

**CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY**

**CITY COUNCIL MINUTES
DECEMBER 7, 2020**

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

The regular City Council meeting was called to order at 6:00 pm by Mayor Steve Feldman through a virtual setting via Zoom.

2. ROLL CALL

Members present: Mayor Steve Feldman, Councilmembers Kevin Robinson, Robert Bauer, Joe Muehlbauer, and Sarah Udvig.

Also present: Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Craig Jochum (Hakanson Associates, Inc.), City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom, Police Chief Todd Schwieger, Fire Chief Dave Schmidt, Public Works Director Jason Windingstad, Finance Director Darcy Mulvihill, and City Clerk Barb Held.

3. APPROVAL OF AGENDA

MOTION BY UDVIG SECOND MUEHLBAUER APPROVING THE REGULAR CITY COUNCIL AGENDA.

Ayes: Bauer, Robinson, Muehlbauer, Udvig, and Feldman.

Nays: None

Motion carried 5-0.

4. CONSENT AGENDA

- A. City Council Minutes – November 16, 2020
- B. City Council Minutes - Special Meeting – November 12, 2020
- C. Annual Business License Renewals for 2021 – Resolution 2020-45
- D. Police Department Policy Amendments/Updates
- E. Charter Commission – 2020 Annual Report
- F. Accept the GFOA – 2020 Distinguished Budget Presentation Award
- G. Letter of Credit Reduction – Rivers Edge 2nd, 3rd and 4th Addition
- H. Surplus Property-Police Department – Resolution 2020-46 (Forfeited Vehicles)
- I. ~~Fire Department Vehicle Replacement~~
- J. Transfer from Water Fund to Street Fund (\$861,800.35) Resolution 2020-51
- K. Pay Estimate #6 for \$27,025.50 to Kuechle Underground Inc. for the 2020 Street Reconstruction & Watermain Improvement
- L. Payment of Claims \$337,594.28 (Checks 78393-78478)

Councilmember Robinson had asked to pull Item I. from the consent agenda.

MOTION BY ROBINSON SECOND BAUER APPROVING THE CONSENT AGENDA ITEMS A-H AND J-L.

Ayes: Muehlbauer, Bauer, Udvig, Feldman and Robinson.

Nays: None

Motion carried 5-0.

I. Fire Department Vehicle Replacement

Mayor Feldman asked Fire Chief Dave Schmidt to explain need to replace the 2013 Dodge Charger which is used as a Duty Officer squad.

Chief Schmidt stated the Duty Officer squad has a blown head gasket. This vehicle is a 2013 Dodge Charger and was a retired squad from the police department in 2016. It has 102,000 miles on it and the bus garage quoted the repair at \$1,500 if there is no further mechanical damage to the engine or cracked cylinder heads. The fire department is asking for approval to purchase a new Dodge Journey utilizing the Gambling Fund for the purchase of this vehicle. This vehicle would then be under a five year warranty.

Robinson stated he spoke with Chief Schmidt earlier today. Like how staff is open and honest with the city council. Just want the public to be aware of what we are doing. Robinson asked the use of the Duty Officer squad.

Chief Schmidt said this vehicle is used by the officers as a quick response vehicle. The officers rotate the use of the vehicle on a weekly basis. The officers in uniform would go directly to the call and don't have to report to the fire station. With the addition of the Dodge Journey that was purchased with CARES Act monies we would have three vehicles in rotation. I currently drive another retired police vehicle, a Tahoe. Maybe in the future we could have two duty officers on call. It would also give the fire fighters more flexibility.

Robinson said I like that we are able to use Gambling Funds for this purchase.

Udvig stated she trusts the Chief's judgement on the need of this vehicle.

Muehlbauer asked when do you think you will need to replace this one. Chief Schmidt said I am hoping to put this vehicle on a ten-year rotation.

Bauer asked if we would be using the vehicle in a rotation to keep the miles down.

Chief Schmidt said he would talk about that with the officers. Bauer said if we take on Nowthen it would be a lot more movement.

Feldman said you need a vehicle you can count on. If starting new it should last ten years. Also, the money is coming from the Gambling Fund and not the General Fund. Money the City collects from establishments on gambling proceeds is set aside for fire department expenses. Feldman asked Police Chief Todd Schwieger about the wear and tear of police vehicles. Chief Schwieger stated police vehicles are driven more excessive than a regular vehicle, they are driven pretty hard at times.

Chief Schmidt stated we are not sure if we are going to donate this vehicle to a at risk youth organization or what we will do. We will check the current value.

Feldman said I asked Chief Schmidt to check out the 2011 Dodge Journey that is on the forfeiture list. Chief Schmidt stated he did look at it. That vehicle has 211,000 miles, rusted and front-end problems. Not be of interest at this time.

Bauer asked they check with the bus garage regarding donating.

MOTION BY ROBINSON SECOND BAUER APPROVING THE FIRE DEPARTMENT TO PURCHASE A 2020 DODGE JOURNEY REPLACING THE 2013 DODGE

CHARGER WITH A PROJECTED COST OF \$26,767.97 UTILIZING THE GAMBLING FUND AND TO DECLARE THE 2013 DIDGE CHARGE AS SURPLUS PROPERTY WITH A VALUE OF LESS THAN \$1,000.

Ayes: Muehlbauer, Udvig, Feldman, Bauer and Robinson.

Nays: None

Motion carried 5-0.

5. **MEETING OPEN TO THE PUBLIC**

City Administrator Joe Kohlmann asked if anyone watching would like to speak to the council on an item not on the agenda. Hearing none the council continued.

6. **SPECIAL BUSINESS**

None

Councilmember Udvig left the Zoom meeting at 6:20 pm for another meeting but will be back later in the meeting.

7. **PUBLIC HEARING**

A. **Presentation on 2020 Proposed Budget - Public Input**

Finance Director Darcy Mulvihill gave a power point presentation on the 2021 Proposed Budget. Mulvihill stated the Council had set a maximum levy of \$4,234,590 in September. This levy includes \$186,000 for the future new City Hall/Fire Station. The preliminary tax rate is 50.218% which is a drop from 2020 tax rate of 50.543%. The General Fund budget is balanced at \$4,703,070 on the revenue side and the expenditure side. The fund balance will be at 66.7% of revenues with the estimated 2020 balance. This is above the State Auditor's recommended guidelines of 35% to 50%. The proposed budget is also posted on the City's website. Mulvihill also showed in the presentation how a change in your home valuation will affect your property taxes.

Feldman stated so if your value goes up your homestead exclusions go down. I like that it is a balanced budget.

Robinson stated good report and nice presentation. Levy going up about \$250,000; \$10,000 in Capital Equipment, \$186,000 for building improvements-new city/fire station, \$60,000 for street improvements. We need to put money away for future projects. If I saw anything unjust, I would speak up. We are very prudent in what we are doing.

Bauer agreed good report and we are planning for the future. That is what the majority of the increase plus we are using the increased home values. We need to keep working on our road projects. I have also been wanting to cut the budget by 5%, it's not that easy.

Muehlbauer asked if the Nowthen Fire Contract was factored in this budget. Mulvihill said it was not. Muehlbauer said I see the future city hall/fire station as more of a seven-year project. But agree with putting money aside so we don't end up like we did with our wastewater plant. We are also recapturing revenue with our growth in valuation. I know it is an increase in the Levy but unfortunately, we have to do this.

Feldman said if what we are doing now would have been done earlier, things just were not planned properly. Every city needs to spend money but we are doing it by planning and spending wisely. What you see on the tax statement, we only get a portion of the overall amount. Also, we balance our budget.

Mayor Feldman opened up the meeting for public input on the 2021 Proposed Budget at 6:45 pm.

City Administrator Joe Kohlmann asked if any of the viewers wanted to comment on the budget. Mayor Feldman said we can wait a little bit to see if anyone wants to comments. Just a note that on the consent agenda item where we approved the transfer from water fund to street fund, of the \$861,800.35 to be transferred \$496,207 are special assessments. With no public input Mayor Feldman closed the public hearing at 6:45 pm.

1. Certifying Taxes Payable in 2021 – Resolution 2020-47

MOTION BY MUEHLBAUER SECOND BAUER TO ADOPT RESOLUTION 2020-47 A RESOLUTION CERTIFYING TAXES PAYABLE IN 2021.

Ayes: Muehlbauer, Bauer, Robinson, and Feldman.

Nays: None

Motion carried 4-0.

2. Adopting a Budget for 2021 – Resolution 2020-48

MOTION BY ROBINSON SECOND MUEHLBAUER TO ADOPT RESOLUTION 2020-48 A RESOLUTION ADOPTING A BUDGET FOR 2021.

Ayes: Robinson, Bauer, Muehlbauer, and Feldman.

Nays: None

Motion carried 4-0.

B. MS4 – Annual Opportunity for Public Input

City Engineer Craig Jochum reported the Storm Water Pollution Prevention Program (SWPPP) is required by the National Pollutant Discharge Elimination System (NPDES) General Permit for discharges of stormwater associated with small Municipal Separate Storm Sewer Systems (MS4), which is collectively referred to as the MS4 permit. The MS4 permit authorizes the City to discharge stormwater into the public water system, and it was issued to the City of St. Francis in 2017. The purpose of the required annual SWPPP meeting is to discuss the components of the program and to gather public comments on the SWPPP. There are six components of the SWPPP, each called a Minimum Control Measure (MCM). Those six components were listed in the council packet. So now I ask you allow for public input or comments.

Mayor Feldman opened the meeting for public input at 6:50 pm. City Administrator Joe Kohlmann asked if any of the viewers wanted to comment on the MS4 permit. Feldman stated the City has not increased the stormwater fee since 2017 when it went into effect. With no public comment Mayor Feldman closed the public input at 6:52 pm.

Bauer said he just wants the residents to know this is mandated by the State of MN. We struggle with residents not paying this fee during the year and it cost everyone

more to assess them. Would like to come up with different options on how this could be paid. Right now, we do multiple mailings and staff time. Maybe we could do something like Elk River and do a franchise fee or have it put on your monthly electric bill. Would like to hear from residents on what they think. Feldman said good idea. Muehlbauer said this is a State mandate, if you don't like it call your State representative. Feldman said this money is dedicated only for stormwater projects. Robinson said I would like to endorse what Bauer said. Also, what Muehlbauer stated, unfunded mandate call your State representative. Agree with Bauer about putting it on the electric or gas bill. Would like less mailings and open it up for public discussion. We have to have; some cities just handle the fee differently. Have to do with what the State says, something has to be in place because we are accountable for clean water. Feldman said we have kept the fees flat but agreed with the other councilmembers, reach out to us if you have a better way of how we can collect the fee. Contact us with your thoughts.

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

A. Ordinance 267, Second Series: Amending Fee Schedule (Second Reading)

Since the first reading at the last city council meeting there has been one change to the fee schedule under Stormwater. The change is adding a Grading/Escrow Fee; \$2,000 per gross acre or \$750 per SF or Twin family home. Whichever is greater. Community Development Director Kate Thunstrom stated we took the fee out of the zoning code and are putting it in the fee schedule. Council had no additional comments.

MOTION BY MUEHLBAUER SECOND ROBINSON APPROVING THE SECOND READING OF ORDINANCE 267, SECOND SERIES AMENDING SECTION 2-9-1 OF THE CITY CODE REGARDING THE FEE SCHEDULE.

Ayes: Bauer, Robinson, Muehlbauer, and Feldman.

Nays: None.

Motion carried 4-0.

B. Summary Publication of Ordinance 267, Second Series – Resolution 2020-49

MOTION BY ROBINSON SECOND BAUER TO ADOPT RESOLUTION 2020-49 A RESOLUTION AUTHORIZING THE SUMMARY PUBLICATION OF ORDINANCE 267, SECOND SERIES.

Ayes: Robinson, Bauer, Muehlbauer, and Feldman.

Nays: None.

Motion carried 4-0

C. Decertification Tax Increment Financing- Senior Facility Site – Res 2020-50

Thunstrom reported in February 2017 the City established a Tax Increment Finance (TIF) District for the purpose of a senior housing facility. The Senior facility had received land use approvals and was working towards the permitting stage. Since

that time, no progress has been made on moving the project forward. If this project was to have come forward prior to this meeting to maintain TIF it would have required an underwriting review as the costs and budget are outdated. The project has not made any substantial progress as required for a TIF district, therefore the City is moving forward with the decertification of the parcel. This will be effective as of December 31, 2020.

If this project, or any other project, on that site was to move forward and have interest in using TIF, Council would again review, the project would apply for a business subsidy and complete underwriting as a new project.

The council had no questions or anything further to add to this topic.

MOTION BY BAUER SECOND MUEHLBAUER TO ADOPT RESOLUTION 2020-50 A RESOLUTION DECERTIFYING TAX INCREMENT FINANCING REDEVELOPMENT DISTRICT NO. 2-1.

Ayes: Muehlbauer, Robinson, Bauer, and Feldman.

Nays: None.

Motion carried 4-0.

D. Temporary Habitation Extension for 4953 Ambassador Blvd. NW

Thunstrom reported Council reviewed a permit for temporary habitation on June 1, 2020. At that time the property owner had wished to live in campers onsite while he built his permanent home. The council approved a three-month permit, until the end of August. The Building Official does have authorization to extend it for an additional 90 days but any extension beyond that needs council approval. The property owner is asking for an extension until the end of December. Thunstrom stated staff is recommending giving them until the end of January. We are encouraging sooner but we also recognize there might be some delays because of the holidays. That will give him time to remove his trailers too.

Bauer asked is that enough time? He wouldn't have to remove his trailers from his property would he. Thunstrom said no but he would have to properly disconnect electric, septic and make it inhabitable. Feldman said so it is not a living quarter.

Thunstrom said, correct.

Robinson said he is okay with it if staff is.

Feldman asked if they were close to getting their certificate of occupancy. Thunstrom said yes.

Muehlbauer said he had nothing to add.

MOTION BY MUEHLBAUER SECOND ROBINSON APPROVING THE TEMPORARY HABITATION EXTENSION UNTIL THE END OF JANUARY 2021 FOR 4953 AMBASSADOR BLVD. NW.

Ayes: Bauer, Feldman, Robinson, and Muehlbauer.

Nays: None.

Motion carried 4-0.

E. Roseville IT – Joint Powers Agreement

City Administrator Joe Kohlmann reported as discussed in March 2020 Metro-INET or "Roseville IT" was beginning the transition into a Joint Powers Agreement. Cities were

directed to bring the concept to their Councils (as St. Francis discussed in March) and provide Roseville with general direction as to where the cities stand on the matter. due to COVID 19, many of the reoccurring meetings that were to take place among the Metro I-net group were canceled and a workgroup was set up. To date, all but one of the Metro-INET group members have indicated intent to join the Joint Powers Organization. One is uncommitted at this time to review other options. As noted in the work session in March, bringing IT services “in-house” with St. Francis employees would not be cost effective. The attached JPA Agreement is basically in final form. Our City Attorney’s Office has reviewed the agreement and is ok with it. Ultimately, all things considered, Staff would recommend joining the JPA.

Feldman asked so this would be effective January 1, 2021. Kohlmann said as soon as possible. Feldman said our fee would be 3.7% of the cost. But to figure out how many votes each city would get they rounded up the to an even number. So, St. Francis would have four votes. Feldman asked City Attorney Dave Schaps if he had any comments. Schaps stated he review the agreement and it is a very standard document. Feldman said I don’t think we are in any position to take it on inhouse or even go to a third party, we are in good hands with them.

Robinson said he really had nothing to add. We discussed this in the work session. They are prompt and very helpful when I needed help.

Bauer said I am for consolidation of cities. We have a lot that we need IT help with, great opportunity to share the load.

Muehlbauer said when you can consolidate and save money that is a good thing.

Feldman asked Chief Schwieger his thoughts. Chief Schwieger said they are prompt, courteous and we use them a lot. We have maybe up to 20 computers alone they work on between the vehicles and in the office. Kohlmann agreed, they are responsive and when we have issues they are prompt. Chief Schmidt said they address all our needs.

MOTION BY ROBINSON SECOND MUEHLBAUER TO ADOPT THE JOINT POWERS AGREEMENT FOR THE ESTABLISHMENT OF THE NORTH EAST METROPOLITAN AREA MUNICIPAL INTERNETWORKING COLLABORATIVE (METRO I-NET).

Ayes: Muehlbauer, Robinson, Feldman, and Bauer.

Nays: None.

Motion carried 4-0.

F. CARES Act Grant and Expenditures Update

Mulvihill provided to the Council a report listing the expenditures associated with the CARES Grant. The amount the City received was \$593,079. Business Grants totaled \$228,174.75 and the rest was spent on items for the City.

Muehlbauer thanked staff for working on this and getting it spent.

Bauer asked if there was any talk of a second round coming to help businesses again. Thunstrom said there is some talk at the State and Federal level.

Robinson said over 40% went back to city businesses. Glad businesses were able to use it.

Feldman also wanted to thank everyone that worked on this project. Gave to

businesses first and then we spent the rest.

MOTION BY ROBINSON SECOND MUEHLBAUER APPROVING THE CARES GRANT EXPENDITURES AS SUBMITTED.

Ayes: Muehlbauer, Robinson, Bauer, and Feldman.

Nays: None.

Motion carried 4-0.

G. Preliminary Development /Licensing Agreement – Anderson Companies
Anderson Companies has brought forward to the City a proposed senior housing development on the property located at 3518 Bridge Street. This project has been discussed at two work sessions. In November Council entered into a Preliminary Development Agreement with the Developer to move forward with the land use application and Comprehensive Plan amendment. Thunstrom stated the next step is for Council to review and consider approving a License Agreement for Testing and Sampling. This agreement will allow the Developer to conduct preliminary testing, surveys and sampling at the property to review its potential for the Senior Housing project. This Agreement has been reviewed by the City Attorney. Council had no questions for Thunstrom.

MOTION BY BAUER SECOND MUEHLBAUER APPROVING THE LICENSE AGREEMENT FOR TESTING AND SAMPLING AT 3518 BRIDGE STREET NW.

Ayes: Bauer, Muehlbauer, Robinson, and Feldman.

Nays: None.

Motion carried 4-0.

H. Demolition RFP Acceptance and Award – 22708 Rum River Blvd.

Staff completed the pre-demolition testing for hazardous issues and contacted utility providers. Additionally, an RFP for the completion of the demolition was released on November 12, 2020 with a deadline of November 30, 2020. The RFP was on our website along with it being sent out to about 8-11 companies.

RFP's were received from the following companies:

- Nitti Roloff Services \$38,343
- Kamish Excavating \$49,717
- Lloyd's Construction Services \$34,900

Thunstrom said she spoke with Lloyd's Construction and if awarded the demolition they are ready to go. The cost of the demolition and legal fees would be assessed to the property.

Council all agreed this has been a long process and has been delinquent for a long time. Feldman said we have given the property owner every opportunity.

MOTION BY ROBINSON SECOND BAUER TO ACCEPT THE THREE BIDS AND AWARD THE RFP TO THE LOWEST BID OF \$34,900 AND APPROVE STAFF TO ENTER INTO A CONTRACT WITH LLOYD'S CONSTRUCTION SERVICES TO MOVE FORWARD WITH THE DEMOLITION.

Ayes: Muehlbauer, Bauer, Robinson, and Feldman.

Nays: None.
Motion carried 4-0.

I. Nowthen Fire Management Service Contract

Kohlmann reported City Staff has been working with Nowthen officials on their transition from the Ramsey Fire Department partnership. The City of Nowthen formally approved the attached contract for the City of St. Francis to provide Fire Management and Administrative Services for the Nowthen Fire Department.

The Nowthen Fire Department is officially still in partnership with the City of Ramsey through 2021. One of the main objectives for St. Francis is to assist Nowthen to transition to more of a standalone fire department. They will be utilizing the services of our Fire Chief, Assistant Fire Chief and administrative staff (payroll, reporting, etc.).

The attached contract is for a potential duration of three years with escalators of 3% annually. The amounts are below:

2021 - \$75,069

2022 - \$77,322

2023 - \$79,641

Feldman said he is happy with this agreement and would like a joint powers agreement with other neighboring communities. This agreement runs through 2023. Feldman also thanked Joe Kohlmann, Chief Schmidt and Assistant Fire Chief Joe Lawrence who worked on this for about 9 months.

Bauer said we brought on a full time chief to bring fire departments together. Bauer questioned some language in the agreement but his questions were answered. Also appreciate the revenue this will provide.

Muehlbauer said we are utilizing the full time chief. Like consolidating services, save money while being effective. Like we just did with Roseville IT.

Robinson said he too agrees with utilizing service by consolidating.

MOTION BY BAUER SECOND MUEHLBAUER APPROVING THE FIRE DEPARTMENT MANAGEMENT SERVICES AGREEMENT WITH THE CITY OF NOWTHEN.

Ayes: Robinson, Bauer, Muehlbauer, and Feldman.

Nays: None.

Motion carried 4-0.

Councilmember Udvig returned to the meeting at 7:49 PM

J. COLA – Non-union Staff

Kohlmann stated the non-union COLA has not been determined for 2021. A 2.75% would be consistent with union contracts.

Council agreed that it lines up with the union contracts. One suggestion was to have this before approving the budget. Thanked staff for their hard work.

MOTION BY MUEHLBAUER SECOND UDVIG APPROVING A 2.75% COST OF LIVING ADJUSTMENT FOR UNION-UNION EMPLOYEES IN 2021.

Ayes: Udvig, Muehlbauer, Robinson, Bauer, and Feldman.

Nays: None.

Motion carried 5-0.

10. **MEETING OPEN TO THE PUBLIC**

City Administrator Joe Kohlmann asked if anyone watching would like to speak to the council on an item not on the agenda. Hearing none the council continued.

11. **REPORTS**

A. Department Reports – None.

B. Councilmember Reports -

Udvig – reported she is helping plan a Mental Health Forum through the school district to let people know it is okay if you are struggling and need help. Other events she would typically attend have all been cancelled.

Muehlbauer – not really out and about but thanks Chief Schwieger on all the updates they receive.

Robinson – nothing really to report. What's happening regarding the fiber optics to the Bottle Shop, Public Works Director Jason Windingstad said just today a ROW permit was approved by MnDOT. Hoping to start this week. Feldman said good news.

Bauer – said last week he did test positive for COVID. So I am home from work.

Thanks to our employees doing a great job keeping people safe.

Feldman – asked department heads how things were going in their departments.

Chief Schwieger said they were going well. We are fully operational except for fingerprinting. Windingstad said things were good in public works – good moral. Chief Schmidt we are back at full strength for now. Challenging year for everyone.

Thunstrom said doing well – healthy. We are also handling district learning.

Kohlmann said the rest of city hall is in good spirits – healthy. Everyone is hoping this pandemic is over soon.

Feldman said I still think it was the right thing to do, shutting down. Working remote the best we can and next year I would like to bring to council Microsoft Office 365. I think it would even make working remote even easier. We also have a Zoom meeting this Wednesday regarding our website. I think we need an update to the website. Will have a spotlight on the front page for current events, move the tabs to the bottom and change the main page picture seasonally. That same picture has been on there for four years. Looking at a cost of about \$1,200.

Feldman asked Chief Schmidt if he saw a problem letting the wood fence go until spring. Chief Schmidt said right now we have had a long spell of dry weather. This Friday there is a chance of precipitation, hopefully that would take care of it until spring. Council agreed except Robinson. He said it is still a hazard and using city's resources.

The house on Rum River Blvd has been an eye sore for a long time. Thank you Dave Schaps and Kate Thunstrom for all your work on this project.

I want everyone to know I am 100% on board with the City closing down. Just heard Anoka County is going to be shut down until March 21st.

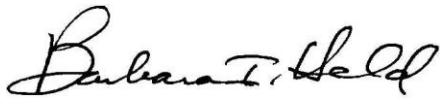
Keep safe and enjoy the holidays.

C. Upcoming Events –

- A Dec 16 Planning Commission Meeting - 7:00 pm, Zoom meeting
- Dec 21 City Council Meeting – 6:00 pm, Zoom meeting
- Jan 4 City Council Meeting – 6:00 pm, Zoom meeting

12. **ADJOURNMENT**

There being no further business, Mayor Feldman adjourned the regular city council at 8:09 pm.

A handwritten signature in black ink, appearing to read "Barbara I. Held". The signature is fluid and cursive, with the first name "Barbara" being more prominent than the last name "Held".

Barbara I. Held, City Clerk