City of North Saint Paul
August 21, 2023
Approved Special City Council Budget Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Monge called the meeting to order at 5:05 p.m.

II. ROLL CALL

Present: Council Member Tim Cole
Council Member Lisa Wong
Council Member Jason Nordby
Mayor John Monge

Absent: Council Member Cassidy Schweer

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, Finance Director Dan Winek, Accountant Mary Kay Heinen, Public Works Director Ron Ritchie, Fire Chief Jason Mallinger

III. ADOPT AGENDA

On motion by Council Member Cole, seconded by Council Member Wong, with all present voting aye (4-0), agenda was adopted as presented.

IV. TOPIC(S)

A. 2024 Budget – Department Head Presentations

Finance Director Dan Winek began with an overview of the workshop, stating Public Works will continue with discussions on the deterioration of the streets, additional funding needed and how to finance the plan. Followed by a review of City Council, Administration, Elections, Finance and Fire Department budgets.

Public Works Director, Ron Ritch continued his discussion on Pavement Condition Index (PCI) information provided by WSB and stated engineers would go through the City taking core samples doing 1/3 of the City per year for a total of 3 years to complete scoring the roads. The current PCI score is 56.2 on a scale of 0-100. Discussions will be had with others to decide where the worst roads are and where to start the focus on.

Full reconstructions and overlays were reviewed. A maintenance overlay would consist of a 2" mill with spot curb/ gutter repairs and should buy 15-20 years on the road. Mr. Ritchie stated in the off years of a full reconstruct, the maintenance overlays should increase the PCI.

To help the City plan pavement maintenance, WSB created a model using software that uses construction, inspection and maintenance records along with a degradation curve to predict how each segment of pavement in the City's system will perform over time. Three scenarios were created. The main goal is to determine how much funding is necessary to maintain the City's streets over the next several years and how that budget should be spent.

The first scenario would be to do nothing from 2024-2029. With no funding over the next 6 years, the pavement conditions would deteriorate at a rate of approximately 2-3 PCI points per year, going from 56.6 in 2023 to 41.4 in 2029.

Second scenario would be to implement major projects and no maintenance overlays. This scenario is not enough to prevent a yearly average PCI drop.

The third scenario tested how major rehabilitation projects each year and maintenance overlay's every other year would influence the PCI. As expected, implementing more major projects results in a much higher average PCI than scenario 1 or scenario 2. Overall, this scenario is not enough to outpace pavement deterioration.

The goal is to come up with a plan on a budget amount needed to increase the PCI and to have a long-term plan and schedule.

Finance Director Winek discussed an overview on funding for street projects which includes: implement a pavement preservation plan, develop a financing plan to minimize the impact on the City's debt and to minimize the impact on residents. The plan would call for a transfer from the Electric Fund in 2024, increase the Street project levy and develop a street project plan to "outpace pavement deterioration". The City may need to increase the levy 2.5%-4.0% annually.

Mr. Winek reviewed the City Council budget stating that the personnel expenditure budget for 2024 will remain the same as 2023, with the contractual services expenditure budget increasing 12% from the previous year. The most significant increase was in the technology costs from Information Technology.

Administration budget in the personnel expenditure budget increased 38%, due to cost of living and adding a new Communications Coordinator position, which had previously been a contracted service.

Elections budget increased slightly due to a 2-year contract with Ramsey County that provides for the County to carry out elections for North St. Paul.

Finance Department budget has an overall cost of living increase, and a slight increase in expenditures.

Mr. Winek introduced the Fire Department budget and stated there were a couple of additional requests that are not in the budget at this time.

Fire Chief Jason Mallinger that North St. Paul Fire Department is an "All-Hazards" department that will respond to the needs of the community, regardless of the nature of the incident. Mr. Mallinger reviewed the objectives and priorities:

• Maintain and promote staff development while creating a strong culture of commitment and community service.
• Provide proficient, consistent, and predictable service with an emphasis in Fire Inspections (Rental Property & Commercial Property), Administration, and daytime Fire and EMS response to improve overall services.

• Respond to 90% of fire emergency incidents within 10 minutes or less as directed by NFPA 1720.
• First Respond to EMS incidents for the protection and preservation of life.
• Continue to participate in Auto Aid and Mutual Aid agreements with neighboring communities to utilize our regional resources and take advantage of another department's expertise.
• Continue to promote and retain members of our Paid-on-Call staff.
• Continue current response model to increasing emergency incidents (Fire & EMS).
• Educate our staff by utilizing the skills of our existing employees and sending staff to outside training opportunities to continuously improve our knowledge and abilities. Develop new firefighters through initial training (Firefighter I, II, Haz-Mat, EMR or EMT).
• Increase Safe Haven inspections and smoke detector/Carbon Monoxide installations. We have recently updated our partnership with Red Cross.

Mr. Mallinger also explained the financial impacts for 2024. Some of which included cost-of-living increase, supplies expenditure and contractual services due to increases in the equipment allocation from the equipment internal service fund.

Additional requests for the 2024 budget (which are not included in the current budget) include:

- Converting two part-time code compliance/firefighter positions to one full-time position. The goal is to be able to provide proficient, consistent and predictable services with all Code Compliance issues.
- Increase the Part-Time Paid on Call Firefighter wages to be competitive with surrounding and similar fire departments in order to be able to attract and retain firefighters.

V. OTHER BUSINESS

There was no other business.

VI. ADJOURNMENT

There being no further business, on motion by Council Member Cole, seconded by Council Member Wong, with all present voting aye (4-0), Mayor Monge adjourned the special workshop meeting at 7:53 p.m.

/s/ John Monge, Mayor

Attest:

/s/ Brian Frandle, City Manager/Clerk