

**City of North Saint Paul
September 20, 2022
Approved City Council Workshop Meeting Minutes**

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 5:00 p.m.

II. ROLL CALL

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

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, Finance Director Dan Winek, Communications Consultant Kari Erpenbach, Consultant Dr. Craig Waldron, Public Works Director Ron Ritchie, Public Works Supervisor Randy Miller

III. ADOPT AGENDA

On motion by Council Member Petersen, seconded by Council Member Wong, with all present voting aye (3-0), motion carried to approve the agenda as amended.

IV. TOPICS

A. MMPA Wholesale Power Contract Extension

City Manager Brian Frandle introduced David Niles, Vice President at Avant Energy, Inc (management of Minnesota Municipal Power Agency (MMPA)). Mr. Niles provided a presentation describing their mission, members (12 metro area cities), history (founded in 1992 with North St. Paul being one of the founding agencies), agency growth, rate comparisons/competitiveness, and renewable energy sources.

Mr. Oncu Er, Chief Operating Officer at Avant Energy, Inc., discussed future prices and plans including the addition of solar facilities and pursuing renewable natural gas. In order for MMPA to achieve the vision and execute on the plans, member contract extensions play a very important role. Current member contracts run through 2050. Extending the current contracts through 2060 would provide MMPA the flexibility to sell 30-year debt and help keep member rates competitive.

Council Member Petersen inquired about how North St. Paul fits into this process and requested clarification on their rates versus Xcel Energy's rates. Mr. Niles stated North St. Paul is approximately in the middle of the lists of cities and explained the wholesale rates are lower but retail rates could be different depending on utility or electric rates.

Mayor Furlong questioned if other cities experienced blackouts, would North St. Paul be capable of sending power out of State, if needed. Mr. Niles stated not at the local level. Mr. Niles simplified the distribution of power process and how it is brought into our homes.

Mr. Frandle commented that Avant Energy/ MMPA are the best in their field and industry and stated he supports the contract extension.

B. Proposed Tax Increment Financing (Redevelopment) District No. 4-12: Draft Term Sheet – Mikaela Huot

Mr. Frandle introduced Mikaela Huot from Baker Tilly who provided an overview of the proposed tax increment for properties including the Lillie building. The total cost estimate would be approximately \$25.6 million. If approved, construction would begin in early 2023 with the projected completion in 2024. Ms. Huot discussed the financing aspect and noted they are still in the early stages of negotiations. She summarized the developer is responsible for the total development investment.

Mayor Furlong asked if this is relatable to the Sentinel building. Ms. Huot noted this is different because the Sentinel building was financed by the City instead of by the developer.

Mr. Waldron commented on the current negotiations and stated he feels good about this project, the good work, and attention to detail Baker Tilly provides.

Mayor Furlong requested this item added to the City Council meeting agenda with a final proposal, public hearing, and TIF agreement at the November 7th meeting allowing for the developer to begin demolition this fall and construction to begin in the spring if approved.

C. Capital Improvement Plan 2023-2032

Finance Director Dan Winek provided the City Council an opportunity to ask questions and look at line items in more detail. He noted City Council will want to approve the entire plan in order for department heads to plan and will incorporate their budgets accordingly. The CIP and all budgets will be formally approved on December 6, 2022.

After questions from City Council, Mr. Winek provided the following information:

- Truth in taxation date is set for December 6, 2022
- Law enforcement vehicles have a lower trade in value due to their usage and equipment removal process
- Most law enforcement vehicles are currently being repurposed
- Will look into putting police vehicles on an annual purchase rotation in order to keep cost down
- Consider bulk pricing for police radios

Publics Work Director Ron Ritchie stated the Silver Lake bathrooms will be remodeled over the winter and clarified the cost of new HVAC systems for park buildings were put into the budget as placeholders, if needed. Mr. Ritchie stated their department will review all the buildings next year and provide better information at that time.

Mr. Winek expressed his appreciation and support from the City Council. Moving forward, Mr. Winek stated he would like to have budget discussions with each department in order to provide a clearer idea of needs. He also noted the need for a facilities assessment in 2023.

V. OTHER BUSINESS

There were no presentations.

VI. ADJOURNMENT

On motion by Council Member Wong, seconded by Council Member Petersen, with all present voting aye (3-0).

/s/ Terrence J. Furlong, Mayor

Attest:

/s/ Brian Frandle, City Manager / Clerk