

Woodbury City Update

November/December 2019 • Volume 20, No. 10



Public Works Building reopening in December. See page 2.

Public meeting on 2020 city budget scheduled Dec. 11

Woodbury's city budget for 2020 proposes a 2.9 percent (or \$30) increase in city taxes on the median value home next year. The tax impacts of the proposed budget, as well as the programs and services supported by it, will be reviewed during the regular City Council meeting Wednesday, Dec. 11, 7:30 p.m., at Woodbury City Hall. All interested citizens are invited to attend.

The proposed total property tax levy of \$37,914,972 supports the cost of services and capital improvements in a growing community, according to City Administrator Clint Gridley.

Taxable market value

Woodbury's taxable market value grew by 8.2 percent from 2019 with the median value home increasing 4.7 per-

cent. Based on this strong growth, the property tax rate for 2020 is falling by 2.1 percent.

City taxes

Finance Director Tim Johnson estimates that city taxes on a residential home valued at \$327,400 – the median value for taxes payable in 2020 – will increase from \$1,035 to \$1,065. See the table below for the estimated city tax change on homes with higher and lower values than the median.

Johnson noted that market values do not increase or decrease by the same percentage for all properties. Therefore, the estimated city tax may differ for some, particularly if there have been improvements that add value, such as refinishing a basement or adding a three-season porch.

Similarly, a larger decrease in value could cause a larger decrease in taxes.

General Fund budget

Property taxes help fund city operations in the General Fund, along with the Capital Improvement Fund, Emergency Medical Services Fund, Street Reconstruction/Maintenance Fund, Debt Service Funds, and Housing and Redevelopment Authority Fund, for example.

For 2020, the General Fund budget, which is the city's main operating fund, is recommended to be \$37,638,550, representing a 5.4 percent increase from 2019. The areas of new significant budget change compared to the current year are parks and trails maintenance; operations at the new public safety training center in Cottage Grove (in collaboration with the City of Cottage Grove); impacts of emerald ash borer; street improvements; and personnel costs (see article page 3).

Property taxes at \$26.4 million account for 70 percent of the General Fund revenues. Other sources of revenue include permit fees from new home and business construction, charges for various services, miscellaneous revenues, and transfers from other funds.

Total budget

Total city expenditures for 2020 are estimated at \$102.5 million, a 10.5 percent increase compared to the adopted 2019 budget. The total includes the General Fund and other city funds, such as the water and sewer utility, Eagle Valley Golf Course, HealthEast Sports Center, and more.

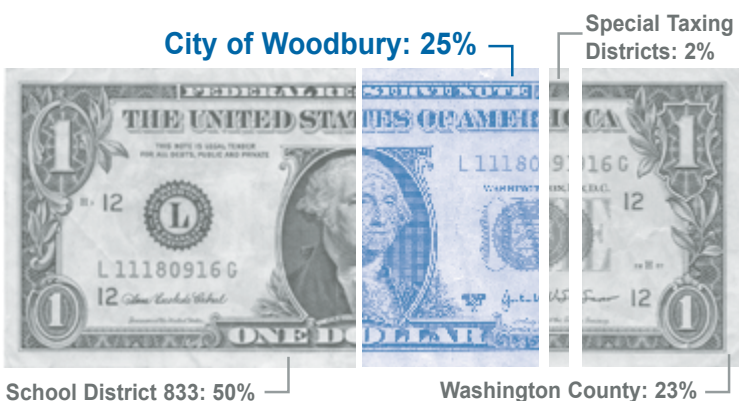
Providing a good value

Under the proposed city budget, a homeowner with a property value estimated at \$327,400 for taxes payable in 2020 receives police and fire protection; snow plowing and street maintenance; park development and maintenance; recreational programs and facilities; and many other services for about \$88.75 per month.

More information about the proposed 2020 city budget is available on the Woodbury website at woodburymn.gov. The full budget document also can be reviewed at the Finance Department or at the R.H. Stafford Library, 8595 Central Park Place.

For more information, contact the Woodbury Finance Department, 651-714-3502.

Residential Property Tax Distribution



Examples of the estimated city tax increases for 2020

Estimated market value	2019 city tax	Estimated 2020 tax*	Increase/decrease
\$250,000	\$760	\$784	\$24
\$327,400**	\$1,035	\$1,065	\$30
\$350,000	\$1,114	\$1,147	\$33
\$450,000	\$1,464	\$1,499	\$35

*Estimates assume that homes have experienced a 4.7 percent increase in value.

**Median value as of Jan. 1, 2019.

Council Perspective

By Mayor Anne Burt

A sixth well receives health risk advisory

In mid-October, the Minnesota Department of Health (MDH) issued a health risk advisory for per- and polyfluoroalkyl substances (PFAS) at a sixth city municipal water production well.

Operational changes were immediately made to our water system to reduce use of the impacted well. Of the city's 19 municipal wells, water from six wells - based on the most current data - now have detectable levels of PFAS that on repeatable occasion exceed one or more thresholds established by the MDH.

All six impacted wells are now off-line for the winter season. This has minimal impact on our ability to meet water demand at this time. However, it may impact our ability to meet water demand on peak use days in summer 2020. We are vetting temporary treatment options for these impacted wells with the goal of putting one or more back into service with treatment sometime next summer. If a temporary treatment option cannot be implemented in summer 2020, increased water restrictions may be needed to ensure the water system has enough pressure to meet demand.

How did PFAS get in the water?

PFAS were made and used by several companies around the world in household and industrial products such as stain repellents, lubricants, fire retardant and suppressants, and more. The 3M Company made PFAS at its Cottage Grove facility from the late 1940s until 2002. PFAS wastes were disposed of at three sites in Washington County including Lake Elmo, Oakdale and in southern Woodbury near Woodbury Drive (3M Woodbury site). The source of the PFAS in our groundwater has been identified as these disposal sites.

Long-term solutions

In February 2018, the State of Minnesota and 3M reached a settlement agreement, with the state

receiving a grant from 3M for \$720 million (after attorney's fees). The court-approved agreement specifically outlines providing a clean, sustainable supply of drinking water in several east metro communities - including Woodbury - as a top priority.

The Minnesota Pollution Control Agency (MPCA) and Minnesota Department of Natural Resources (DNR), with input from working groups representing each impacted east metro community, aim to develop conceptual plans for addressing the drinking water supply by the end of 2019 and will be seeking public feedback on the draft plans through March 2020. Once the conceptual plan is ready, we will share information about how to provide input via our InTouch email notification service (woodbuymn.gov/intouch), social media accounts and on the city's website.

What the city is doing

To help provide immediate assistance to communities impacted by PFAS, the state made a portion of the 3M Settlement dollars available early to help fund projects. Following a state submission and review process, Woodbury received approximately \$96,000 to conduct system hydraulic modeling to help determine how PFAS is moving through our water system. The results - which are expected by the end of the year - will help us identify improvements needed to treat the water and develop

project timelines to meet critical service deadlines.

The city's highest priority is the health and safety of its residents. We will continue working with the MDH to monitor and assess our water, and remain confident we will identify a solution that will address the east metro's water supply for generations to come.

The water from the city's system meets all federal and state guidelines for PFAS. However, if you are interested in additional protection after it reaches your home, check out additional treatment options at health.state.mn.us/communities/environment/water/factsheet/hometreatment.html.

We will continue to keep the public informed as we learn more about potential short- and long-term solutions and their impact on our community. Questions about Woodbury water operations should be directed to Jim Westerman, utilities manager, at 651-714-3719 or jim.westerman@woodbuymn.gov.

Details about the history of PFAS in Woodbury wells and testing results through September 2019 are available on the city's website at woodbuymn.gov/pfas. Additional resources are available on the MDH and MPCA websites. For more information about the state's PFAS-related settlement with 3M and the work under way to identify long-term water supply solutions in the east metro, visit pca.state.mn.us/waste/3m-and-pfas-2018-settlement.

The Woodbury newsletter is published 10 times per year by the City of Woodbury and mailed to all residents and businesses. Send comments to: Woodbury City Hall, 8301 Valley Creek Road, Woodbury, MN 55125-3330. Phone: 651-714-3500. Email: jason.egerstrom@woodbuymn.gov.

Mayor: Anne Burt. Council Members: Andrea Date, Steve Morris, Jennifer Santini and Amy Scoggins. City Administrator: Clint Gridley. Communications Manager: Jason Egerstrom.

The City of Woodbury is subject to Title II of the Americans with Disabilities Act. In accordance with the act, the Woodbury newsletter is available in other formats. Call Jason Egerstrom, 651-714-3500; TDD: 651-714-3568.

Public Works Building reopening in December

The newly-remodeled and expanded Public Works Building at 2301 Tower Drive is expected to reopen to the public in early December. The facility houses parks maintenance, streets, stormwater, signs, traffic signals, water and sewer operations, and the South Washington Watershed District. As part of the project, a new Fleet Services Building also was constructed across the street on the west side of Tower Drive.

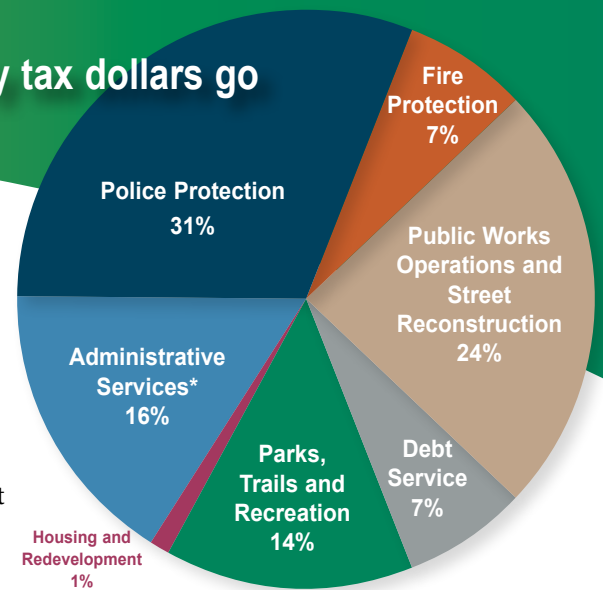
The estimated \$23 million expansion was needed to meet the increased demand for services as the community continues to grow.

The original structure on the west side of Tower Drive was constructed in 1967 when it served as City Hall. It subsequently was remodeled three times over the past five decades and removed in summer 2018 as part of the expansion project as another remodel was not cost effective. This building was replaced with a new 25,000-square-foot fleet services facility and an 18,800-square-foot, unheated shed that will house vehicles and seasonal equipment used for maintenance services.

In addition, the existing Public Works Building on the east side of Tower Drive was expanded 53,000 square feet to support operations for the next 10 years. The project included the expansion of the office space and the addition of warm storage space for vehicles and equipment. This building was built in 1993 and houses more than 60 full-time employees who provide services for fleet services, streets, utilities, parks maintenance and public works administration.

The public will be invited to tour the new buildings at an open house to celebrate the completion of the project in 2020. More information will be shared in a future edition of the City Update newsletter. Additional project information is available at woodbuymn.gov.

Where city tax dollars go



Parks, natural resources and streets highlight 2020 budget

City Administrator Clint Gridley says parks, natural resources, streets and personnel costs are critical factors in shaping the proposed 2020 city budget. The city's operating budget is proposed to be \$102.5 million for 2020, a 10.5 percent increase from 2019. The proposed total levy is the largest source of revenue for the city, providing 37 percent of its funding needs. If approved, city taxes on the median value home of \$327,400 are estimated to increase by 2.9 percent or \$30.

"The city seeks to strike a balance between fiscal restraint and the need to support a high-quality, maturing community," Gridley explained.

2020 budget priorities

There are five key items in the proposed in the 2020 budget that are driving the property tax increase on the median value home:

1. Personnel costs – As an organization that provides services, employee wages and benefits routinely account for at least 75 percent of the General Fund annual budget. This trend will continue in 2020, with personnel costs being the largest factor impacting the budget.

2. Maintenance of the parks and trails – The city's extensive parks and trails system is one of the community's greatest assets. As some of these amenities start to mature, the community must dedicate funding to maintenance and replacement activities to ensure the parks and trails system remains a cherished amenity for years to come. An estimated \$500,000 increase is slated in the 2020 budget for parks and trails maintenance, but this increase is partially offset by a \$256,000 drop in the city's debt service costs.

3. Health Emergency Response Operations (HERO) Center operations – In 2019, Woodbury partnered with Cottage Grove to construct a new regional public safety training facility in Cottage Grove (see article on page 4). In-service training for police, fire and emergency services personnel is a critical component to supporting Woodbury's unique integrated public safety model, which allows all three emergency services to work cooperatively to serve its residents. The 2020 budget includes \$100,000 for Woodbury's share of the anticipated annual operational costs. The goal is to reduce the city's annual operational contribution in the future

by renting the space to other regional public safety and law enforcement agencies. The public also will have limited access to the training facility. Learn more about the HERO Center at herocentermn.org.

4. Emerald ash borer impacts – Emerald ash borer (EAB) is an insect that has killed millions of ash trees across the country. It was first discovered in Woodbury in 2017 and tree loss across the city is expected to be substantial. The 2020 budget includes \$313,800 for tree removals and replacements on public lands and city-owned boulevards, and a new city forester position to help with the substantial increase in workload.

5. Street reconstruction

– One of the larger increases in the total 2020 budget is associated with supporting street reconstruction activities. In 2013, a citizens task force studied the city's road maintenance schedule and developed a sustainable long-term funding plan to meet the needs outlined in the maintenance plan. One part of the funding strategy, which was approved by the City Council in 2014, is to increase the annual property tax levy by 5.5 percent annually, resulting in a \$190,431 increase for street reconstruction in 2020.

User fee rates

Some utility increases also are recommended to help fund the Public Works Expansion Project (see article on page 2); future anticipated repairs to the city's aging water and sewer infrastructure; and upgrades to the commercial and residential water meters to improve meter-reading efficiency.

Water rates are proposed to increase in 2020. If approved by the City Council, the base water rate will increase by 5 cents per thousand gallons from \$1.35 to \$1.40 per thousand gallons and the commercial and homeowner association (HOA) irrigation rate will increase from \$2.74 to \$2.95 per thousand gallons. The water rate usage tiers are proposed to remain the same. The proposed commercial and HOA base rate increase reflects the fourth step of a five-step increase plan approved by the City Council in 2016.

The water quality monitoring fee passed along from the Minnesota Department of Health is increasing 84 cents per quarter in 2020.

The city's portion of the sanitary sewer rate is proposed to increase from \$27.04 to \$28.12. The storm sewer rate for single-family homes/

*Administrative services include elections, finance, assessing, communications, human resources, building maintenance, information technology and general administration.

Note: Development control operating expenditures are covered by service fees and do not impact the tax levy. Development control includes planning, economic development, building inspections and engineering.

duplexes/twin homes will increase from \$19.30 to \$19.88 per quarter.

The sanitary sewer quarterly base fee and usage rate fee that are passed along from Metropolitan Council Environmental Services (MCES) are each increasing 3.4 percent in 2020, reflecting Woodbury's increased use of the regional sanitary sewer system and MCES rate increases.

The ambulance fee is proposed to remain the same in 2020. In addition, street lighting rates will remain the same for the 11th straight year.

HRA levy

Again in 2020, the city's Housing and Redevelopment Authority (HRA) is proposing a levy to fund several loan programs for current and prospective homeowners in Woodbury who meet the income guidelines. This is separate from the city's tax levy and is included on the truth-in-taxation notice in the listing for special taxing districts. The proposed levy totals \$250,000, the same as for 2020; the tax impact is an estimated \$7 for the median value home and is included in the estimated tax chart on page 1.

Monthly Cost To Residents

Police protection	\$26.92
Fire protection	\$6.50
Public Works operations and street reconstruction	\$21.58
Parks, trails, recreation	\$12.67
Debt service	\$6.75
Administrative services	\$13.75
Housing and redevelopment	\$0.58
TOTAL	\$88.75

*Monthly price is the 2020 projected cost for a home with an estimated market value of \$327,400 for taxes payable in 2020.

Note: Fees collected for inspections, planning and engineering services cover operating expenditures, resulting in no impact to the tax levy.



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Winter parking regulations are now in effect

City ordinance prohibits on-street parking:

- Between 2 a.m. and 6 a.m. from Nov. 1 through April 1 or
- Any time 2 or more inches of snow has accumulated

In addition, city ordinance requires vehicles parked in driveways to not extend beyond the driveway into a street, trail or sidewalk. This helps plow operators do the most thorough job possible. Residents and businesses who do not comply with the winter parking regulations may be cited for violating city code and fined.

The ordinance applies only to public streets, not to private roadways. Questions should be directed to the Public Works Department, 651-714-3720 or publicworks@woodburymn.gov.

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Public invited to tour new public safety training center Jan. 14

The new Health and Emergency Response Occupations (HERO) Public Safety Training Center in Cottage Grove is slated to open in January. The facility will primarily serve as a regional state-of-the-art immersive training center for police, fire and emergency medical services (EMS).

The public is invited to celebrate the opening from 5 to 8 p.m. Tuesday, Jan. 14, 2020. Come explore public safety vehicles, watch public safety demonstrations, interact with public safety personnel, and take a self-guided tour of the facility. The event is free.

The project was made possible through a partnership between the Cities of Woodbury and Cottage Grove and the State of Minnesota. Woodbury and Cottage Grove provide police, fire and emergency medical services using an integrated public safety model. In-service training is a critical com-

ponent in supporting this model and plays a crucial role in supporting staff who train together as a team.

“Finding locations available for this type of training is challenging and our emergency responders were traveling long distances to accomplish their training needs,” said Dan Anselment, manager of the HERO Center. “Having a facility like this in the east metro will better prepare the region’s emergency responders as they serve our communities today and as the area continues to grow in the future. It also will help our cities recruit and retain the best talent in the public safety field.”

The HERO Center features training classrooms; a two-story indoor tactical training area with interchangeable walls; reality-based training houses; balcony/stairwell training rooms; response to resistance mats room; an indoor shooting range; a virtual real-



ity firearms training simulator; and a secure outdoor yard/K9 training area.

“While this is primarily a facility for public safety agencies to train, the public also will have access to the shooting range starting in January 2020,” Anselment said. “There also will be opportunities for hosting community-based safety education classes such as CPR, firearms and recreational vehicle safety training.”

The total construction budget for the project was approximately \$21.2 million. The State of Minnesota, South Washington County

Telecommunications Commission and South Washington Watershed District contributed more than half of the funding. Cottage Grove and Woodbury split the remaining costs, approximately \$4.75 million for each city.

The HERO Center is located at 10125 85th Street South in Cottage Grove, adjacent to the Cottage Grove City Hall and Public Safety Building.

To learn more or to reserve time at the HERO Center, visit herocentermn.org or contact Anselment at 651-458-2811 or danselment@herocentermn.org.