr. Foreman stated that comparisons are always made between people within the same community. No comparisons are made outside the community.

Councilmember Wickstrom stated that the City will continue to use groundwater and will need to show it is doing its part for conservation and asked how this could be made available to everyone.

Mr. Maloney stated that he envisions this type of communication will become the mainstream in the future. The program can be used with the entire City, but it is recommended to use a control group first in order to get comparison information. The software will be located at the WaterSmart website; Shoreview will have the URL. In year 1 there will be a one-time set up fee of \$3,300. In year 2 there would be a fee of \$3,000 to send welcome letters to the initial 4,400 homes. The license for year 1 with 400 homes is \$11,940; in year 2 with 4,400 homes the license cost is \$29,540. Mr. Schwerm added that 4,400 homes is approximately half of the City's utility accounts. The price to include everyone is an annual license fee of \$29,540. This is less than \$1.00 per quarter to provide a great amount of information that is individualized. He believes the City will save money in future years as online billing continues to grow.

Mr. Maloney stated that WaterSmart has been approved by grant administrators for the grant work plan. Staff is requesting the Council to consider expanding the WaterSmart program after the work of the grant is completed.

It was the consensus of the Council to move forward with implementing the WaterSmart system.

Mayor Martin stated that there will be implications to water bills by implementing this system. She would like to work with the legislature to provide funding as incentives for communities to use this kind of system.

UPDATE ON STATUS OF COUNCIL GOALS

City Manager Schwerm reported on accomplishments achieved under the four goals adopted by the Council in April 2015.:

1. **Financial Stability:** The following were completed:
 - 2016-2017 Biennial Budget
 - 2016-2021 Capital Improvement Program
 - Five-Year Operating Plan

- Update of the Comprehensive Infrastructure Replacement Plan
- Two improvement bonds were issued to finance the water treatment plant and other City projects. The City's AAA bond rating from Standard & Poor's has been maintained.

2. **Community Facilities:**

- Wilson Park playground equipment will be replaced in 2016, and a picnic shelter will be added.
- The water treatment plant is planned to be operational in 2016.
- The City has worked collaboratively with Ramsey County on the Regional Library project and is also working on the Shoreview Commons Master Plan update with StanTec

3. **Economic Development:**

- Kowalski's Market has been approved for the former Rainbow Foods property.
- The second phase of the Shoreview Senior Living apartment project on Hodgson Road has been approved.
- The City worked with the Minnesota Department of Employment and Economic Development and GreaterMSP to relocate Ally Financial Services to the Shoreview Corporate center campus on Lexington Avenue
- Preliminary approvals have been given for a mixed use redevelopment on the property at Rice Street/County Road E. A Tax Increment Financing Plan for the property will provide \$2,950,000 to the developer on a pay-as-you-go basis. The developer is investing close to \$30 million.
- The City continues to work with Ryan Companies regarding potential development on the Children's Hospital property in the Rice Creek Corporate Park.
- The 77-unit Applewood Pointe Senior Cooperative was completed and opened in 2015.
- The City is working with Ramsey County and Vadnais Heights and Little Canada on predesign work for the Rice Street Bridge replacement and seeking legislative funding for the project.
- Work will begin to update the City's Comprehensive Plan during 2016.

Community Vitality:

- A Community Survey was completed in 2015 with results incorporated into the 2016-2017 biennial budget.
- A Citizen Leadership Academy began with 19 interested Shoreview residents.
- An Advance Resignation Policy was adopted that has improved employee transition planning. This has brought dividends in being able to plan ahead for filling positions.
- In 2017, the Community Center expansion is planned. He would recommend working with BWBR for a proposal to begin the design work in order to bid the project early in 2017.

Councilmember Quigley stated that he would like communication to residents to be clear about the reason for the expansion and why certain features are included. Mr. Schwerm agreed that will be important. This proposed expansion is mostly updating space and equipment without a lot of revenue potential. One thing that could be added would be zero depth water park features that could bring in more revenue.

Councilmember Springhorn asked if the indoor playground would remain open. If it needs to be closed, it would be preferable to have it closed in the summer. Mr. Schwerm stated that he anticipates that most activities will remain open. If the playground is closed, it will be for a short time.

It was the consensus of the Council to contact BWBR to proceed with the Community Center expansion design with cost estimates and include an estimate for a shallow water play area.

RAMSEY COUNTY “A START BY BELIEVING COMMUNITY” INITIATIVE

Mayor Martin stated that the City has been asked to consider passing a resolution to support a new Ramsey County initiative: “A Start by Believing Community.” This is a joint effort between St. Paul and Ramsey County Public Health and the Ramsey County Attorney’s Office to support the national public awareness campaign, “Start by Believing” to improve response to sexual violence survivors. The goal is to provide education, training and outreach to reduce the disbelief, shame and blame that sexual violence survivors encounter. The program will kick off on April 13, 2016. Councilmember Springhorn agreed to attend that event.

Councilmember Quigley noted that the school district has not been contacted to support this initiative. Mayor Martin agreed to check into school district participation.

OTHER ISSUES

Mayor Martin reported that she has been asked to sign a letter in support of transportation and transit from Edina, Shoreview, Eagan and Minnetonka. Councilmembers expressed support for Mayor Martin to sign the letter for Shoreview.

Councilmember Quigley raised the issue of representation on the Metropolitan Council. Councilmember Wickstrom responded that the Citizen’s League has looked into this issue and believes terms should be staggered and more people should be on the Nominating Committee.

The meeting adjourned at 9:35 p.m.