

**City of North Saint Paul
December 1, 2020
Adopted Regular City Council Meeting Minutes**

I. CALL TO ORDER

Mayor Furlong called the meeting to order at 6:30 p.m. The meeting was conducted via Zoom.

II. THE PLEDGE OF ALLEGIANCE

All present recited the Pledge of Allegiance.

III. ROLL CALL

Present: Council Member Thorsen
Council Member Petersen
Council Member Walczak
Council Member Sonnek
Mayor Furlong

Staff: City Manager Scott Duddeck, City Engineer Morgan Dawley, Finance Director Jason Zimmerman, City Attorney Soren Mattick, Deputy Clerk Jennie Kloos.

IV. ADOPT AGENDA

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

V. PRESENTATIONS

There were no presentations.

VI. APPROVAL OF CONSENT AGENDA

NO MOTION/SECOND On motion by Council Member xxx, seconded by Council Member xxx, with all present voting aye (5-0), motion carried to approve the consent agenda, Resolution No. 2020-xxx consisting of:

By consensus, with all present voting aye (5-0), consent agenda approved, Resolution No. 2020-xxx consisting of:

- A. November 10, 2020 Special meeting minutes.
- B. November 12, 2020 Canvassing meeting minutes.
- C. November 17, 2020 workshop meeting minutes.
- D. November 17, 2020 regular meeting minutes.
- E. General accounts payable: \$6,242,227.39
- F. HRA accounts payable: \$56.13
- G. Non-union employee COLA and Wage Adjustment

VII. MEETING OPEN TO PUBLIC

A resident, Shawn, stated he would like to check in on the situation with his house, as he has not heard back from the City Manager after meeting with him and providing some paperwork. He added he had planned to purchase his grandparents' house but was waiting to hear whether the City will purchase his home. He noted he brought this issue to a City Council meeting in July 2020, and Council Member Thorsen indicated the City Council had discussed purchasing his house. He asked if that will be moving forward.

Mayor Furlong stated the City Council discussed Shawn's house at their workshop. He added the City has an opportunity to move forward with a grant application from the Minnesota Department of Natural Resources, and City Staff intends to pursue that possibility.

Mr. Duddeck asked Shawn whether the homes on either side of him also experience flooding. Shawn stated the house to the east is up on a hill and their sump pump empties into his property.

Mayor Furlong stated the City Council agreed to pursue a DNR grant that will provide an opportunity for engineering research in Shawn's neighborhood.

Shawn expressed frustration that new homes were added near his property. He added more water issues will be created that have nothing to do with him.

Mayor Furlong stated the City Council is trying to help solve the problem and move forward, and hopefully the DNR grant will be approved and funding can be applied towards a solution.

Council Member Sonnek stated it would be unfair to give Shawn the impression that the City intends to purchase his property. He added if he has an opportunity to sell it to another party, that should be pursued.

Shawn stated that would not be fair to the person who buys the house.

Council Member Sonnek stated Shawn would have to disclose any issues to the buyer of his home. Shawn stated no one disclosed anything to him because he bought it as a foreclosure.

Shawn stated Council Member Thorsen visited his property and indicated that the driveway and road are in bad condition, and the pipe needs to be drained. He added he believes the road is sinking.

City Engineer Morgan Dawley stated there is no evidence to indicate that the road is sinking.

Council Member Thorsen stated he visited Shawn's property, and a catch basin in the street appeared to be blocked. He added Shawn pointed out that there is no drain near his home. He noted, at its July 2020 meeting, the City Council discussed the possibility of purchasing Shawn's home, and he was under the impression that was still an option. He expressed his opinion that the City should continue to review that option.

Mayor Furlong the City Council has agreed to pursue the DNR grant. He thanked Shawn and apologized for the frustration he has been experiencing related to this issue.

John Schmahl, 2750 Chisholm Avenue, stated the online link for the tonight's City Council workshop was erroneously linked to the City Council regular meeting agenda. He added he was unable to find the workshop agenda.

Mr. Schmahl stated a power cable that is buried in his yard is connected to his neighbor's home as well, so service for his home as well as 2754 Chisholm are located on his property. He added he was not aware that power service for 2754 Chisholm resides on his property. He noted residents should ensure that they have their property surveyed so they know where their survey PINs are located.

Mr. Schmahl expressed frustration that he has to dig up the power line on his property to confirm that it is connected to 2754 Chisholm, especially since he does not know exactly how deep the line is buried. He added he contacted Tom, the locator, who told him the trench is 2 feet deep. He noted he intends to find the cable and notify the City Council in the spring.

Council Member Thorsen expressed concern that residents like Mr. Schmahl are unable to access the correct meeting link through agendas on the City website. He added City Staff should be able to get the agendas linked up properly, regardless of last-minute changes or updates. He noted residents may be unable to join a Zoom meeting that is open to the public.

VIII. PUBLIC HEARINGS

There were no scheduled hearings.

IX. CITY BUSINESS ACTION ITEMS & RECOMMENDATIONS

A. 2021 Budget and Levy Overview and Truth-In-Taxation Public Meeting

Finance Director Jason Zimmerman gave a presentation regarding Truth in Taxation, and reviewed the General Fund, EDA and HRA levies. He added the levies are similar to the preliminary levy that was approved on September 15, 2020, with some updates from Ramsey County.

Mr. Zimmerman stated North St. Paul has a referendum levy as well as tax capacity levy. He added property tax levy changes are often due to market values, other levies, debt issuance, special assessments, referendums and legislative changes. He noted the tax rate decreased from .42% to .39%, and the median residential home value increased by 7.2%, the fourth highest increase in Ramsey County.

Mr. Zimmerman reviewed 2021 budget highlights, including overall General Fund budget reduction of 4.5%; investment in infrastructure and commitment to public safety; promoting redevelopment and increased transparency and customer service; and continuation of a balanced budget.

Mr. Zimmerman stated the City-based levy for 2021 in the General Fund is proposed at \$3,966,844 and debt of \$1,524,602 for a City total of \$5,491,446, with no change from 2020.

Mr. Zimmerman reviewed the fiscal disparities program, created in 1971 for the 7 counties in the metro area, with each community contributing 40% of post 1971 growth in commercial, industrial and public utility tax base to a regional tax pool. The growth in value is considered in the total net

change in net tax capacity since 1971, with no distinction between new property and old property. Local taxing jurisdictions contribute 40% of growth in commercial, industrial and public utility property tax base since 1971 into an area-wide pool of tax base. In North St. Paul, the fiscal disparities program's eligibility amount was reduced by 2.8% payable in 2021, while all the other communities are seeing increases, as fiscal capacity has changed.

Mr. Zimmerman stated the 2021 HRA levy of \$188,456 and EDA levy of \$184,687 represent a difference of \$36,202 and a total of \$373,143. Both levies are impacted by the fiscal disparities process.

Mr. Zimmerman stated Truth in Taxation statements are statutorily required to be sent to residents by November 24, 2020, and are also available online. He added the statement provides estimated value and taxable market value, as well as tax information from all taxing authorities. He added the statement does not include impacts of voter-approved referendums.

Mr. Zimmerman stated questions regarding Truth in Taxation notices related to valuation, property classification or status should be directed to the Ramsey County Assessor's Office (651-266-2131) or online at www.ramseycount.us/residents/property-home/taxes-values.

Mr. Zimmerman stated property tax relief programs are offered by the State of Minnesota for based on household income and property tax payments. He added Ramsey County offers a senior citizen property tax deferral program.

Mayor Furlong asked how many people qualify for those senior programs. Mr. Zimmerman stated he does not have specific numbers. He added there has not been much promotion of the senior relief programs within the last 10 years.

Mayor Furlong stated it would be helpful to put a link on the City website for this information. Mr. Zimmerman agreed to add the links to the website.

Mayor Furlong asked whether City Staff received any calls from residents or public comments regarding the budget and levy. Mr. Duddeck stated no calls or comments have been received.

Mayor Furlong thanked Mr. Zimmerman for his presentation. He called for questions and comments from the City Council.

Council Member Sonnek stated he appreciates Mr. Zimmerman's hard work on the budget and tonight's presentation.

Mr. Duddeck expressed his thanks to Mr. Zimmerman for all his hard work on the 2021 General Fund budget and levy.

1. Adopt Resolution for 2021 Final General Fund Budget and Levy

On motion by Council Member Petersen, seconded by Council Member Walczak, with all present voting aye (5-0), motion carried to adopt Resolution No. 2020-141 approving Final 2021 General Fund Budget and Setting the Final 2021 General Purpose and Debt Service Levies.

2. Adopt Resolution for 2021 Final EDA Levy

On motion by Council Member Sonnek, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to adopt Resolution No 2020-142 Adopting the Final 2021 Tax Levy for North St. Paul Economic Development Authority.

3. Adopt Resolution for 2021 Final HRA Levy

On motion by Council Member Sonnek, seconded by Council Member Walczak, with Council Members Petersen, Walczak, Sonnek and Mayor Furlong voting aye, Council Member Thorsen voting nay (4-1), motion carried to adopt Resolution No. 2020-143 approving the Final 2021 Tax Levy for North St. Paul Housing and Redevelopment Authority.

B. Cable Commission

Mr. Duddeck stated the City Council recently approved a Resolution supporting the City's withdrawal from the Cable Commission by October 15, 2020, with the ability to rescind up to December 31, 2020. He presented a direct negotiation contract with Comcast to set up a franchise agreement that will reduce the PEG fee and represent significant savings for residents.

Mr. Duddeck stated City Staff recommends City Council approval of moving ahead with an agreement with Comcast and withdrawing from the Cable Commission by the end of 2020.

Council Member Walczak asked whether the City will receive reimbursement from the Cable Commission. Mr. Duddeck stated existing funding will remain with the Commission when the City withdraws its membership.

Mr. Duddeck stated the City's communications staff, led by Kari Erpenbach, has been working to improve City-run communications, including setting up a City YouTube channel. He added the Cable Commission has served the City well over the years, but technology has changed, and the number of users has decreased. He noted all broadcasting will be done out of City Hall as the first of the year.

On motion by Council Member Thorsen, seconded by Council Member Walczak, with all present voting aye (5-0), motion carried to adopt Ordinance No. 793 renewing the grant of a franchise to Comcast of Minnesota, Inc. to operate and maintain a cable system in the City of North St. Paul, setting forth conditions accompanying the grant of franchise; providing for City regulation and administration of the cable system; terminating prior franchise.

On motion by Council Member Petersen, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to adopt Resolution No. 2020-144 approving the franchise agreement with Comcast of Minnesota, Inc. and Ordinance 793.

C. RWMWD MOU – Margaret Ponds Maintenance

City Engineer Morgan Dawley reviewed an agreement between the City of North St. Paul and the Ramsey-Washington Metro Watershed District (RWMWD) and related Memorandum of Understanding. He added the City Council received an update in early October regarding tree removal on Margaret Street to improve safety in the area and to provide access for the Watershed

District to complete water quality improvement projects. He noted the Watershed District has undertaken other projects in the area, including dredging in Casey Lake and a maintenance boat launch upgrade, and the Watershed District's involvement is very beneficial to the City.

Mr. Dawley stated the proposal is for removal of 125 cubic yards of sediment that have been deposited in the wetland and pond area on the west side of Margaret Street, to bring the wetland area up to acceptable standards for regular water flow and pond maintenance. He noted storm sewer infrastructure will be improved on both sides of the road, with shoreline restoration and native seed replantings as recommended by the Watershed District.

Mr. Dawley stated the City's estimated portion of the project is \$53,000 with a placeholder in the agreement for any final costs that would be born out of construction costs. He added contract work would begin in late January or early February 2021 with some level of activity continuing into the spring. He noted City Staff recommends execution of the Memorandum of Understanding between the City of North St. Paul and the Watershed District.

Council Member Walczak stated the project will occur on School District property. She asked whether the School District will be participating in sharing the costs of the project, as well as using the project as an educational opportunity.

Mr. Dawley stated the area on either side of Margaret Street that is adjacent to the road is not owned by the School District but is rather a combination of City easement and drainage easement over privately held property.

Mayor Furlong asked where the sediment will be stored. Mr. Dawley stated the sediment will be disposed of properly according to the Watershed District's rules and regulations. He added all permitting, as well as testing and sampling, will be handled by the Watershed District.

On motion by Council Member Sonnek, seconded by Council Member Thorsen, with all present voting aye (5-0), motion carried to approve a Memorandum of Understanding between the City of North St. Paul and Ramsey-Washington Metro Watershed District for removal of sediment and storm sewer pipe upgrades in and around Margaret Pond.

D. Rehab of Well #3

Mr. Duddeck reviewed proposed maintenance of Well #3, which is nearing its well maintenance cycle and in need of renovation. He added the City's wells are reviewed for maintenance every 10 years. He noted two bids were received, with a low bid from Keys Well Drilling Company for \$29,330.00. City Staff recommends City Council approval of a Resolution to approve completion of maintenance of Well #3.

On motion by Council Member Petersen, seconded by Council Member Walczak, with all present voting aye (5-0), motion carried to adopt Resolution No. 2020-145 approving completion of maintenance of Well #3 to ensure the reliable uninterrupted service of this public water source.

E. Waive/refund North St. Paul On-Sale Liquor License Fees

Mr. Duddeck reviewed a recommendation to waive liquor license fees for on-sale licenses, for local businesses affected by Covid-19. He added the City Council voted to pro-rate liquor licenses in March 2020, as this has been a difficult time for local small businesses. He noted this Resolution would waive liquor license fees for an entire year.

Mayor Furlong establishments in North St. Paul have been greatly affected by the pandemic. Mr. Duddeck agreed, stating the license fee is \$5,000, and this action will help local businesses.

On motion by Council Member Thorsen, seconded by Council Member Sonnek, with all present voting aye (5-0), motion carried to adopt Resolution No. 2020-148 authorizing the waiving of on-sale liquor license fees for the period July 1, 2020 – June 30, 2021 during the Covid-19 pandemic.

X. REPORTS OF CITY MANAGER AND DEPARTMENTS

Mr. Duddeck stated construction continues in the downtown area on 7th Avenue and Margaret Street to open up the roads and sidewalks again as soon as possible. He added the Electric Department is working on street lighting and traffic signals. He noted work will continue through the winter months. He expressed his thanks to Schifsky's for installing temporary asphalt sidewalks.

Mr. Duddeck stated the development activities continue at the Anchor North site including construction at the storage facility, a close date for Kwik Trip in December and the Anchor View Apartment development team has indicated they have signed an agreement and are working on a closing date. He thanked all participants for bringing the Anchor North site to fruition, and for all outstanding efforts on the redevelopment project.

Mr. Duddeck stated work has begun on the 7th street development project. He added the developer is working on tree removal and general preparation of the building site.

Mr. Duddeck thanked Kari Erpenbach for all her hard work in going live today with the online reservation system. Ms. Erpenbach stated the online Parks & Recreation reservation program went live that day, December 1, 2020, which was promised to residents who wanted to make parks reservations. She added residents picked dates and facilities, set up accounts, and paid online. She noted the reservation tool is available online on the City website and will be a fully operational branded site by next week.

XI. REPORTS OF COUNCIL, COMMISSIONS & COMMITTEES

Council Member Sonnek stated the Planning Commission will meet Thursday, December 3, 2020 at 6:15 p.m. He added the Commission will be discussing Ordinance updates.

Council Member Petersen stated the Parks & Recreation Commission met November 18, 2020. She added the Commission's next meeting will be January 27, 2021, when the Commission will work on a parks plan for presentation to the City Council.

XII. GENERAL BUSINESS

Council Member Petersen thanked resident Rachel Thompson for organizing the North St. Paul Christmas Tree Project.

Mayor Furlong stated resident Don Bieniek dropped off a letter at City Hall, thanking everyone for their well wishes and visits while he was in the hospital. Mayor Furlong read Mr. Bieniek's letter.

Mayor Furlong stated Pizza Factory will be accepting donations for the North St. Paul food shelf up until January 1, 2021. Donations can be placed in a bin outside the restaurant or collected by delivery staff.

Mayor Furlong stated a drive-by event at Casey Lake on December 19, 2020 between 5:00-8:00 p.m. will feature Santa and the North St. Paul Snowman.

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 Sonnek, with all present voting aye (5-0), Mayor Furlong adjourned the meeting at 8:15 p.m.

/s/ Terrence J. Furlong, Mayor

Attest: /s/ Scott A. Duddeck, City Manager