

**City of West St. Paul
Open Council Work Session Minutes
March 8, 2021**

1. Call to Order

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

2. Roll Call

Present: Mayor Dave Napier
Councilmembers Wendy Berry, Julie Eastman,
Lisa Eng-Sarne, and John Justen

Absent: Councilmember Robyn Gulley (excused absence) and
Councilmember Dick Vitelli (excused absence)

Also Present: City Manager Ryan Schroeder
City Attorney Kori Land
Police Chief Brian Sturgeon
Finance Director Char Stark
Public Works & Parks Director/City Engineer Ross Beckwith
Assistant Parks & Recreation Director Dave Schletty
City Clerk Shirley Buecksler

Katie Lowe, YMCA Executive Director

3. Review and Approve the OCWS Agenda

Council approved the OCWS agenda, as presented.

4. Review the Regular Meeting Consent Agenda

Council reviewed and approved the Consent Agenda, as presented.

5. Agenda Item(s)

A. Crusader Avenue 2022 Street Reconstruction Project

City Engineer Beckwith said Staff held a virtual open house for the Crusader Avenue 2022 Street Improvements Project on February 25, 2021. After running through a PowerPoint presentation, the phone lines were opened for questions and comments. Enclosed in Council's packet is a summary of the questions, answers and comments along with a preliminary engineering layout that was mailed to all property owners prior to the open house.

The redesign of Crusader Avenue includes the addition of a concrete sidewalk from Bidwell Street to Robert Street. Preliminary engineering has determined that placing it on the north side would be the least impactful and lowest cost option. In addition, there is a church/school on the north side at the west end of the project, which would benefit from a sidewalk. The current road width (Bidwell Street to Livingston Avenue) is 36-feet and proposed to narrow to 32-feet by moving the north curb line to the south. This allows more room to install a sidewalk and boulevard within the right-of-way. Based on the low traffic volumes, parking on both sides of the street can remain. The question of whether street lighting was something the residents wanted was asked during the presentation; however, there were no comments about it from those who called in.

Livingston Avenue to Robert Street is a commercial area with a 40-foot existing width. It is proposed to keep that width as it ties into Robert Street and the recently reconstructed Livingston Avenue quite well. With the addition of the car wash property in the former Bakers Square site the developer is required to install sidewalk along Crusader Avenue. On the south side there is existing sidewalk from Robert Street about half way to Livingston Avenue. It is proposed to complete both of these half walk sections and have sidewalk on both the north and south sides of Crusader between Livingston Avenue and Robert Street. The existing streetlights through the commercial area are in the plan for updating with this project.

The throat of the Humboldt Avenue cul-de-sac is proposed to be narrowed from 35-feet to 32-feet also.

Forcemains 3 and 4 are scheduled to be replaced in 2022 and both discharge into manholes in Crusader Avenue. This project allows the replacement of a few sanitary sewer structures to better connect these forcemains to the gravity sewer.

The possible sidewalk on Bidwell Street still requires some topographic surveying prior to design/cost estimation. It will be brought back to City Council for discussion once that work is complete. The next step is to complete the feasibility report that will include a cost estimate and preliminary assessment amounts.

Council discussed.

Mayor Napier said Ward 3 Councilmembers received an email from a resident with concerns and some good questions. The resident described a drainage concern that eight to ten properties have with a restricted culvert. City Manager Schroeder said a culvert on the north side of Crusader Avenue doesn't get high enough to get into our culvert.

Mayor Napier asked, will we contribute any additional water flow to that area? City Engineer Beckwith said no; we will look into it after the snow melts and see what's going on there.

Mayor Napier said the other question from this resident is regarding the sidewalk and a safe place for pedestrians. Mayor Napier said it's very important and tied in with the construction project. Councilmember Berry said she drove down there today and it's bad. This is the right move with the condition of it.

Councilmember Eng-Sarne said there is some concern that there may be need for a variance to have 32 feet. Will parking be removed from one side of the street? Beckwith said the only time we have had more cars is during school pick-up time, which is a short window in the afternoon. He is setting up a meeting with Crown of Life regarding their transportation flows.

Mayor Napier said there are definitely some concerns in the email they received. Beckwith will go with Councilmembers Eng-Sarne and Berry to talk to the homeowner.

Mayor Napier said he is excited for this project.

Councilmember Eastman asked if there will be any concern regarding cars backed up onto Crusader while waiting to enter the car wash? Beckwith said this is an extremely wide road.

Mayor Napier mentioned regarding sidewalk maintenance, that homeowners must clear walks in front of their homes. Home value will increase with sidewalks by making it a more attractive area.

Councilmember Eng-Sarne thanked City Engineer Beckwith.

B. 2021 Swimming Pool Contract Discussion

Assistant Parks & Recreation Director Schletty said the City has been contracting with the YMCA, since 2010, to operate the West St. Paul Pool. There has been two contracts during those 10 years (previous contracts attached) and 2020 was the final year of the last contract. Staff have been meeting with the YMCA, and both parties wish to continue the partnership with a new contract. The pool stayed closed in 2020 due to COVID-19. The summer of 2019 was a bad weather season and it reflected on the attendance at the pool, where final numbers were the worst in the previous three years. Staff are hopeful that numbers will increase in 2021 with better weather, additional promotion, easing COVID restrictions, and with the closing of the YMCA's West St. Paul facility and pools.

The City originally approached the YMCA to run the pool, as a way to budget for annual losses and not be so dependent on weather and revenue collection. For the years 2007-09, the pool had an average net loss of \$37,670, with debt and depreciation factored in. The contract was structured so the City could budget its expenses and plan for an annual loss of no more than \$30,300, based on average expenses in 2007-09. The YMCA expected to spend no more than \$40,900 to pay staff and operate the pool. Average revenue of the pool for 2007-09 was \$47,000. Based on these

numbers, the initial contract set a net revenue amount at \$40,900, with any revenue above that number being split 50/50 with the City.

This contract was re-evaluated and renegotiated in 2013. After two years operated the West St. Paul Pool successfully, the YMCA felt comfortable with the operation and were willing to lower the break-even point to \$39,000. The new contract also removed concessions from the net revenue. From 2015-19, the pool operation had a net revenue of \$40,020, with two of those years falling below the \$39,000 threshold. These budget numbers and averages date back to 2007 and have never been adjusted or evaluated for inflation.

As we look at negotiating a new contract, many things have changed. The YMCA closing their West St. Paul branch and no longer operating a pool, as well as still being in the midst of a global pandemic. COVID-19 has been a struggle for many businesses and has been especially hard on the YMCA. This has meant a new budgeting structure that now must include all overhead costs. In previous years running the West St. Paul Pool, the YMCA never accounted for the overhead costs (mainly salaried staff that supervised the operation). This is now a direct expense for them and must be included in their budgeting proposal. With so many restrictions still in place, it is expected that attendance may be down in 2021 but could also mean dealing with capacity limits and restrictions. All these factors have led to a modest revenue projection in 2021 of \$35,000. The YMCA has set their operating budget at \$60,000. This would mean the YMCA operating a \$25,000 deficit budget. The attached spreadsheet shows past (2015-19) and projected revenue and expenses for the YMCA. Their past budget expenses also include the overhead costs that were previously not included in their budgeting.

The YMCA is asking the City to agree to cover any budget deficit, up to \$25,000. The new contract would also have the concession operation turned back over to the City. This could be run by the City without a loss and have potential of a small profit. Additionally, the YMCA may begin running morning exercise classes that would also be offered to West St. Paul residents for a fee. The City would also include language that YMCA members would not pay less than West St. Paul residents for season passes. Finally, prices for season passes need to be studied and potentially adjusted, as they were the same in 2019 as in 2009, which could help offset the projected decline in revenue.

To Summarize:

- YMCA is asking the City to cover the operation gap for the pool, up to \$25,000.
- The YMCA has internally restructured all their financial accounting (due to COVID). In the past contracts the YMCA never charged for overhead (full-time staff costs), but this is now a direct expense for them that must be accounted for. The attached budget reflects these costs both upcoming and historically.

- The original contract in 2010 used historical data (both revenues and expenses) to calculate a breakeven point of \$40,900 that both parties were comfortable with. This number was never adjusted for inflation.
- Neither daily pass or season pass costs have been adjusted since the original 2010 contract was established. Staff believes the daily pass costs are in line with other pools, but the season passes could be increased and help lessen the operational gap.
- These numbers also reflect the YMCA turning over the concession operation to the City, which staff believes the City could operate without a loss.
- There is also opportunity for the YMCA to run morning exercise classes (since ISD 197 will no longer rent the space for swim lessons). This would be an added benefit for residents and potentially a way for the City to make up some of the \$25K gap commitment.
- COVID restrictions and capacity limits will most certainly impact capacity limits and usage this summer. Therefore, Staff would recommend this be a one year contract that should be revisited next fall after the pool season wraps up.

Mayor Napier would like to absorb the \$25K in the City's budget and not increase the fee for users. Is there any possibility in the CARES fund or future COVID fund? City Manager Schroeder said it's possible and that he has been talking with Congresswoman Angie Craig. Most often, it relates to lost revenues, so it would be yes. There may also be something regarding infrastructure. We also need to spend down the funds, so we could address what you're asking for.

Councilmember Justen appreciates the resident versus YMCA member cost. Would that be set in stone? Schletty said yes.

Councilmember Justen asked if we could increase our marketing and signage for the pool? Some residents don't realize West St. Paul has a pool. Should prioritize awareness of the pool.

Mayor Napier said we will have to tie in upgrades and maintenance regarding social distancing.

Councilmember Eng-Sarne is in agreement. In addition, the years we did the best were with private rentals. Market the rental option, as well.

Councilmember Berry agreed. Can we do some programming there, also? Movies at night or a night time swim?

Mayor Napier thanked Katie Lowe for coming to the meeting.

Schletty will bring back a contract for Council to review.

C. Committee Appointment Process

At the February 22, 2021 OCWS, Council discussed concepts toward recrafting the committee appointment process. From that discussion, City Manager Schroeder said the process document enclosed in the Council's packet has been drafted for additional discussion at the March 8, 2021 OCWS. If Council gains general consensus on this or another process, we would ask that Council consider adding this same item to the regular agenda later this same evening for consideration.

Schroeder said we formatted this into a policy with a two-step process to bring more responsibility on the Council liaisons. In the first stage regarding reappointments, the Council liaison works with the Committee Chair for those seeking reappointment. The liaison brings it forward to deal with reappointments and to identify the number of vacancies for new applicants. The City Clerk will work with the Mayor and Council liaison on how many to interview for open seats.

Mayor Napier said this is good, is transparent, and likes that it gives it a level of importance, which we haven't had in the past.

Councilmember Berry asked for clarification that, if the Committee Chair seat is up, who does the liaison work with? Will Staff talk it through? Mayor Napier said working with Staff, especially in that instance, is best.

Mayor Napier said it highlights the reappointments and provides more focus on that.

Councilmember Justen asked, if the responsibility moves to the Council liaison, could it look like the liaison doesn't like an applicant? He likes the interviews but it brings up these same issues. Perception is important that it is fair. Want to be sure we consider all concerns.

Schroeder said it leads/gives more credence as to why the liaison is there. We are not seeking perfection, and it's a Council decision, not the liaison's decision. The liaison would recommend the number of interviews, which would be decided on by the liaison, Staff and the Chair. Councilmember Justen is comfortable with it now.

Councilmember Eastman said we need to decide on a date when it would occur.

Councilmember Eng-Sarne read this as not a limit but a minimum of two and that we could bring more forward. Schroeder agreed. The document reads "what if" there is only one applicant.

Councilmember Eng-Sarne said one constituent wants Council's votes public. Schroeder said it is assumed that it's a public document.


Councilmember Justen said interviews will remove the confusion aspect, and we will publicly discuss the applicants. He is in favor of the reappointment process being separate from new appointments.

Mayor Napier recommended moving the Committee Appointment Process to the Consent Agenda for approval. Council agreed.

6. Adjourn

Motion was made by Councilmember Justen and seconded by Councilmember Berry to adjourn the meeting at 6:14 p.m.

All members present voted aye. Motion carried.

A handwritten signature in black ink, appearing to read "David J. Napier". The signature is fluid and cursive, with a large initial "D" and "N".

David J. Napier
Mayor
City of West St. Paul