

**City of West St. Paul
Open Council Work Session Minutes
June 10, 2019**

1. Roll Call

Mayor Napier called the Open Council Work Session to order at 5:00 p.m.

Present: Mayor Dave Napier
Councilmembers Wendy Berry, Lisa Eng-Sarne, Anthony Fernandez
(arrived at 5:01 p.m.), John Justen, Bob Pace and Dick Vitelli

Absent: None

Also Present: City Manager Ryan Schroeder
City Attorney Kori Land
Assistant City Manager/HR Director Sherrie Le
Interim Police Chief Brian Sturgeon
Chief of Prevention & EMS/Assistant Fire Chief Terry Johnson
Finance Director Char Stark
Parks & Public Works Director/City Engineer Ross Beckwith
Asst. Community Development Director Ben Boike
City Clerk Shirley Buecksler

2. Review and Approve the OCWS Agenda

Mayor Napier requested to add a discussion on the Harmon Park vandalism to the OCWS agenda.

Councilmember Pace also requested a discussion on assessments.

Council approved the OCWS agenda, as amended.

3. Review the Regular Meeting Consent Agenda

Council approved the Regular Meeting Consent Agenda, as presented.

4. Agenda Item(s)

A. Closed Session Pursuant to Minnesota Statute 13D.05 Subd 3(b) for Attorney-Client Privileged Communication Regarding Auto Zone

Motion was made by Councilmember Eng-Sarne and seconded by Councilmember Pace to close the meeting at 5:02 p.m.

All members present voted aye. Motion carried.

Council asked questions and received answers.

Motion was made by Councilmember Vitelli and seconded by Councilmember Eng-Sarne to open the meeting at 5:16 p.m.

All members present voted aye. Motion carried.

B. Discussion on Harmon Park Vandalism

City Manager Schroeder said that Staff is working to upgrade the cameras. He said the vandalism at Harmon Park has been an on-going challenge. The entry had vandalism but there is something new each week.

Councilmember Pace asked if anyone has been caught in relation to the vandalism; Schroeder said no.

Councilmember Justen asked if there is any indication that this is a particular group of people or usual opportunistic vandalism. Interim Police Chief Sturgeon said those that they have had interaction with at the park are generally younger teenagers.

Mayor Napier will include information during Council Comments.

C. CEP/CIP Revisions with Local Sales Tax Discussion

On May 30, 2019, Schroeder said that Governor Walz signed Session Laws 2019 First Special Session Chapter 6 Omnibus Tax Law Article 6 including Section 31 providing authorization for West St. Paul to implement a Local Option Sales Tax. The City can do so, so long as it complies with Minnesota Statutes 645.021 Subdivisions 2 and 3. Essentially, the City is required to adopt an ordinance creating the sales tax and a resolution adopting the authorization and filing appropriate documents. The draft ordinance is a matter before Council at the OCWS and it has been placed on the regular agenda for its first reading. Both the second reading of the ordinance and the resolution are anticipated for Council consideration at the June 24 meeting.

Within the adopted Tax Bill, there were a number of significant policy changes going forward. For instance, in the future the law returned to the past, which requires Cities to gain legislative approval prior to going to the voters. Additionally, there are a number of provisions that suggest sales tax revenues are most appropriately allocated toward regional facilities and infrastructure. In addition, for projects such as that proposed for West St. Paul, each individual roadway section would be required to have a separate question on a General Election ballot.

The language adopted for West St. Paul mentions specific roadway sections (Annapolis, Smith, and Dodd) and allows the City to reconstruct or repair critical

roadway infrastructure. Enclosed is a list of specific regional and critical infrastructure that Staff believes appropriate for sales tax expenditures.

Revenues from the sales tax can be expensed on the roadway infrastructure, costs associated with said infrastructure, and associated utilities, such as storm water facilities pertinent to the roadway. Revenues can also be used to pay debt service for bonds issued to pay for this roadway infrastructure.

Importantly, while the sales tax was proposed to provide a funding source for priority roadways within the Pavement Management Program, it was also proposed to limit or reduce the demand for future property tax increases in order to provide for that infrastructure. Further, we have seen this tool as one that should be used to reduce reliance on future debt and to allow for structured reductions in the current bonded debt and annual debt obligations. Hence, Staff is proposing changes in financial policies to set a direction for a “Pay As You Go” approach to reconstruction and repair of critical roadway infrastructure (avoidance of future debt issuance). This approach will allow the City to expeditiously reduce outstanding debt.

The Sales Tax is available to the City of West St. Paul for the lesser of 20 years or upon receipt of \$28 million in revenues plus revenues necessary to provide for bond costs. The Staff proposal is that to the extent possible and practicable the City not issue additional debt until after 2034, which is the last year of Robert Street debt. At that time, while there will only be six years of sales tax remaining, it may be appropriate to consider debt in order to complete priority roadways needing to be addressed at that time.

Of note is that a number of the roadways to be addressed over the next 15 to 20 years are Municipal State Aid (MSA) roadways. In 2019, West St. Paul is allocated \$835,534 in MSA funds with 25 percent of those funds directed toward maintenance and the remainder toward construction/reconstruction. We are projecting that MSA funds will improve to something over \$900,000 in 2020 and over \$1M in 2021. Additionally, we would intend, as necessary, to allocate Local Government Aid (LGA) and electric/gas franchise fees toward these road improvements. Finally, benefit assessments are projected at 25 percent (for reconstruction) and 35 percent (for mill/overlay projects). Hence, with all these funding sources, the “Pay-Go” approach is achievable. We are currently projecting, beginning in 2021, about \$3.5 million in roadway projects/year on average. Sales tax revenues generated during 2020 should allow the City to seed the 2021 project sufficient to avoid general obligation debt in that and subsequent years.

Financial Policies-Debt Management Policy

Schroeder said it is the goal of the City’s management to reduce the City’s outstanding debt from the current \$50 million in General Obligation debt (G.O.) to \$20 million,

which is the level existing prior to 2012. Management believes this outstanding debt target, along with corresponding cash balance targets, is reasonable for a city of this size. This would result in an annual levy requirement of approximately \$2.1-2.5 million vs. the \$ 4.45 million necessitated for the 2020 preliminary budget. The language in the policy has been revised to include the local sales tax revenue as a source for the street improvement program along with the City Local Aid allocation, electric/gas franchise fee and benefit assessments, and Minnesota State Aid allocation for State aid roads.

Capital Improvements Plan

The Local Sales Tax has been added to the 2020-2029 Capital Equipment and Capital Improvement Plan (CEP-CIP) as a revenue source as mentioned above for the Street Improvement Program. The issuance of debt for the street improvement program has been eliminated from the 2020-2029 CEP-CIP. The “Pay As You Go” methodology is projected to improve the City’s outstanding debt by a considerable amount. By 2035, it is projected the City’s outstanding debt can be reduced to the \$20 million target.

Projected Outstanding Debt

The CEP-CIP plan is a worksheet with outstanding and projected debt obligation and denotes scheduled principal reductions that will occur should this and future Council’s follow the plan as recommended here. Projections depict a reduction in the current general obligation debt from the 2019 level of \$44,325,000 to \$20,100,000 in 2028. These amounts do include the 2019/2020 street construction project that will be coming to the June 24 meeting to set the sale date for some time in August. By paying down approximately \$3million/year in principal and avoiding additional general obligation debt for eight to ten years allows the City to achieve the debt reduction target, reduce reliance on the property taxpayer to fund outsized debt, and improve the long-term fiscal position for the organization.

Schroeder said Staff is looking for the Council direction regarding:

- Resolution No. 19-059 Approving the West St. Paul Sales and Use Tax, direction
- Ordinance Enacting Section 34.08 of the West St. Paul City Code Regarding a Sales & Use Tax (first reading this evening)
- Proposed changes in financial policies
- Proposed amendment to the 2020 Capital Improvements Plan
- Projected outstanding debt schedule

Schroeder provided a list of roadways that were not included in the Council's packet and said that this is where Staff believe the sales tax revenue will be most appropriate at the moment. He also provided an exhibit of cash balances for 2012 to 2020 that shows how the net cash and net debt has moved during this time.

Prior to the sales tax, Schroeder said we had projected that we would have one more big levy, for many reasons. However, one big hurdle is that we would need legislative approval prior to voters seeing it and each roadway would have to be a separate question on the ballot, which would be difficult for everyone to work through.

Schroeder said uses for funds might make sense in the 2023 to 2025 years but in the early years, Staff is recommending that the City not issue any debt. Sales tax could be allocated for a few projects and then issue debt to accomplish those.

Schroeder added that what helps the City is that we are taking a year off in 2020. Though there are still expenditures in 2020, there is no big project in 2020 and we are staffing accordingly for 2020. For 2021, he said we get into projects again. He said 2020 will allow us to seed capital in order to stay ahead of the game for all future projects, listed in the capital exhibits. Schroeder said we can fund all of this as we are projecting things on a pay as you go basis. He said we will be able to accumulate enough cash to pay for projects in the year we are doing them and it's 2020 that really gets us ahead of the game.

Councilmember Vitelli said he is on board with this plan.

Councilmember Pace clarified that \$1.3M would be put specifically to road projects and in 2021 the \$1.3M in sales tax revenue would cover it. Schroeder said it covers its requisite share, along with LGA funds and assessments. Councilmember Pace said our constituents will also like this plan.

Councilmember Justen asked about the cap of \$28M. Schroeder said plus the cost of interest if you issue debt. Councilmember Justen said he did the math and if the special sales tax revenue bumps up due to inflation, we would be hitting \$1,393,775 in 2028. Divided by 20 years, it's \$1.4M. If we cap in 2028 but go above \$1.4M, he asked at what point we would cease the sales tax when we hit \$28M. Schroeder said this is why, in the out years, we may want to issue debt so we can take the debt issuance expense.

In 2029, Councilmember Justen said it becomes \$721,000 per year and said this is where it flips so we can keep the interest going and keep collecting tax.

Schroeder said it is our goal to follow a path of solvency until 2034 if we stay on this path until then. He said Robert Street and other debt will be paid off and we can avoid accumulating additional debt.

Councilmember Vitelli asked if this will be memorialized so this Council can set this plan forward. Schroeder said it will be in the capital policy and repeated every budget cycle.

Councilmember Eng-Sarne thanked Staff, Mayor Napier, Council and everyone who made this happen. She said this makes her feel hopeful and proud that we were able to get this done. She said she fully supports this becoming effective January 1, 2020 and, by 2028 or 2034, we may be able to start building grand things again.

From a business perspective, Councilmember Justen said it has a grand advantage for businesses understanding to do it. Schroeder said we have little involvement in that, but that the ordinance and resolution will be forwarded to the State and they will take it from there.

Councilmember Fernandez asked if we are getting any closer to a citywide tax for the bike and pedestrian plan. Schroeder said no, that the first step was to update the numbers and those were sent out about a week ago. One cost for sidewalks, another for trails, and another for right-of-way is as far as this piece has gotten.

Mayor Napier requested that Schroeder provide a short version of this for the State of the City Address. He said people will be interested in how we are going to do this. The fact that we will level off the levy will be a nice piece to report, he said.

Finance Director Stark provided a summary for Council of the CEP/CIP Plan. Schroeder said the bottom line is the debt levy requirement that Stark is projecting. He said there is a cash line to show where we are using or adding cash; using the prior year to fund the subsequent year.

Stark said it is very evident in the street improvement worksheet. In previous years, we gain. She said she checked so that we will never be negative in any certain year.

Councilmember Fernandez asked if Dakota County is giving funds for some brownfield development. Schroeder said yes, they received a grant for funds to be used in South St. Paul and West St. Paul. He said some of our projects are contemplated to use that money for stormwater work in redevelopment projects such as Town Center I. Oakdale/Thompson area is eligible for those funds. He said we still have to develop and go through the process but these funds have been allocated to it.

Mayor Napier asked about the deadline. Schroeder said the deadline is June 24. The first reading of the ordinance was drafted by Attorney Land and is on tonight's agenda. He added that both the ordinance and resolution are a model for use by other Cities. After the ordinance passes, the ordinance and resolution will be filed with the State.

Councilmember Eng-Sarne questioned the policy statement that street improvement projects will not use debt and asked if this is a hard line that we cannot use debt.

Schroeder said this is a policy statement suggestion because we do not know what the future holds and we would not want to lock future Councils into it.

Mayor Napier thanked Stark for her work on this.

C. Discussion Regarding Police Chief Hiring Process

On May 24, 2019, Police Chief Bud Shaver retired from the City of West St. Paul. On that same day, Lieutenant Brian Sturgeon was appointed by the City Manager as the Interim Police Chief. Schroeder said this agenda item is to inform the City Council of the process toward a regular appointment and to receive feedback. Of note is that this is the sixth leadership level appointment process over the past four years, including: 2016 Public Works Director, 2017 City Manager and Finance Director, 2018 City Clerk, and 2019 Human Resources Director. Options reviewed to fill this vacancy include the following:

External/Internal Posting:

This process is often used when qualified internal candidates are not available or in cases when the City perceives advantages in comparing internal candidates to a larger candidate field.

Internal Posting:

This process recognizes that one or more qualified/acceptable candidates exist internally; it also likely provides an advantage of opening promotional opportunities internally in order to fill the vacancy created by the candidate filling the Chief position. An advantage of this process includes the opportunity for interested internal candidates to “test the waters” of the process itself (much like the recent South Metro Fire Chief selection process). Another advantage is idea exchange. A disadvantage is uncertainty for the department while an interim is in place.

Appoint the “Interim Chief” to the Regular Position:

This option provides the same advantage of promotional opportunities without the advantages/disadvantages of a more deliberative process.

Schroeder said that we have recently received suggestions from the public regarding this particular appointment and process. Some of these suggestions suggest use of similar process as that of neighboring Statutory Cities, which might inform what should be used in West St. Paul. However, the selection and appointment in West St. Paul as a Home Rule Charter City is determined by the Charter, which differs from that of a Statutory City. Relevant provisions of the Charter include:

Sec. 2.09. Interferences with Administration. Neither the Council nor any of its members shall dictate the appointment of any person to office or employment by the City Manager, or in any manner interfere with the City Manager or prevent

him or her from exercising judgment in the appointment of officers and employees in the administrative service. Except for the purpose of inquiry, the Council and its members shall deal with and control the administrative service solely through the City Manager, and neither the Council nor any member thereof shall give orders to any of the subordinates of the City Manager, either publicly or privately.

Sec. 6.02. Powers and Duties of the City Manager

Subd. 1. Subject to the provisions of this Charter and any Council regulations consistent therewith, the City Manager shall manage, control and direct the administration of the City's affairs. The Manager shall have the powers and duties set forth in the following subdivision.

Subd. 2. The Manager shall see that this Charter and laws, ordinances and resolutions of the City are enforced.

Subd. 3. Except for the City Attorney who shall be selected, appointed, and removed by the Council, the City Manager shall appoint, promote and remove, upon the basis of merit and fitness the City Clerk, all heads of departments and all subordinate officers and employees in the departments. No subordinate officer or employee of the City shall be discharged from his or her employment unless and until such employee has had a hearing by the Council if such employee requests the hearing within 15 days of the effective date of such discharge or such greater period as may be specified in any contract with the City covering such employee.

Subd. 4. The Manager shall exercise full control over all departments and divisions of the City administration created by this Charter or by the Council pursuant to this Charter. Except as provided by the Statutes of the State of Minnesota or by other specific provisions of this Charter, the Manager shall exercise full control over all departments and divisions of the City Administration created by this Charter or by the Council pursuant to this Charter.

Upon the above, it is clear the Charter dictates that the City Manager is the party responsible for the Police Chief and all other Department Director and other positions within the organization. It is recognized that there have been recent concerns expressed by persons within the community that the Police Department, and/or the leadership within, has not been providing the level of service expected by all members of the community. Each of these concerns have received review. Through these reviews and through interaction with West St. Paul Police Department leadership, Officers, and support staff, Schroeder said he is confident in the quality of this department and the people working within it.

Regardless, the Police Chief vacancy provides an opportunity to receive additional input from both internal and external stakeholders regarding opportunities and obstacles going forward. Intended is that we would provide the opportunity to the community to recommend desired traits of persons holding the Police Chief position, areas where there might be opportunities for improvement, and areas where the City/Department should consider allocation of resources to address specific needs or deficits. Intended is that we would provide both an on line survey tool, surveys of staff and Council, and a focus group with both the business community and the community at large. Responses should not only inform me as it relates to selection of the preferred candidate but it will also provide that individual with an issues and opportunities platform going forward.

Intended, upon completion of the above, Schroeder said is an internal process absent significant evidence suggesting the need for a different process.

Schroeder said how the City Manager gets to the decision is not really discussed in the Charter. Working with human resources, he said our intention is to provide a survey and input opportunities. Schroeder provided Council with a draft of the suggested survey and said he would appreciate the Council's input and suggestions on the survey in the next week or so. In addition, he said he is also intending to have a few focus group opportunities for those who prefer not to do surveys for an opportunity to sit down and provide feedback. The way the survey and process is structured, Schroeder said his intention is to talk about straights, opportunities and obstacles, but no more specific than that. Schroeder said that one advantage, for the department generally and the Police Chief specifically, is that it would be a good report on what the community is suggesting and should be paid attention.

Councilmember Berry asked how we would find people to participate in those focus groups. Schroeder said internally it would be Staff and Council and externally it would be via social media with Survey Monkey. The same with focus group opportunities that in however many ways our Marketing & Communications Manager can get the word out, Schroeder said we will do that. When we are finished, Schroeder said he wants to be sure that people feel they had an opportunity to provide feedback.

Councilmember Berry said, similar to the Neighborhood Meetings, that those showing up do not necessarily reflect our community. Schroeder said any suggestions can be sent to him.

Councilmember Justen asked about the qualifications for the position. Assistant City Manager/HR Director Le said the qualifications include a Bachelor's Degree, eight years of experience as a Police Officer, and five years as a supervisor. Schroeder added that the position will not be posted until feedback is received.

Councilmember Justen commented that it appears that the intention may have been to do an internal search and questioned the downsides to doing either an internal search or an external search. In business, he said the best you can do is have a large pool with the best from which to choose. However, he added that this says nothing about any of the internal candidates. Councilmember Justen said you still may come down to the internal person but starting with a larger pool of qualified candidates clarifies that you definitely have the right person for the position. If there are downsides to either search, we need to understand what those are, he said. Schroeder said the big downside is the fear of the unknown that creates within the organization itself, which is always a concern. The advantage of the external search is, even if the internal person is ultimately hired, it validates the hire.

Councilmember Justen asked if there are three qualified candidates and two of them are lieutenants and one is a sergeant, whether rank is a factor in the eventual decision. If so, he said that would drop it down to two candidates and asked if it would be narrowed down this way. Schroeder said employees in other positions may be well qualified and you want people who have a breadth of experience. He said it would be unknown what the sergeant candidate who might exist would bring to the table outside of that.

Councilmember Justen said many constituents have contacted him and, for good will of the community, he thinks doing an extensive search for a Police Chief is important. He said we do not want it to appear that this was a process just to get to a point in which we were already pointing. He added that we need to clarify for our citizens that this is a true process done for the best reasons and intentions.

Councilmember Vitelli said he does not see the sense in spending a lot of time and money doing an outside search if we have good qualified internal candidates. He suggested that the Council look at the appointment of Ryan Schroeder as City Manager. He said the City was going to hire a search firm when the City Attorney suggested Schroeder as an interim candidate. Vitelli said if you have good people and good internal candidates, don't sugar coat it, just do it.

Councilmember Fernandez agreed with what Councilmember Vitelli said and added that the unique situation with the Police Department is that we have the hardest working department in the area. They go to more calls and do more things within the community. Councilmember Fernandez asked Schroeder if he would talk with the internal Officers; Schroeder said yes. Councilmember Fernandez said the morale of the Police Department is tight knit because of the constraints that they have to operate under. He said they have done an amazing job dealing with everything they have had to do and without any big issues that sometimes infringe on other communities. He said he would hate to see an external search because if that breaks away from the morale by having someone external come in, it could be a detriment to the department as a whole.

Councilmember Berry asked Schroeder if he has made a determination on what the internal applicants would look like. Schroeder said he did not want to finish that ahead of this piece.

Mayor Napier said he believes in Schroeder and the number of years of experience he has in hiring people. He said he hopes for the best qualified candidate, whether or not this person is internal or external.

Councilmember Berry said she agrees in the importance of finding the right person. She said we have a solid Interim Police Chief right now so this should not be rushed. Mayor Napier said he will leave that to Schroeder.

Councilmember Fernandez asked Schroeder if he has a timeframe. Schroeder said this process will probably be through July. If it is external, that may be three to six months. Internal would be shorter.

Councilmember Vitelli said his family has had a lot of interaction with South Metro Fire and the Police Department and cannot say enough about these Officers, handed down from the leadership above. He said there has been nothing but fantastic service from all of them.

Councilmember Eng-Sarne agreed with Councilmember Vitelli but said that it is clear, based on emails, citizen interactions and social media, that the trust in the Police Department is shaky at the moment. Councilmembers Vitelli and Fernandez disagreed and said they have not seen anything like this.

Councilmember Eng-Sarne asked if a public search would instill trust in the community.

Councilmember Pace said he could not agree with Councilmember Vitelli more. He said he has had his business since 1960 and has had no problems ever with the Police, nor have his family or friends. He added that Chief Shaver worked for the West St. Paul Police Department for 37 years. Chief Shaver was fantastic and brought up great people below him. Councilmember Pace said he trusts Schroeder to do his job. He also said that he has not received one email against the Police Department. Personally, Councilmember Pace said since he has a home and business in West St. Paul, he feels very confident about who is running this City and both Police and Fire. He said we need to let City Manager Schroeder do his job.

Mayor Napier said these are opinions provided for Schroeder but he can do what he wants. Now is the time to point it to Ryan and not at each other, he said.

Councilmember Justen said he has received both emails and phone calls and is just sharing what he has received from his constituents. One thing people want to see is representation from a person of color, a woman or someone who is marginalized. He said people have raised their objections to the Police and he wants to be sure that is

known. If we can find a way to make them more comfortable, then that is a good thing, he said.

Councilmember Berry said the emails she has received are not saying that the Police Department is terrible, just that they want more transparency on the search.

D. Review of Administration Citation Assessments

Assistant Community Development Director Boike said an assessment hearing for all unpaid administrative citations since last August is scheduled for tonight's Council meeting. In preparation of the hearing, Staff thought it would be beneficial to review the list of assessments for citations prior to the hearing. Most of these fines are related to community development (code enforcement). The assessment hearing will also include all unpaid abatements (charges owed to the City for hiring out property maintenance work).

Boike said the process to appeal is to submit a letter in advance of the hearing to the City Clerk or provide an appeal at the meeting itself. One was received for I/I, but there may be others who show up to appeal. For any appeals, Boike said that Staff could provide background at the meeting. We will continue those if Council wants to pull them off the assessment roll and Staff can bring them back.

Councilmember Pace said some assessments go back to May of 2018 for the same person and asked if this is because they refused to pay. He also asked why these were not included in the 2018 assessments. Boike said, for the most part, we are looking at August 2018 through May 2019, which have not been paid to date.

Councilmember Pace asked if a lot are late penalties because it took them so long to come in to compliance. He said we want to be more prepared for when property owners come to the podium.

Councilmember Fernandez asked if changes have been made to the compliance letter, as Council suggested. Boike said yes, changes were made to the text of the letter and Staff worked on an ordinance that is on the Council's agenda tonight. He said Staff is also working on adding the option of a photo to the compliance letter.

Councilmember Fernandez asked if we are at least storing photos. Boike said yes and that the process requires Staff to take photos. Councilmember Fernandez added that a lot of Cities are also taking video now.

Attorney Land said the procedure is to remove any appeals from the assessment roll, continue them to the next meeting, and adopt the assessment roll, as amended.

E. Discussion Regarding Possible Zoning Code Amendment Related to Microblading (Semi-Permanent Eyebrows)

Boike said that Staff recently received a request from an interested tenant at the new apartment building at 252 Marie to open up a new beauty salon. He introduced Amy Medearis of Blinke Beauty Bar.

Council previously approved the development as a mixed-use development allowing several small business spaces on the main level for service type business. In addition to typical beauty salon services, the interested party is also proposing to provide a new emerging trend in the industry, microblading.

Microblading is considered a semi-permanent tattoo procedure where a special handheld microblading eyebrow pen is used to draw on strokes that mimic the appearance of real eyebrow hairs. While it is a similar process to getting a tattoo, the ink that is used is far less concentrated than that of a regular tattoo and is specifically formulated to the microblading process.

This procedure currently fits the definition of tattooing and body art in the city ordinance. As a result, zoning is very limited in the city. Many cities are dealing with the same dilemma and are opting to separate out microblading from the definition of tattooing in their ordinances to open zoning options for this emerging industry. As a result, Staff is seeking direction from Council regarding drafting a proposed amendment to remove microblading from the umbrella of tattoo in the ordinance, add a specific definition for microblading, and allow the process in the same zoning districts as beauty salons.

Boike said he surveyed other communities in the area and it's pretty new but is taking on in other areas around the country. He also said the current ordinance allows tattooing but there are distance requirements with other uses, which narrows where they can be located.

Councilmember Vitelli asked Ms. Medearis if microblading is also done at the Mall of America but she said she was unsure. Ms. Medearis said the Minnesota Department of Health regulates microblading and that it must be inside of a licensed tattoo shop.

Councilmember Eng-Sarne said she did some research. She said the City of Naperville, Illinois, adjusted their language to meet the needs of Sola Salons, which is opening soon in West St. Paul. She said we need to make sure we have high standards.

Councilmember Justen said that currently it must be licensed under tattooing, which means they will be exceptionally sterile. He asked if this will only be microblading or if it will be a combination of microblading and other services. Ms. Medearis said

all semi-permanent makeup is done on the face and that microblading is one option because it makes it look like hair strokes. All of this falls under semi-permanent makeup, she said.

Councilmember Berry asked if the Department of Health will approve if it is not an actual tattoo studio. Ms. Medearis said she would still have to go through licensing to make sure it is a licensed tattoo establishment. She said the City would be ahead of the curve by separating semi-permanent makeup from tattooing. She also said that Sola Salons offers microblading and semi-permanent makeup inside their studios, so she said she is sure the question will come up again.

Councilmember Vitelli said he supports Staff moving forward on this. Councilmember Justen agreed.

Mayor Napier said this sounds like the way of the future.

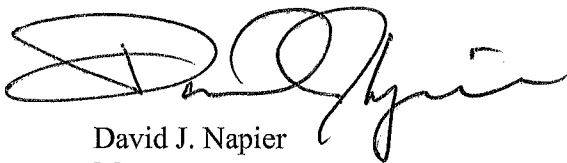
Schroeder presented for Council three resolutions that relate to capital improvement. He said the deadline for these resolutions is June 14 and they require Council authorization.

Council agreed to add these three resolutions to the agenda for approval.

5. Adjourn

Motion was made by Councilmember Vitelli and seconded by Councilmember Justen to adjourn the meeting at 6:19 p.m.

All members present voted aye. Motion carried.



David J. Napier
Mayor
City of West St. Paul

**City of West St. Paul
Cash Balances 2012 to Projected 2020
Cash Minus Total Debt**

| Year End | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | Projected <u>2019</u> | Projected <u>2020</u> | Projected <u>2021</u> | Goal <u>2040</u> Notes: |
|-----------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------------|--------------------------|--------------------------|---------------------------------|
| Cash | 21,124,573 | 20,892,944 | 26,384,741 | 13,772,052 | 13,662,855 | 17,591,827 | 22,956,881 | 23,053,005 | 24,822,753 | 25,882,218 | 40,210,000 Per Financial Plan |
| Debt | -27,875,000 | -27,235,000 | -35,185,000 | -33,755,000 | -40,040,000 | -47,470,000 | -54,205,000 | -62,760,000 | -58,840,000 | -55,130,000 | -20,000,000 pay off 2X issuance |
| Net | -6,750,427 | -6,342,056 | -8,800,259 | -19,982,948 | -26,377,145 | -29,878,173 | -31,248,119 | -39,706,995 | -34,017,247 | -29,247,782 | 20,210,000 |
| Levy Rate | 62% | 69% | 71% | 71% | 70% | 71% | 69% | 73% | 72% | 74% | 72% |

Note: Cash includes restricted funds

| | | | |
|------------------|-------------|-------------|-------------|
| Issue | 12,000,000 | 0 | 0 |
| Payment | (3,445,000) | (3,920,000) | (3,710,000) |
| Increase in Debt | 8,555,000 | | |

Debt Created By:

| | | | | | | | |
|-------------------------|----------------|------------------------|---------------------------------------|----------------------|----------------------|-------------------------------|-----------------------------------|
| Dome and Street Project | Street Project | Robert St. Harmon Park | Street Project & Refinancing Old Debt | Robert St. and Sewer | Robert St. and Sewer | Robert St. and Street Project | 19 and 20 Sewer 19 Street Project |
|-------------------------|----------------|------------------------|---------------------------------------|----------------------|----------------------|-------------------------------|-----------------------------------|

Section 34 Sales Tax Project List

To fund City costs for reconstruction or major maintenance of the following roadway segments including underground infrastructure

US/State Jurisdiction

US Hwy 52; Lafayette Freeway between Inver Grove Heights and St. Paul

State Hwy 3; Robert Street between Inver Grove Heights and St. Paul

State Hwy 13; Annapolis from Smith Avenue to Mendota Heights

State Hwy 149; Smith Avenue north of Bernard to St. Paul and Dodd Road South of Bernard to Mendota Heights

County Jurisdiction

CR 4; Butler from Delaware to South St. Paul

CR 6; Thompson from Robert to South St. Paul

CSAH 8; Wentworth from Mendota Heights to South St. Paul

CSAH 63; Delaware from MN 149 to Inver Grove Heights

CSAH 73; Oakdale from Annapolis to Inver Grove Heights

West St. Paul Municipal State Aid Roadway Sections

Annapolis; from Smith to Waterloo

Dodd; from Bernard to St. Paul

Bernard; from Charlton to Oakdale

Moreland; from Smith to Oakdale

Emerson; from Charlton to Robert

Stryker; from Butler to Annapolis

Thompson; from Delaware to Bidwell

Smith; from Bernard to Wentworth

Lothenbach; from Robert to Oakdale

Marie; from Delaware to eastern terminus

Charlton; from Hwy 62 to Annapolis

Livingston; from Marie to Mendota Road

Mendota Road; from Hwy 62 to South St. Paul

Bidwell; from Thompson to Emerson

Non MSA Critical Infrastructure

Moreland; from Delaware to Smith

Crusader; from Bidwell to Robert

Emerson from Delaware to Charlton

Bernard; from Oakdale to Waterloo

Dodd; from Smith to St. Paul

Logan; from Bidwell to Oakdale

Stryker, from Imperial to Bernard

Haskell; from Charlton to Waterloo

Mendota Road; from Delaware to Charlton

Smith; from Dodd to Wentworth