

CITY OF LEXINGTON
WORKSHOP SYNOPSIS
Thursday, October 21, 2021
Immediately following Council meeting
City Hall

1. **Call to Order:** Mayor Murphy
2. **Roll Call:** DeVries – Harris – Hughes – Winge

Mayor Murphy called to order the workshop for October 21, 2021 at 7:51 p.m. Councilmembers present: Devries, Harris, and Winge. Excused Absence: Hughes Also Present: Bill Petracek, City Administrator; Kurt Glaser, City Attorney; Chris Galiov, Finance Director.

3. Discussion Items:

- A. Discuss Planning & Zoning Commission recommendation to conduct traffic sign improvement at the intersection of Restwood Road and South Highway Drive

Petracek explained that the Planning Commission had had a discussion about the intersection at Restwood Road and South Highway Drive and the potential danger of driving onto Restwood Road from South Highway Drive and the increased traffic on Restwood Road from the new apartments. He said that the suggestion is to consider placing a Stop Sign on Restwood Road as it intersects with South Highway Drive. He further explained the city engineer and public works concerns for placing a stop sign and their recommendation to place a Blind Intersection sign somewhere on Restwood Road. Discussion ensued.

Councilmember Devries agreed with city staff and did not think a Stop sign is necessary. Councilmember Harris feels that a Stop sign would be useful, but suggested maybe putting a crosswalk between the Boulevard and Cowboy's as a way to alert drivers of the intersection. Discussion ensued.

Following the discussion of placing a Stop sign versus placing a Blind Intersection, the consensus of the Council was to place a "Slow Down -Blind Intersection" sign on Restwood Road with a flashing light and put a crosswalk in between Cowboy's and Boulevard Bar and Grille. Petracek stated he would have it on the next Council agenda for approval.

- B. Discuss Final Proposed 2022 Budget

Petracek explained the final proposed 2022 budget for capital improvement, capital outlay, and other various increased expenditures. Petracek focused specifically on the proposed retirement

increases for the fire department personnel. He explained that if the City provides the fire fighters and increase of annual retirement contribution to \$5,000/firefighter/year the City would need to increase the General Levy by 5%. He added that if the City provide the firefighters an increase to their retirement at \$5,500/firefighter/year we would need to increase the General Levy 7% for the 2022 budget. He further explained the added pressures to the General Fund budget for 2022 with the increased population from the multi-family housing developments and the additional police budget responsibilities as provided in the Centennial Lakes Police Joint Powers Agreement. He further explained that the new housing developments would not be on the tax roll for the 2022 budget due to the timing of their completed construction in 2021. Discussion ensued.

Councilmember Harris questioned why other City employees get raises and the fire department struggles to get raises. Petracek explained that the police and fire department operations budgets are 100% fund by the General Levy, and any increases to either budget requires that either the City needs to transfer more funds from the Liquor Store Fund or increase the General Levy to offset those increased expenses. He added that we are proposing a \$275,000 transfer from the Liquor Fund to the General Fund in 2022, which is \$100,000 more than we usually transfer. He further explained that the City is becoming too dependent on liquor store profits to balance our budget. Discussion ensued. Petracek had explained to the fire chief that it is difficult to make big jumps in compensation for employees because of how it affects the property taxes in Lexington. He explained to the Council that it is best to increase their retirement incrementally each year. Increase it to \$5000/year in 2022 and revisit this compensation again each budget year until Lexington is more competitive with surrounding departments to increase recruitment and retention.

Following the discussion on fire department retirement, the consensus was to fund firefighter retirement at \$5,000/firefighter/year in 2022 and revisit this compensation next year.

Petracek discussed the need to replace the sewer jetter truck. He stated that when the City changed to hiring a private company to perform our annual sanitary and storm sewer cleaning and maintenance services, the Council agreed to keep the existing sewer jetter in the fleet to handle emergency sewer backups. He added that that machine is now 30 years old and has an abundance of mechanical problems that public works feels is no longer worth fixing. Discussion ensued.

The consensus was to purchase a used sewer jetter at an amount not to exceed \$85,000 in 2022.

Petracek also discussed a late entry into the budget. He stated that the City of Blaine is planning on a street project for 2022 along North Hamline Ave. that includes a stretch of road that is partially owned by the City of Lexington. He stated that our city engineer estimated that Lexington's portion of the project at \$58,000, but believes that it will come in way under that amount. Petracek stated the City would be able to pay cash for both 2022 proposed street projects – North Hamline Ave. and North Highway Drive project. Discussion ensued.

The consensus of the Council was to work with Blaine on their proposed road project on North Hamline Ave. and budget the \$58,000.

Petracek explained why the liquor store manager pulled back his requests add improvements to the interior of the liquor store and consider it in 2023. He added that the liquor store staff still intends to paint the internal walls of the building, which Petracek stated is a reasonable request and should be funded for 2022. Discussion ensued.

4. Staff Input

No staff input

5. Council Input

No Council input

6. Adjourn

Councilmember Devries made a motion to adjourn at 9:39 p.m. Councilmember Harris seconded the motion. Motion carried 5-0.