

**City of North Saint Paul
December 4, 2018
Adopted Regular City Council Meeting Minutes**

I. CALL TO ORDER

Mayor Kuehn 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 Furlong
Council Member Petersen
Council Member Walczak
Mayor Kuehn

Absent: Council Member Sonnek

Staff: City Manager Dr. Craig Waldron, Community Development Director Paul Ammerman, Fire Chief Scott Duddeck, Director of Electric Utilities Brian Frandle, Finance Director Jeanne Day, Public Works Director Nick Fleischhacker, Deputy Clerk Mary Mills, Engineer Morgan Dawley, Attorney Soren Mattick.

IV. ADOPT AGENDA

City Manager Waldron requested to add item N. to the Consent Agenda (Acceptance of retirement agreement with Paul Ammerman).

On motion by Council Member Furlong, seconded by Council Member Walczak, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to approve the agenda as amended.

V. PRESENTATIONS

There were no presentations.

VI. APPROVAL OF CONSENT AGENDA

On motion by Council Member Walczak, seconded by Council Member Petersen, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to approve the consent agenda, Resolution No. 2018-148 consisting of:

- A. October 16, 2018 workshop meeting minutes.
- B. October 16, 2018 regular meeting minutes.
- C. October 30, 2018 special workshop minutes.
- D. November 13, 2018 regular workshop minutes.
- E. November 13, 2018 regular meeting minutes.

- F. November 13, 2018 special Election Canvas meeting minutes.
- G. November 20, 2018 workshop meeting minutes.
- H. November 20, 2018 regular meeting minutes.
- I. General accounts payable: \$442,989.27.
- J. HRA accounts payable: \$14,780.45.
- K. City Charitable Gambling Permit and Minnesota Lawful Gambling Application submitted by Caring for Cats, Inc. for multiple events to be conducted in 2019. (Feb. 21, April 25, May 23, Sept. 19, Oct. 17).
- L. Cable Franchise Extension to August, 2019.
- M. Adoption of Summary Ordinances 775 and 776 - NSP Gas Franchise (for publication purposes-this was not done on November 20 with the approval of the renewed franchise).
- N. Additional item: Acceptance of retirement notice and agreement with Paul Ammerman.

VII. MEETING OPEN TO PUBLIC

Dave Nelson addressed the Council regarding the music noise coming from the downtown bars during the summer Friday Night Car Shows, as well as Thursday, Saturday and Sunday. Nelson also inquired about requiring parade permits for events with eight or more motorcycles as part of the group to cut down on traffic issues. City Manager Waldron suggested a future workshop to discuss this item.

VIII. PUBLIC HEARINGS

There were no scheduled hearings.

IX. CITY BUSINESS ACTION ITEMS & RECOMMENDATIONS

A. 2019 Budget and Levy Overview and Public Meeting

Finance Director Jeanne Day stated the purpose of this meeting was to provide another opportunity for public input regarding the proposed budget and levies, to make any amendments should they arise due to those comments, and to adopt the final 2019 budget and associated tax levies, which must be certified to Ramsey County by December 28th, and file the certification of compliance with the Department of Revenue by then as well. Mayor Kuehn thanked Jeanne Day for her work with the departments on producing this budget.

Mayor Kuehn opened the meeting at 6:57 p.m.

The following persons addressed the council with questions and comments related to the increased amounts showing on their proposed property tax statements. Day will meet with anyone who wishes to come in and discuss these changes.

- Dawn Goracki
- Kathleen Linder
- Delories Vogel
- John Lindstrom also had questions related to the cold weather rule.

- John Schmahl suggested having a notice on the website that the proposed percentage increase on taxes went down since the preliminary budget approval in September.
- Chris Johnson commented on the effect of tax increases for people living on fixed incomes.

Mayor Kuehn closed the public meeting at 7:24 p.m.

B. Approval of 2019 Final General Fund Budget and Levy

On motion by Council Member Petersen, seconded by Council Member Walczak, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-150 adopting the final 2019 General Fund Budget and setting the final 2019 General Purpose and Debt Service levies.

C. Approval of 2019 Final EDA Levy

On motion by Council Member Furlong, seconded by Council Member Petersen, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-151 adopting the final 2019 tax levy for the North St. Paul Economic Development Authority.

D. Approval of 2019 Final HRA Levy

On motion by Council Member Furlong, seconded by Council Member Walczak, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-152 adopting the final 2019 tax levy for the North St. Paul Housing and Redevelopment Authority.

E. Approval of 2019 Final Enterprise Budgets

On motion by Council Member Walczak, seconded by Council Member Petersen, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-153 approving the 2019 Enterprise Fund Budgets.

F. 2019 COLA and Insurance Benefits

Council Member Furlong requested that approval of the cost of living increase for non-union employees be tabled at this time so as not to set a precedence as the city enters into contract negotiations with the current labor groups.

On motion by Council Member Furlong, seconded by Council Member Walczak, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to table this item until labor contract negotiations have been completed.

On motion by Council Member Furlong, seconded by Council Member Petersen, with all present voting aye, Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-154 authorizing the increase to city insurance contribution for non-union employees in 2019.

Council Member Petersen stepped out of the chambers at 7:31 p.m. and returned at 7:33 p.m.
Mayor Kuehn stepped out of the chambers at 7:34 p.m. and returned at 7:35 p.m.
Council Member Walczak stepped out of the chambers at 7:37 p.m. and returned at 7:39 p.m.

G. Anchor Block Final Plat and Anchor Block South TIF and Agreements

City Planner Erin Perdu reviewed the project plans and recommended approval with conditions. City Attorney Mattick requested an additional condition be part of the resolution authorizing upon final review by the City Attorney, in the event that there are changes needed in the verbiage of the development contract, the City Council gives authority to the City Attorney to make any non-substantive changes required to finalize the documents.

On motion by Council Member Petersen, seconded by Council Member Furlong, with all present voting aye Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-155 as amended approving a Planned Unit Development, Final Plat, Development Contract/Planned Unit Development Agreement, and Stormwater Maintenance Agreement for the Anchor Block Development located south of the Gateway Trail between McKnight Road and 3rd Street N.

Michaela Huot of Springsted Incorporated addressed the Council. This portion of the Anchor Block item is a public hearing.

Huot gave an overview of the request for the establishment of a Tax Increment Financing (Soils Condition) District (TIF) within Development District No. 4 and request for approval of TIF Plan No. 4-7 (Anchor Block South Development Project) and related development contracts.

Mayor Kuehn opened the public hearing at 7:57 p.m.

John Schmahl inquired about the total value of this project being \$37 million as stated in the agenda, versus the \$23 million quoted at this presentation. Paul Ammerman stated that the higher number was the developer's cost which includes both the construction and their soft costs related to the overall development and site work. Huot stated that when the City provides the estimated impacts to the other taxing jurisdictions, we have to show what the estimated market value is. So the \$37 million is the estimated market value of that \$23 million upon completion plus three percent annual growth over the 21 years. The \$23 million would grow to \$37 million with a compounded three percent growth.

Mayor Kuehn closed the public hearing at 8:02 p.m.

On motion by Council Member Furlong, seconded by Council Member Walczak, with all present voting aye Council Member Sonnek absent (4-0), motion carried to adopt Resolution No. 2018-156 establishing a Tax Increment Financing District (TIF) within Development District No. 4 and approving a TIF Plan therefor.

On motion by Council Member Petersen, seconded by Council Member Furlong, with all present voting aye Council Member Sonnek absent (4-0), motion carried to approve the Contract for Private Development by and between the City of North St. Paul and M/I Homes Minneapolis/St. Paul, LLC.

H. Update and Recommendations from Silver Lake Tree Preservation Working Group for the 2018 Street and Utilities Improvement Project (S.A.D. 18-01), Lake Boulevard Alignment and Underground Overhead Utilities

City Engineer Morgan Dawley stated that City Council previously discussed Silver Lake Tree Preservation Working Group Recommendations at the November 13th, 2018 Special Council Workshop Meeting and directed staff to bring back the recommendation and options specific to Lake Boulevard to the next Regular City Council meeting for Council consideration and a final decision by Council. The Working Group Recommendation was reviewed as originally included in the workshop staff agenda information memorandum. Additional updated information and outline of available options and costs were presented for consideration.

On motion by Council Member Furlong, seconded by Council Member Walczak, with Council Members Furlong, Petersen, Walczak voting aye, Mayor Kuehn voting nay, Council Member Sonnek absent (3-1), motion carried to approve Option #1, shifting Lake Boulevard to the east approximately 2.5 feet south of Poplar Avenue to 19th Avenue as recommended by the Silver Lake Tree Preservation Working group.

X. REPORTS OF CITY MANAGER AND DEPARTMENTS

XI. REPORTS OF COUNCIL, COMMISSIONS & COMMITTEES

Council Member Petersen stated the Design Review Commission is looking for nominees for the Home and Business Property Improvement Awards. Applications are available online.

Council Member Furlong noted that the Fire and Ice Event sponsored by the Parks and Recreation Commission is Friday, January 4, 2019 from 5-8 p.m. at Hause Park. There will be a bonfire and ice skating. Food and hot chocolate will be donated by the Salvation Army.

XII. GENERAL BUSINESS

Council Member Petersen had the following general business:

- Metro Cities Regional meeting topic was Community Engagement and going out where the people are.
- Holiday Hop was a very successful event.
- The Realtors, ISD 622 and City Leaders meeting was well attended. The district is proposing a very aggressive remodel of schools.
- As part of their community/spiritual outreach St. Mark's Church has a program called "Wednesday Dinner" every Wednesday at 5:00. People are encouraged to bring a friend, etc., and meals are provided to those in need. The Church also has a small room they have offered for use to the Police Department where the officers can grab a cup of coffee or water and have a quiet place if needed.
- ACE Hardware has closed. Thanks to the Henriksen family for their years in the community.

Mayor Kuehn had the following general business:

- During the Holiday Hop Alan Page was at Luv Ice Cream.

- On Wednesday, December 5th from 4-6 p.m. there is a farewell cake and coffee for Kuehn at City Hall.
- Saturday, December 1st is the North St. Paul Historical Society annual holiday gathering at K&J from 1-4 p.m. They have served the city extremely well. They are also looking for volunteers.

XIII. CLOSED SESSION

There was no closed session.

XIV. ADJOURNMENT

There being no further business, on motion by Council Member Walczak, Seconded by Council Member Petersen, with all present voting aye, Council Member Sonnek absent (4-0), Mayor Kuehn adjourned the meeting at 8:37 p.m.

/s/ Michael R. Kuehn, Mayor

Attest: /s/ Dr. Craig Waldron, City Manager