

**City of North Saint Paul
May 17, 2022
Approved Regular City Council Meeting Minutes**

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 6:30 p.m.

II. THE PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

III. ROLL CALL

Present: Council Member Thorsen
Council Member Petersen
Council Member Cole
Council Member Wong
Mayor Furlong

Staff: City Manager John Stark, Deputy Clerk Jennie Kloos, City Engineer Morgan Dawley, Finance Director Dan Winek, City Planner Brandy Howe, Communications Staff Kari Erpenbach

IV. ADOPT AGENDA

On motion by Council Member Petersen, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to approve the agenda as submitted.

V. PRESENTATIONS

There were no presentations.

VI. APPROVAL OF CONSENT AGENDA

On motion by Council Member Cole, seconded by Council Member Wong, with all present voting aye (5-0), motion carried to approve the consent agenda, Resolution No. 2022-048 consisting of:

- A. May 3, 2022 regular meeting minutes
- B. General Claims \$924,536.33
- C. Acceptance of the 2021 Financial Report with the City's Audit Firm of Malloy, Montague, Karnowski, Radosevich & Co. P.A. (MMKR)
- D. Charitable Gaming Permit – North Metro Flex Academy located at 2350 Helen St. N. **Resolution No. 2022-053**
- E. Approval On-Sale and Sunday Liquor License for NSP Hospitality, Inc./DBA Mac's Diner (revised liquor license date) **Resolution No. 2022-047**
- F. Resolution Approving Acceptance of Donations Received April 2022 **Resolution No. 2022-049**

- G. Building Permit Report – April 2022
- H. Approve New Arts & Culture Commission Members
- I. Lease and Premises Agreement – Hill Murray’s Father’s Club ***Resolution No. 2022-046***

VII. MEETING OPEN TO PUBLIC

Shawn Rivet, expressed his concern with the continued flooding in the street and wondered when the street would be fixed.

John Schmahl, inquired about the location of the sidewalk on the Ariel Street plan. City Engineer Morgan Dawley stated he will get the plans from Maplewood and send them to Mr. Schmahl. Mr. Dawley explained the plan is to construct the eastern portion of the sidewalk from 9th Avenue to 7th Avenue allowing a safer route for pedestrians as well as following the guidelines of the Comprehensive Plan.

Robert Lawrence, stated he is currently president of the Hill Murray Father’s Club. He thanked City Council and stated he is looking forward to a continued partnership with the City and Mac’s Diner.

VIII. PUBLIC HEARINGS

There were no public hearings.

IX. CITY BUSINESS ACTION ITEMS & RECOMMENDATIONS

A. Award the Sale of \$9,995,000 General Obligation Bonds, Series 2022A

Finance Director Dan Winek presented this item and continued the discussion from the workshop. Mr. Winek explained \$4.6 million in bonds are allocated for street reconstruction bonds and approximately \$5.4 million are allocated for revenue bonds.

Mikaela Huot, Baker and Tilly, presented results of the City’s credit rating as it relates to the bonds and noted five bids were received ranging from 3.415 %-3.665 %. North St. Paul has an updated credit rating of AA.

On motion by Council Member Thorsen, seconded by Council Member Petersen, with all present voting aye (5-0), motion carried to adopt Resolution No. 2022-050 Providing for the Issuance and Sale of \$9,995,000 General Obligation Bonds, Series 2022A, Pledging for the Security Thereof Net Revenues and Levying a Tax for the Payment Thereof.

City Manager John Stark thanked Mr. Winek and the employees from Baker and Tilly for their hard work.

B. 2022 Sanitary Sewer Lining Project (City Project No. 22-06) – Receive Bids and Award Contract

City Engineer Morgan Dawley presented this item and stated this is one of the projects within the Capital Improvement Plan and bond sale that was just approved. The City solicited bids and

received two that came in close to the estimated budget amount. He noted the resolution is in the packet for Council consideration.

On motion by Council Member Petersen, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to adopt Resolution No. 2022-051 Accepting Bids and Awarding a Construction Contract for the 2022 Sanitary Sewer Lining Project City Project No. 22-06.

C. 7th Avenue Utility and Street Improvements (City Project No. 2022-01) – Receive Bids and Award Contract

Mr. Dawley presented this item and discussed the cost inflation of shipping, iron, steel, and general labor. He stated the low bid came in 20% over the City's budgeted amount so his recommendation would be to reject the bids and put this on the calendar agenda for 2023. This would place the City in a more financially stable position given the volatility of the current market.

Council Member Thorsen inquired if the project could be scaled back so part of it can be completed in 2022. Mr. Dawley stated yes and clarified the City is waiting because it is currently over budget.

Council Member Wong inquired about funding this project if City Council does not reject it. Mr. Dawley stated it would likely come from the Street and Utility budgets and would affect the general fund. Mr. Dawley also noted if awarded as is, a portion of the bonds would come from residents. Council Member Wong inquired about the possibility of using federal infrastructure funds. Mr. Dawley stated there are no guarantees of when we will hear about those funds or how much will be authorized.

Mayor Furlong questioned if there is maintenance the City can do now to help. Mr. Dawley expressed the need and concern for timing and suggested it may be worth considering other maintenance to the street to buy more time. Mayor Furlong suggested reprioritizing plans and reassessing how to get one to two more years out of it.

Council Member Thorsen inquired about the usage of asphalt versus concrete and what sections merit concrete. Mr. Dawley stated parts of 4th Avenue would warrant the use of concrete because it is a high traffic area. He also suggested leaving the concrete sections as is and using asphalt for the rest of the project would help decrease the cost. Mr. Dawley explained the purpose of concrete is to have an aesthetic approach into downtown but keeping Margaret Street asphalt would save the City approximately 20-30%.

Mayor Furlong suggested bidding out asphalt prices and providing those numbers to City Council. Mr. Stark inquired if a rebidding process occurred, would it come back to City Council for more discussion. Mr. Dawley stated he would be comfortable with coming back to City Council for further discussion.

Council Member Wong requested clarification on the maintenance of asphalt. Mr. Dawley clarified asphalt is a flexible material that will crack and need to be sealed every three to five years and overlaid every 15 years depending on usage. A concrete roadway is less maintenance but there is more upfront cost.

Mayor Furlong questioned if different asphalt is used on residential streets versus commercial streets. Mr. Dawley answered yes, the density of the asphalt and gravel underneath changes depending on usage of the road. He explained the road is built based on the amount of traffic it is expected to receive.

Council Member Thorsen inquired about the percentage of roads that are concrete. Mr. Dawley stated approximately 10% of the streets are concrete and 90% are asphalt. He also noted in Minnesota, concrete does not stay as nice because of the continued weather changes.

Mr. Stark questioned if prices decrease, how quickly could the City get back out for bids. Mr. Dawley stated if this occurred, portions of the project would not be installed, limiting what could be done in 2022. He noted that waiting until October gives the City a 6-month timeframe and October would be the latest if the City wants it done before the holidays.

Mr. Stark wondered if it would be possible to separate out portions of the project to determine if some could be done sooner. Mr. Dawley stated that may be difficult because the utilities are underneath all of the streets but the City Council could look at that option at a workshop meeting.

Mayor Furlong summarized the City Council is not opposed to using asphalt. Mr. Dawley stated he will get this item on a workshop agenda, contact others involved, and bring back that information to the next workshop meeting.

On motion by Council Member Wong, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to adopt Resolution No. 2022-052 Accepting Bids Received and Rejecting all Bids for the 7th Avenue Utility and Street Improvements City Project No. 22-01.

X. REPORTS OF CITY MANAGER AND DEPARTMENTS

Mr. Stark updated City Council on the storms last week and thanked the many agencies including the North St. Paul Fire Department and Public Works Department. He also noted since March, four police officers have been hired, another is in the final process, and the City has recently hired a Finance Clerk. He noted the posting closed on the Community Development Director position and interviews will be in a few weeks.

XI. REPORTS OF COUNCIL, COMMISSIONS & COMMITTEES

Council Member Cole reported the EDA met on May 10th, and discussed the cost of the improvement plan at 2579 7th Street. He also mentioned the next EDA meeting will be June 14th at 3:00 p.m. and the EDA and Planning Commission met last week and discussed the sign ordinance and the Lily building. The next meeting for the Parks and Recreation Board will be May 25, 2022.

Council Member Wong thanked City Planner Brandy Howe, staff Lisa Ritchie and the Planning Commission for their hard work on the sign ordinance. She noted the Redevelopment Master Plan will go to the Planning Commission soon and open positions were filled on the Planning Commission and Arts and Culture Commission. Council Member Wong also noted the City is in

compliance regarding the usage of the City's logo. The next Planning Commission meeting will be the first Thursday and the Arts & Culture Commission meets the first Wednesday of the month.

Council Member Petersen reported on the Business Association luncheon and the student-built house, stating the siding and shingles are on and cabinets and counter tops are being installed.

XII. GENERAL BUSINESS

Council Member Petersen congratulated the high school for their day of service and mentioned the Veterans House has not been occupied since December. Mayor Furlong clarified there are people in there now.

Council Member Thorsen wondered if the downtown landscaping could be moved up on the City's priority list. He also suggested selling the Community Center to improve the City's finances and would like a discussion on the plan for the Community Center.

Mayor Furlong reported on the ROTC Memorial March which included 30 kids walking 14 miles.

XIII. CLOSED SESSION

There was no Closed Session.

XIV. ADJOURNMENT

There being no further business, on motion by Council Member Petersen, seconded by Council Member Cole, with all present voting aye (5-0), Mayor Furlong adjourned the meeting at 8:03 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ John Stark, City Manager / Clerk