

City of North St. Paul
August 23, 2022
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:02 p.m. The meeting was conducted at City Hall in the Council Chambers, and also via Zoom.

II. ROLL CALL

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

Staff: Interim City Manager Brian Frandle (via Zoom), Assistant to the City Manager Jennie Kloos, Finance Director Dan Winek, Police Chief Phil Baebenroth and Fire Chief Jason Mallinger, Communications Consultant Kari Erpenbach, City Engineer Morgan Dawley,

III. ADOPT AGENDA

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

IV. TOPIC(S)

A. 2023 Budget

City Finance Director Dan Winek stated this is the third workshop to review the 2023 budget. Mr. Winek noted the Council still needs to hear from Police Chief Baebenroth, Fire Chief Mallinger, and Public Works Director Ron Ritchie.

Mr. Winek reviewed the packet and provided a brief agenda for the budget with topics such as infrastructure, completed projects, capital improvement plan, and fund balance.

Mayor Furlong inquired about receiving data from Ramsey County. Mr. Winek stated it has been difficult to get data due to the conversion of their new system but should be coming out for the September 7th special workshop meeting.

Police Chief Baebenroth thanked the City Council for their support and the additional street officer hired mid-year. He stated calls for service are currently at 84 and looks to surpass last year's total of 94. In 2024, he would like to see another investigator position added. He stated that 84% of cost increase comes from personnel, contract for officers and sergeants, supply cost, and contract services. He did note the department was able to save money from a free first responder cell phone program.

Council Member Wong questioned criteria for officer wellness. Police Chief Baebenroth stated a survey was used to gain feedback and make the department better by restructuring vacation bidding and taking days when needed.

Mr. Winek presented a slideshow created by Public Works Director Ron Ritchie and stated he will be available for any follow up questions at the September 7th workshop meeting. The desire of the Public Works Department is to be more proactive. Mr. Winek provided information regarding staffing needs, asphalt usage, Watershed District needs, and fire hydrant maintenance.

Mayor Furlong inquired about the added fire hydrants. Mr. Dawley stated new developments and the housing buildings have added to this number. Mr. Winek also stated an increase in sewer maintenance is due to new construction and has required additional time and staff.

Mr. Ritchie's list of priorities are as follows:

- Upgraded fleet system
- Cross training
- Early recruitment
- GIS mapping
- Software upgrade for SCADA systems
- Timing maintenance
- Salt usage to protect the environment
- Additional staff person to help with priority list

Fire Chief Mallinger provided four attachments included in the packet and discussed the needs of the Fire Department are as follows:

- Upgraded communication center
- Increased monitoring activities related to rental properties
- Better inspections of DHS home and daycares
- Staffing- particularly a community outreach person

Council Member Wong spoke about the SafeHaven Program and Mr. Mallinger explained that occupied homes can be equipped with smoke and carbon monoxide detectors and can provide a visual inspection of their home for safety. The Red Cross provides the detectors and keeps the details and information on how many are installed in homes. Mayor Furlong noted this was a great community outreach event.

Council Member Thorsen liked the statistics and inquired about other similar statistical data related to EMS. Mr. Mallinger stated since the EMS comes from Lakeview, that EMS department could provide that information but he would try to get more documentation on it.

Council Member Thoreson questioned the incentives for people to stay on as volunteer fire fighters and what causes some to leave. Mr. Mallinger noted it is usually job relocation or school changes. He tries to maintain an atmosphere where people want to be. He also discussed the response time when you have a volunteer Fire Department as it can sometimes be slower. Mr. Mallinger reiterated his top priority is staffing.

Mr. Winek provided the City Council information on the following:

- North St. Paul is looking at an approximate 7.63% tax levy increase which would produce an additional \$340,000 for fiscal disparities in 2023
- Restricting debt
- Cost of infrastructure maintenance has gone up 70%
- Capital Improvement Plan as it relates to the budget
- Brainstorming ideas on lowering the tax levy amount with City Council

The City Council held a robust conversation on how to maintain a balanced budget moving into the next ten years and encouraged its members to provide ideas. Mr. Winek provided tax levy rates in neighboring communities

Council Member Thorsen inquired about previous years' budgets, high taxpayer rate, and provided his feedback on how to create a balanced budget.

Mr. Winek asked the City Council for their help and proposed this question. "What do we do to maximize our resources and minimize the overall impact to the residents of North St. Paul?" The ideas are as follows:

- Applying for more grants
- Scaling back size and scope of projects - Mr. Winek and Mr. Dawley looked at projects in the CIP that could be scaled back.
- Better job of estimating cost and including pre-design
- Evaluation of holding assets or properties
- Cost sharing or partnerships
- Project specific sales tax rather than bonding
- Localized sales tax
- Paid parking including EV chargers

Council Member Thorsen noted most ideas presented will fall on the taxpayers and suggested looking at the bigger picture. Mr. Winek explained if we do not increase the levy now, it will continue to rise in bigger increments later on.

City Council and City staff also provided these ideas:

- In-house versus outsourcing
- Same or better bond rating
- User fees
- Selling fiber optics

Mr. Baebenroth mentioned and agreed with the grant idea but noted those applications are time consuming and would need a full-time grant writer on staff. Mayor Furlong noted writing and receiving just a few grants could possibly pay for itself.

Mr. Dawley stated some cities are moving away from special assessments and are considering franchise fees instead to increase funding. Council Member Cole noted his concern over the increase in fees or taxes.

The City Council discussed the Community Center and options for lease, owning, and the future.

Communications Consultant Kari Erpenbach suggested an audit of manual jobs within the City to determine whether a technology component could be used instead. Mayor Furlong inquired about Google Workspace and Ms. Erpenbach stated the City will take another look at Google Workspaces.

Mr. Dawley suggested a new approach to the problem by looking at the needs of the community first. Other suggestions included looking at the Comprehensive Plan and gaining feedback from residents and Commissions.

Mr. Dawley explained the cost and maintenance of road repair versus a road reconstruction. He stated the cost is higher to completely reconstruct a road rather than repairing it along the way to keep them usable for as long as possible. He suggested a 10-year timeline to identify certain projects and a prioritized map to provide a future economic outlook. Mr. Dawley and the Council discussed a blended approach to road maintenance.

Everyone agreed to keep large-scale projects on track, to blend in dollars for maintenance overlays in the alternate years, and that being more comprehensive and focused on pavement preservation will continue to save the City money.

Mr. Dawley noted there are project place holders in the CIP that identify needed improvements. This improvement is held so it is not forgotten and could be revisited, if necessary. Mr. Dawley suggested starting earlier in the year when identifying a potential risk or plans. Mayor Furlong suggested putting out an assessment of street needs and completing a rating to bring to City Council this year. Mr. Dawley noted the average rating for street condition has improved slightly but other streets have degraded.

Mr. Winek closed the discussion by explaining the reason for the ten-year financial plan. The plan estimates a 4% increase in expenditures each year. In order to continue to meet the fund balance percentages, the City needs to create a consistent levy increase each year. Mr. Winek explained he took all of this information and projected a 3.2% increase for the average resident.

OTHER BUSINESS

None.

VI. 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 workshop meeting at 8:22 p.m.

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Brian Frandle, Interim City Manager/Clerk