

**City of West St. Paul
Open Council Work Session Minutes
April 22, 2019**

1. Roll Call

Mayor Napier called the meeting to order at 5:30 p.m.

Present: Mayor Dave Napier
Councilmembers Wendy Berry, Lisa Eng-Sarne, Anthony Fernandez,
John Justen, Bob Pace and Dick Vitelli

Absent: None

Also Present: City Manager Ryan Schroeder
City Attorney Kori Land
Police Chief Manila Shaver
Fire Chief Mark Juelfs
Finance Director Char Stark
Parks & Public Works Director/City Engineer Ross Beckwith
Asst. Park & Recreation Director Dave Schletty
Community Development Director Jim Hartshorn
City Clerk Shirley Buecksler

2. Review and Approve the OCWS Agenda

Council approved the OCWS agenda, as presented.

3. Review the Regular Meeting Consent Agenda

Council approved the Regular Meeting Consent Agenda, as presented.

4. Agenda Item(s)

A. Capital Equipment Plan – Capital Improvement Plan Update

This item was continued from the April 8, 2019 OCWS.

The last time Council reviewed this document was in November of 2018. In the current version, changes that have been made allow for additional cash savings in the capital project funds as well as to add back to the general fund some of the revenues that fund these projects. The electric and gas franchise fee as well as the LGA the City receives from the State are allocated to these funds each year.

Finance Director Stark described changes to the plan, which include:

Parks and Recreation

- Allocated the Warming housed over a 3 year period starting in 2020
- Eliminated the Community Center allocation
- Moved the arena parking lot to 2022
- Increased the budget for furnace replacement in 2020 and added for the 3rd furnace in 2021

Mayor Napier commented on the appearance of the parking lot at the ice arena and asked what improvements could be done in-house. Schroeder said it would need to be a reconstruct, not an overlay, and that the intention is to ask the City of Mendota Heights and ISD 197 if they would participate in the replacement of this \$400K expense. However, he mentioned that this request shouldn't be made until the School District is farther along in their reconstruction process, which may be towards the end of 2019.

Mayor Napier asked what level of patching could be done before then. He said the lot is a tripping hazard and dangerous for people walking. Beckwith said it could be patched but that would only be temporary.

Councilmember Vitelli said for safety reasons we could do the overlay. Beckwith said it can be done but it would take budgeted funds from somewhere else.

Mayor Napier asked Beckwith to look at what options we have to get by for a few more years. Mayor Napier said this is the right thing to do. Councilmember Vitelli agreed.

Street Improvements

- Eliminated the major street project for 2020
- With the savings from the 2019 project from the bid process the City is able to fund 2019 and 2020 costs of the Wentworth project

Mayor Napier asked if Delaware will be done in 2020. Beckwith said Delaware will receive a mill and overlay this year. Stark added that the Livingston project will also be done this year.

Councilmember Justen requested a document that lists the timeline for all upcoming projects so Council can answer constituent inquiries. Schroeder said there is a schedule for parks and buildings but that Staff was waiting for this conversation with Council before cleaning up the streets schedule.

Schroeder said the challenge is keeping our debt payments down to a manageable level. He said we are looking at all of these changes again because we cannot get to where we think it needs to be in every year until 2034. When we continue to build additional debt, it throws off future years.

Stark said this document will be brought to Council when it is finished, as well as a street worksheet showing in which years specific streets will be done.

Mayor Napier said we are hoping to show enough progress in 2019 that we can financially skip a year and move to 2020 because we need to be responsible and take care of some debt. He added that Local Government Aid (LGA) is moving forward but that we cannot bank on it.

Councilmember Vitelli asked if LGA funds will help. Schroeder said if we receive LGA funds, it will be about \$920K per year for five years plus inflation. He said Staff would recommend that it be applied to the debt levy side of all of this. He added that it will not be an opportunity to do an additional project.

Stark said if the sanitary sewer money comes in, that money would fund those projects and we wouldn't have to issue additional debt.

For the 2019/2020 street construction project, Stark said debt should be structured so that the first five years would be paid by LGA funds, rather than issuing debt levy to pay for bond obligations for this year's street construction project. After that, she said the City would have lower payments for the project, which will help with the high years of 2028/2029.

Councilmember Vitelli asked if the LGA is only for five years; Schroeder said yes.

Vehicle and Equipment Replacement

- Moved the Tandem Dump truck to 2021 from 2020
- Moved the Tandem Dump truck from 2022 to 2021
- Moved the 2 Single Axle Dump trucks from 2022 to 2023 and 2024

Sewer

- Due to the high bids that were received in 2019, the Lift Station 1 was moved to 2020 and increased
- The Force-main for Station 4 was moved to 2021
- The Lift Station for 4 was moved to 2022

These changes allow for an increase to savings across the capital project funds. There were more negative (red) years on the summary than there are with this current version. These changes also allow for revenues to again be allocated into the general fund. In 2017, an allocation of \$800,000 was in the general fund. In 2018, the financial plan removed that allocation and transferred it into the capital project funds. The ability to add this source back to the general fund will help reduce the operating levy.

As part of the financial plan, there are cost savings built into the CEP-CIP plan that help improve the cash in the capital project funds.

Schroeder said there is money allocated to parks maintenance but not for a large master plan. This and facilities have not changed.

Councilmember Fernandez asked when Marthaler will be discussed and if anything is going to be cut. Schroeder said Marthaler was put back five years. He said some work will be done on the north end as part of the Wentworth Avenue project, though the County has signaled that they may fund 100 percent of the trail through Garlough and Marthaler. If this is accurate, he said we would talk about it in a near term.

Councilmember Fernandez said he understood the City had to do some specific things for the County's trailhead. Schroeder said it won't get done if the City is paying half the cost, so the County seems to be willing to pay 100 percent of the trail.

Councilmember Fernandez asked if curbs will be put in with the mill and overlay on Delaware. Schroeder said that's ten years out.

Mayor Napier said he thinks it's a mistake if we aren't ready to do something with Marthaler when the County comes through. He said he'd like to hear what the County has so they don't think the City won't be involved. Schroeder said Staff is pursuing that conversation and are also talking about the possibility of installing a small playground on the north end to address the concern of the existing playground without having to replace it fully right now. He said this can buy a little time for the larger playground in that park.

Mayor Napier said we could experiment with this park, adopt a plan, though funding is not available, and reach for some grant opportunities. He said we want to keep it open that we had this big conversation about this park because it would be a mistake to put it away for five years.

Schroeder said that Council accepted the Master Plan and that whenever funding opportunities are discussed the Master Plan is discussed, as well.

Mayor Napier asked if something could be built and added to the website for funding and support opportunities for Marthaler Park. He said businesses may be interested in becoming involved.

Councilmember Vitelli said his biggest concern is walking and asked if there has been a conversation about the need for walking on Delaware. Beckwith said we had that conversation and the County study came back that it's ready for mill and overlay and five years out for planning for Federal grants, if intersections will change to different types of traffic control and looking at the whole corridor.

Councilmember Fernandez said Delaware may be the most dangerous road after Marie Avenue.

Councilmember Vitelli said school age children have to walk to school if they live between Delaware and Charlton and south of Emerson but it's impossible to walk on Delaware.

Beckwith said once Wentworth is started, Delaware will be a three year project.

Mayor Napier said Mendota Heights will also be active in that conversation so it would be good to be ahead of it.

Councilmember Pace said that he and Councilmember Fernandez discussed the possibility of having big corporations sponsoring our parks. He said there are some Fortune 500 companies that have a foothold in West St. Paul and asked how we can approach them for support or funding. He also said he is not a fan of putting in just a \$50K playground.

Schroeder said most of the local branch and bank managers have community reinvestment funds. He said there may be more opportunities at a bank's corporation level.

Mayor Napier said we should keep the park out in the forefront and keep it moving, even if the money isn't there at this time.

B. City Fee Changes, Alcohol Related

Each year, Staff reviews City fees to ensure that they are appropriate considering the regulated activity and the expense in issuing a license and monitoring for compliance. On July 24, 2017, the Council discussed the City's on-sale alcohol license fees, specifically raising the \$7,500 On-Sale Intoxicating Liquor License fee to \$8,000, based on a recommendation from a previous study. At that time, however, the Council took no action.

The following year, Council continued their discussion on alcohol license fees, suggesting a desire to review several other alcohol fees, but not the On-Sale Intoxicating Liquor fee. Nevertheless, Staff could not take any action in 2018, as the 2019 fee schedule was already set.

Staff is currently working on updating the City's 2020 fee schedule and is seeking Council input on alcohol fees. Listed below are the various types of City alcohol licenses and their annual fees (these fees do not include the background fee). In the following graphs, the City's fees are compared to neighboring Cities rather than "Cities of similar size," as our merchants would be competing with neighboring establishments. Despite this comparison, fees are recommended based on the actual cost/expense in issuing and monitoring the license. As Minnesota Statutes state, "The license fee is intended to cover the costs of issuing and inspecting and other related costs of enforcement."

| <u>Type of Liquor License</u> | <u>Number of licenses issued in 2018</u> | <u>License Fee</u> |
|-------------------------------|--|--------------------|
| Liquor On-Sale | 14 | \$7,500 |
| Liquor Off-Sale | 7 | * \$380 |
| Wine On-Sale | 2 | \$1,475 |
| 3.2 Beer On-Sale | 2 | \$500 |
| 3.2 Beer Off-Sale | 5 | \$128 |
| 3.2 Beer On-Sale Temporary | 0 | \$25 |
| Liquor, Temporary | 6 | \$25 |

If all recommended fees are implemented, it is estimated the City will recover less than \$500 in additional license issuance expense. The above license fees were placed into the below table and an average and median rate was calculated. Based on the fee rates and likely expense neighboring Cities incur in issuing alcohol licenses, the Council may use this table to assess the appropriateness of our City fees. Previously, Council suggested a desire to raise the two temporary fees (3.2 beer and liquor) from \$25 to \$50.

Because the expense in issuing the Culinary Class License, currently at \$25, this fee is also recommended to be raised to the \$50 level. Lastly, Council commented on raising the Wine On-Sale fee from \$1,475 to \$1,500.

Summary of Proposed 2020 Alcohol License Fees

| License Type | Old Fee | Proposed Fee | Change |
|---------------------------|----------------|---------------------|-------------------|
| Liquor On-Sale | \$7,500 | \$7,500 | No Change |
| Liquor Off-Sale | \$380 | \$380 | Capped at \$380 |
| Liquor On-Sale, Temporary | \$25 | \$50 | Increased by \$25 |
| Wine On-sale | \$1,475 | \$1,500 | Increased by \$25 |
| 3.2 Beer On-Sale | \$500 | \$500 | No Change |
| 3.2 Beer Off-sale | \$128 | \$128 | No Change |
| Culinary Class | \$25 | \$50 | Increased by \$25 |

If the Council has a desire to raise any of the above fees, the Council will need to instruct Staff to place the fee increases on the Council’s regular agenda for a Public Hearing. The City Clerk will notify those potentially affected by the fee increases through a public notice process. In doing so, the Council will meet the requirement of holding a Public Hearing on these fee increases.

Councilmember Pace said he thinks On-Sale Liquor should remain at \$7,500. He said he would like to see the Wine On-Sale raised, especially since two other Cities are at \$2,000 and West St. Paul doesn’t need to be the lowest. Councilmember Pace also agreed with raising the 3.2% On Sale Temporary and Liquor Temporary because he believes it costs more than \$25 to conduct a background check each time.

Chief Shaver said that only Utah and Minnesota have 3.2% Beer Licenses. He said the City of Eau Claire has had no issues serving strong beer at service stations.

Councilmember Justen said 3.2% Beer Off-Sale seems low. He asked if there are a lot of problems with violations where this is sold or if tobacco is a bigger problem. Chief Shaver said tobacco is the bigger problem. He suggested raising this license fee if more enforcement is necessary. Mayor Napier agreed because compliance checks are done at these locations, as well.

Mayor Napier said we need to look to Chief Shaver to cover the needs of our resources. Chief Shaver said it's not covered 100% and stated that we want to be somewhat kind to the merchants in our community. He said it makes sense to raise proportionately to similar uses.

Councilmember Justen said he doesn't think raising the 3.2% Beer Off-Sale fee will discourage SuperAmerica or others from having a gas station here and would like this considered. Councilmembers Pace and Vitelli agreed.

Council agreed to raise 3.2% Beer Off-Sale to \$200.

Councilmember Pace suggested raising Wine On-Sale to equal the fee from Mendota Heights. Councilmember Vitelli agreed.

Councilmember Justen suggested an incremental increase, perhaps starting at \$1,750. Councilmember Vitelli agreed and said it could be done over two years.

Council agreed to raise the Wine On-Sale fee to \$1,750, followed by an increase of \$250 the following year.

Chief Shaver suggested making the fee for Liquor Temporary and 3.2% Beer Temporary similar. Councilmember Pace said these fees should be at least \$100. Chief Shaver asked if these fees should be raised to \$100 and revisited again next year. Council agreed.

Chief Shaver said he will prepare the updated information and bring back for Council approval.

C. Code Enforcement Letter Review

After a review of the code enforcement procedure and timelines during the April 8, 2019 OCWS, Staff was asked to bring examples of the compliance letters that are sent out for code violations.

In 2018, the most common code violations were overgrown grass/weeds, un-shoveled snow/ice, and unsheltered storage of junk. These three types of violations accounted for almost 59% of all code violations in 2018.

Standard procedure for unsheltered storage of junk is to send a compliance letter and allow ten calendar days for the property owner to comply. Staff then performs a re-inspection of the property and if the property is compliant, no additional steps are taken. If the property remains non-compliant and the property owner has not contacted Staff, an administrative citation is issued. Staff continues to cite/fine the property owner until compliance is reached.

Previous versions of the City's compliance letters were text heavy and used a lot of legal language as written in the City Code. In order to make the letters less dense and more reader friendly, Staff recently removed any unnecessary legal text and formatted the notice to look more like a traditional letter.

Hartshorn said the letter was purposefully shortened to one page in order to be less confusing for the property owner.

Councilmember Vitelli suggested removing the word 'junk.' Mayor Napier agreed and said that 'junk' is a big assumption.

City Attorney Land said we need to itemize the items so the property owner knows exactly what you're talking about and said it also provides evidence of the items you're referencing. She said it is called junk in the ordinance.

Councilmember Fernandez said we need to be specific in our wording and that the word 'junk' should be removed from the ordinance.

Councilmember Berry said whether or not the word junk is used, listing out the specific item will help property owners.

Councilmember Fernandez suggested adding a photo of the issue to the letter, as well as documenting everything with the time and date. Hartshorn said Staff takes photos for department record. Councilmember Fernandez said the photo should have the date stamp on it. He said a photo will help the owner.

Mayor Napier suggested adding a soft paragraph or beginning with the mission of the City to keep it clean.

Councilmember Eng-Sarne suggested adding, "Correction Notice – Action Required" at the top to show the level of urgency.

Mayor Napier suggested finishing the last part with, "Thank you for helping us keep our city clean" to soften it up a bit.

Councilmember Fernandez said we cannot get away from the fact that action needs to be taken per our ordinance and that we need people to respond to it. Mayor Napier agreed but said he is thinking of the new homeowner who may not know any of that.

Mayor Napier thanked Staff for bringing this item forward.

D. Consider Installing Basketball Hoops in Haskell and Oakdale Parks

In May 2005, the City Council made the decision to remove the basketball hoops from Haskell Park after complaints from neighbors about noise, gangs, and drug activity around the basketball courts. This was a 180-day test. After a follow-up meeting with neighbors in the fall, the Council voted to leave them down permanently, given that the removal completely solved the problems that had been occurring. In May 2006, the exact same problems occurred at Oakdale Park, with the same solution and outcomes. Over the 2007-08 summers, similar problems occurred at Emerson, Harmon and Weschcke Park basketball courts. At the time, a decision was made to use Police and Police Reserves to increase patrols and attempt to control the problem activities. The Harmon court was eventually removed with the redevelopment of the park and one hoop at Weschcke was removed. There continues to be minor issues at Emerson, but they have gotten better over the years.

Over the past year, the Parks and Recreation Advisory Committee (PRAC) has been discussing adding one hoop back into each of Haskell and Oakdale Parks. At their March 2019 meeting, they held a public meeting and invited residents surrounding both parks to discuss the idea of bringing basketball back to the parks. There was overwhelming support to keep basketball out of those parks, with the fear that the same problems will redevelop over time. The Committee tabled, making a recommendation so they could gather further information. At the April meeting, the PRAC made a recommendation to reinstall one hoop at each park along with new signage about use and enforcement. They also recommended that Staff from both Parks and Police monitor and enforce activities throughout the summer. An evaluation should be made after one year to determine if the hoops should stay or be removed forever.

There would be some additional cost associated with hoops going back up. The poles at both parks are still in place, but the backboards and baskets that were removed 14 years ago have either been used at other parks or used for parts to repair other hoops. New backboards and baskets would cost around \$1300 each. Signage for each park would be about \$100. Additionally, both courts are in need of resurfacing if basketball activities are to remain. The future cost for resurfacing each court would be between \$8-10k. The resurfacing amount would have to be added to the Capital Improvement Plan (CIP) for 2021 or 2022. Currently, there is no money budgeted for any of these changes in 2019.

Councilmember Vitelli said he is strongly against basketball hoops going back into parks. He said these are little neighborhood parks and that the residents don't want them. He said he will not support this at any park.

Councilmember Berry said she went through the notes and that it didn't look like more were against it but that more were pro hoop. She said the other thing is that the Police calls were out of context and that there were five last year about basketball and four

about dogs on leashes. She said more context of those calls would be helpful in making a decision.

Councilmember Pace agreed with Councilmember Vitelli about what happened back then and that something big would have to be made to change his mind. He said it could be tried at one park, perhaps Thompson Park, but that he's not for it.

Councilmember Fernandez said that Council has different opinions so Council would need to vote on it. He said if we are going to do basketball hoops, then all hoops should go where there are basketball courts. Councilmember Fernandez said we should put them all back and let people play basketball, or not. Unfortunately, he said this could be debated forever.

Councilmember Eng-Sarne said she is in support of putting them back up. She said it's been a long time and that things have changed since 2005. She said it could be done on a trial basis.

Councilmember Justen asked if we have already done some mitigations to change sight lines, such as removing shrubbery. Schletty said work was done but not necessarily in anticipation of the hoops. He added that clearing of sight lines may actually make it louder.

Mayor Napier said he believes that hoops should go in at some level to give people that recreational opportunity in our parks. He suggested bringing this back to another OCWS for further discussion.

5. Adjourn

Motion was made by Councilmember Pace and seconded by Councilmember Berry to adjourn the meeting at 6:28 p.m.

All members present voted aye. Motion carried.

David J. Napier
Mayor
City of West St. Paul