City of North Saint Paul
June 18, 2024
Approved City Council Workshop Meeting Minutes

I. CALL TO ORDER

Mayor Monge called the meeting to order at 5:15 p.m.

II. ROLL CALL

Present:	Council Member Schweer	absent
	Council Member Nordby	
	Council Member Cole	
	Council Member Wong	
	Mayor Monge	

Staff: City Manager Brian Frandle, Assistant to the City Manager Jennie Kloos, Finance Director Dan Winek, Community Development Director Riley Grams and City Attorney Soren Mattick.

III. ADOPT AGENDA

On motion by Council Member Cole, seconded by Council Member Wong, with all present voting aye (4-0), motion carried to approve the agenda as submitted.

IV. TOPICS

A. Community Center – Next Steps / State Grant Discussion

Finance Director Dan Winek reviewed the process and work completed to date. He requested clarification and decisions from City Council on potential grant issues and to identify any changes to the grant, if needed.

Mr. Winek introduced Rodney Robbins from the Minnesota Department of Employment and Economic Development.

Council Member Cole inquired about Section 5.11 of the grant regarding the requirement for prevailing wages and if it mandates union or non-union contractors. Mr. Winek stated it does not differentiate between union and non-union contractors per the Minnesota website. The website also noted the State mandates that contractors pay the prevailing wage and this would have to be written into a contract at a future date. Mr. Winek also noted the contract is reviewed annually, around the first of May.

Council Member Cole also inquired about the language regarding "useful life." Mr. Robbins stated it would be up to City Council to decide on the number of years for useful life and noted there is some flexibility with this decision.

City Manager Brian Frandle inquired about language clarification in Section 2.03 regarding the allowance of the legislature to step in and use it at any time for any purpose they choose. Mr. Robbins clarified what would be written in the blanks of the grant agreement, noting the language is there to guarantee the community center is providing the services stated on the grant. City Attorney Soren Mattick added the language is used as designation but if the sentence becomes an issue, it can be modified at a later date.

Mayor Monge inquired about number of years it can be designated as a useful-life facility. Mr. Mattick stated the more money a City asks for, the more increase in years of useful life.

Council Member Cole recommended the City Council agree on the years of useful life.

Council Member Nordby inquired about Section 3.01 regarding the definition of a "governmental purpose." Mr. Mattick stated operating the building as a community center would satisfy the definition of a governmental purpose.

City Council held a robust discussion on ownership of the building, status of the remaining infrastructure, who would stand to make money if an entity using the community center were to charge a fee, partnerships, and the possibility of a private entity operating the community center. Mr. Mattick stated he will look into the private ownership possibility and get back to the City Council with more information.

Council Member Nordby inquired about Section 5.10 regarding potential changes to programming and if that would have to go through the legislature. Mr. Robbins stated it would already be approved through the legislature. Mr. Mattick stated the agreement is not meant to be monitored by the legislature and the City is allowed discretion on how it is operated.

Council Member Nordby requested further clarification on Section 5.26 regarding third party beneficiary. Mr. Mattick stated the beneficiary would not dictate how or who the City chooses to run the community center.

Mr. Frandle inquired about labor reimbursement from grant funds should City employees completed some of the construction work. Mr. Robbins stated he will look into it and get back to City Council.

Mr. Mattick recommended the City Council make a decision on whether or not to proceed with the grant agreement.

Council Member Wong reiterated the estimated years of useful life was in the Wold report and could be revisited, if needed.

Mr. Robbins briefly described the process of potential changes to the grant agreement and noted the City Council would have another opportunity for review after potential changes have been made.

Council Member Cole looked up and provided the definition of 'useful life.' He suggested the grant agreement state the community center's useful life as 20 years and encouraged other Council Members to choose a number they are comfortable with.

Council Member Wong inquired about the reason behind the 20 years and suggested looking at a similar model or using a consultant or project manager to help determine a reasonable number of years for its useful life.

Council Member Cole stated 20 years lessens the amount of time the City is tied to the grant requirements.

Mr. Winek inquired about a potential default scenario and whether the City would be liable to return any or all of the grant money back to the State. He also inquired about the effects of a possible sale of the community center. Mr.Robbins stated he will check on the default scenario and stated if the price of the community center sale is less than the grant amount, it is a break-even situation.

Mayor Monge expressed his opposition to the grant and stated his concern regarding the financial impact it would have on the City and potentially its residents.

Council Member Wong questioned if the remaining $1.7 million would be a one-time payment. She also stated the remaining $1.7 million should not be a burden to tax payers and suggested looking at other funding possibilities like the opioid settlement money, unallocated general fund money, other grant opportunities, and public and private partnerships.

Mayor Monge noted the current community center building is in a poor location with no ability for outdoor space and little parking.

Council Member Wong expressed her concern with the missing community engagement survey and the lack of information provided. She requested more information for all Council Members in order to make an informed decision. She added the Wold report stated a useful life of 30 years was feasible but did not include much for interior renovations.

Council Member Cole reiterated the goal for tonight’s meeting was to review the language of the grant only and to make any changes, if necessary, to the grant agreement wording.

Mr. Winek also recommend the City Council decide on whether or not to move forward with the grant agreement. Mr. Mattick suggested specifying what further information is needed in order to make a decision.

Council Member Nordby inquired about location of the community center, whether it is a good use of this grant, and if the community center is where the City wants to spend that money.

Council Member Wong suggested a report or other information from a consultant or project manager regarding a different location for the community center and taking a more comprehensive look in order to make a decision.

Council Member Nordby requested a detailed description of the Wold report and other proposals that have come in to the City.

Mr. Winek noted that having a project manager would take more money and time because an RFP would have to go out and that information would not be ready by the next City Council meeting.

Council Member Wong inquired if City staff would have the capacity to look into further information or the scope of the information. Mr. Frandle requested specific ideas of what City Council Members are looking for.

Council Member Wong suggested sharing a scope of other neighboring community centers.

Mr. Frandle would look at costs moving forward.

V. ADJOURNMENT

On motion by Council Member Wong, seconded by Council Member Nordby, with all present voting aye (4-0), meeting is adjourned at 6:33 p.m.

/s/ John Monge, Mayor

Attest:
/s/ Brian Frandle, City Manager/ Clerk