

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

CITY COUNCIL MINUTES
FEBRUARY 6, 2017

1. **CALL TO ORDER**

The regular City Council meeting was called to order at 6:00 pm by Mayor Steve Feldman.

2. **ROLL CALL**

Members present: Mayor Steve Feldman, Councilmembers Jerry Tveit, Joe Muehlbauer, and Robert Bauer. Rich Skordahl excused. Also present City Administrator Joe Kohlmann, Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Jared Voge (Bolton & Menk) Kate Thunstrom, Community Development Director, Police Chief Todd Schwieger, Fire Chief Matt Kohout, Public Works Director Paul Teicher, Finance Director Darcy Mulvihill, and City Clerk Barb Held.

3. **APPROVAL OF AGENDA**

Feldman asked to add the Resignation of Building Official Andy Schreder to the consent agenda. MOTION BY MUEHLBAUER SECOND FELDMAN TO APPROVE THE AGENDA AS SUBMITTED. Motion carried 4-0.

4. **CONSENT AGENDA**

Feldman asked that 4 H AND 4 I be moved from the consent agenda for discussion. MOTION BY MUEHLBAUER SECOND BAUER TO APPROVE THE CONSENT AGENDA ITEMS A-G and J-K AS FOLLOWS:

- A. City Council Minutes – January 17, 2017
- B. Acknowledge EDA Minutes – August 29, 2016
- C. Acknowledge Charter Commission Minutes – February 1, 2016
- D. Enter into an Agreement with Hoisington Koegler Group Inc for services pertaining to Comprehensive Planning Services
- E. Enter into an Agreement for Residential Recycling Program with Anoka County
- F. EDA Business Subsidy Update and Annual Report
- G. Anoka County Conservation Septic Funds Available-Letter of Intent to Request Funding
- H. ~~Appoint Blake Bistodeau as a Public Works Operator contingent upon passing all pre-employment evaluations and testing~~
- I. ~~Pay Request No. 11 and Change Order No. 3 to LaTour Construction for the Bridge Street Utility Improvement~~
- J. Payment of Claims \$363,487.78 (ACH #184E \$138,024.37 & Check #72009-72078 \$222,463.41)
- K. Accept the Resignation of Building Official Andy Schreder

Motion carried 4-0.

- 4 I. **Pay Request No. 11 and Change Order No. 3 to LaTour Construction for the Bridge Street Utility Improvement:** Voge explained the Work Order No. 12 and why the additional aggregate bedding was needed during the installation of the sanitary sewer. Voge stated this is part of Anoka County's contract, however the City is responsible for all costs associated with the City utility construction and had to be kept separate. The need for the additional aggregate bedding was due to the unsuitable soil conditions. Soil borings were completed. Feldman asked who authorized the change order. Voge stated the decision was made in the field but ultimately he made the decision. Discussion was held in length and they had questions for Voge on why this was needed, does this add on increase the quote to make it higher than the second lowest bidder. Feldman said he is leery about add ons and I like to know along with the council what we are getting into. What I am going to suggest is that you write it out thoroughly on why we are paying \$32,000 or more on this project. Tveit said in the past we have had a contingencies set aside. It is frustrating especially when soiling borings were done and we can't rely on them. Bauer said I see two different amounts, I see \$35,743.50. MOTION BY MUEHLBAUER SECOND TVEIT TO TABLE UNTIL NEXT CITY COUNCIL MEETING. Motion carried 4-0.
- 4 H. **Appoint Blake Bistodeau as a Public Works Operator contingent upon passing all pre-employment evaluations and testing:** Feldman said he would like to have Teicher discuss what he learned regarding outside service providers and the applicant process and feedback. I wasn't able to me with Teicher before the meeting due to a sad family matter in Teicher's family. My sympathies are with you. Feldman said I am not against in house; it is good to have control better control than a service provider and as long as we are saving money and are getting high efficient service. We are building a \$24 million waste water treatment plant-state of the art and we should not have fines on running it less efficient than what it was designed for. Tveit said I am not opposed in appointing and choosing this applicant either. Tveit said I want to make sure if we approve this that there is something stated that he will show up to work on the first day. It has happened in the past where we approved an applicant and he was injured and the city ending up paying out. I want to make sure we have in the agreement that he shows up to work the first day. Teicher explained how this new applicant would fit in to the organization as an operator. Feldman asked about the service providers and what did you find out when calling around. Teicher said the cities of Otsego and Albertville said they hired an outside provider and will be going back to in house with city employees at the end of this year. Heard it was actually cheaper to run with city employees plus you have people who take pride in their own operation. Discussion was held on whether we price out chemicals or have contacted other cities to purchase cooperatively. Teicher said they would check into other cities when buying large quantity items. Bauer asked I would like to see what other cities pay their operators. Tveit explained what

is all involved to be an operator and the schooling. If you pay less than market wages you will probably get a less than market worker. Teicher said on average the starting about \$22 per hour. Our staff is union except for myself and the supervisors. We are right in the average. Feldman said of the twelve people interviewed this applicant had experience in Rogers and Zimmerman. MOTION BY TVEIT SECOND BAUER TO APPOINT BLAKE BISTODEAU AS A PUBLIC WORKS OPERATOR CONTINGENT COMPLETING ALL PRE-EMPLOYMENT TESTING AND SHOWING UP FOR WORK THE FIRST DAY OF WORK AS SCHEDULED. Motion carried 4-0.

5. **MEETING OPEN TO THE PUBLIC**

None

6. **SPECIAL BUSINESS**

None

7. **PUBLIC HEARINGS**

A. **Northland Securities – Tax Increment Financing Presentation:** Tammy Omdal of Northland Securities gave a power point presentation giving an overview on Tax Increment Financing (TIF). The city received an application for requesting TIF on a senior housing project from LeGen Companies (dba GD1, LLC) for TIF assistance. The project is proposed to consist of a three-story building with 56 assisted living and 25 memory care units along with healthcare staff support spaces what will support the tenants for a total of 81 units. The total size of the facility is estimated at 72,000 square feet. The City has confirmed with LeGen that healthcare staff support space will be no more than 20 person of the square footage of the building that will receive assistance from tax increments. LeGen will agree to lease 20% of the units to persons with incomes at or below 50% of the county median income. The project is estimated to cost \$15.7 million. The proposed tax increment financing assistance of \$1.45 million is to assist with the affordability aspect of the project. The project is estimated to generate 45 new full time equivalent jobs within five years with an average wage of \$18.46. Tveit asked about the 20% of the units for at below median income, how long do they have to sustain that number. Omdal said it stays for the life of the TIF District. Feldman had questions about the 45 new full time jobs. Omdal said the developer can answer those questions, they are here. Northland Securities included a memo that answered all their questions of the developer. Feldman said basically we are giving them a line of credit. Omdal explained this TIF, the City retains 5% of the tax increment to reimburse the City for the cost of administrating the TIF District. The remaining 95% of the

tax increment will be available for payment on the TIF Note. Without TIF you probably would not get a project like this. Feldman said someday I hope the City won't have to do TIF.

Feldman opened the public hearing on the proposed TIF District 2-1 at 6:55 pm.

1.) Mike Rodger 2770 232nd Lane NW, most TIF districts there is an employee clause. Rodger would like to have the 45 employees' language in the contract with the developer.

With no further public comment, Feldman closed the public hearing at 6:57 pm.

Chau Le; CEO of LeGen Companies introduced himself to the City Council and stated he is a newer company and opened a little over a year ago. I like to empower youth and seniors. In regards to the jobs, our ultimate job is to employ them from here first. There might be some of the skilled jobs needed that we may come up short. We will be partnering with Walker Methodist who will serve as the healthcare service provider. We do not have problems meeting the job goals. Muehlbauer asked do you use union or non-union workers. Le said probably both. We will look for the best talent. Walker Methodist currently serves over 1,200 seniors and their families in the metro and is looking to expand in the northern suburbs. Feldman asked was this originally was approved for 89 now 81. Le said that is correct, it was due to market demand.

MOTION BY BAUER SECOND TVEIT APPROVING RESOLUTION 2017-06 A RESOLUTION ESTABLISHING DEVELOPMENT DISTRICT NO. 2 AND ESTABLISHING TAX INCREMENT FINANCING DISTRICT NO. 2-1 WITHIN THE DEVELOPMENT DISTRICT AND THE ADOPTION OF THE DEVELOPMENT PROGRAM AND TAX INCREMENT FINANCING PLAN RELATING THERETO. Motion carried 4-0.

8. **OLD BUSINESS**

None

9. **NEW BUSINESS**

A. Enter into a Service Agreement and Facility Use Agreement with Allina: Fire Chief Matt Kohout gave a brief overview of the Allina Health Emergency Medical Services (AHEMS) Service Agreement and the Facility Use Agreement. Tveit said we have had an agreement in the past. Kohout said we had the facility use but the service agreement is an updated version and covers how training is handled. Biggest gain for allowing Allina space in the fire station is to have them stationed in our city and quicker responses. MOTION BY TVEIT SECOND MUEHLBAUER TO ENTER INTO THE SERVICE AND FACILITY USE AGREEMENTS WIT ALLINA HEALTH

EMERGENCY MEDICAL SERVICES. Motion carried 4-0.

- B. **Fire Department Authorization to Start the Hiring Process for Additional Fire Fighters**: Chief Kohout asked for authorization to hire an additional five fire fighters. Bauer asked the city council to give the fire department a number on how many members we should maintain. Bauer believe the City should raise the number fire fighters. Right now there about 19 on the department with a couple resignations/retirements coming in soon. Kohout said we looked to see if we could find documentation on how many we should or have had. Kohout said going back in documents we are finding the number 30. Bauer maybe hire 7-8 more fire fighters now. Muehlbauer asked how many are budgeted. Kohout said right now 5 is probably what we can handle with training, gear and mentoring. Probation is one year, maybe if they come in with experience lower that to six months. Muehlbauer asked about financing five members. Mulvihill said it does depend on the number of calls. Council decided to discuss this more at budgeting time. MOTION BY FELDMAN SECOND TVEIT TO HIRE UP TO 10 DEPENDING ON QUALIFICATIONS. Bauer said I would like the council to set a number that we can employ to give us a goal for further direction. Kohlmann said this question has come up before, we can find that number. Tveit said years ago we had a joint fire fighter district discussion on the number of fire fighters but it really depended on what level of services they are providing. That may give us a better idea of how many fire fighters we need now that we have an ambulance in house. More discussion on this could be discussed at a future work session. Motion carried 3-0. Bauer abstained.

Question on the residential recycling program: Teicher explained the contract the City has with Anoka County. In 2016 the City meet its residential recycling goal. This agreement allows us to received SCORE federal funds that Anoka County administers. The funds helps pay for our newsletters, public outreach, recycling day, events in the parks, and promote recycling at public events. We want to meet our goals.

10. **MEETING OPEN TO THE PUBLIC**

None

11. **REPORTS**

- A. Administrator's Report - Schedule Work Session for February 13, 2017: Kohlmann wants to add it will be at 6:00 pm at city hall. This room is booked.

On February 21, 2017 at 5:00 pm the City Council will be meeting with the Met Council before the regular City Council meeting, this is open to the public.

- B. Police Dept. - Annual Report: Police Chief Todd Schwieger gave the department's annual report which included; annual statistics, training, courses attended by officers, investigations and some programs they are looking at

implementing in 2017. Schwieger expanded on some of the department goals for 2017; child safety seat clinic, two day kids academy, and hope to start neighborhood watches. Remind everyone to report any suspicious activity you may see. Feldman said I had a meeting last week with the chief about hand held radar guns and purchasing one with drug forfeiture funds. This would be used to cut down the number of speeders in residential areas. Schwieger stated we are starting saturations in various neighborhoods to watch traffic. Feldman said I also talked with the chief about getting another digital sign; hopefully we can get that in the next year's budget. Tveit said I like what I hear; I would like us to be more aggressive on people speeding. Schwieger said we have been writing tickets but we are going to localize it more. Muehlbauer said there are times when we have fewer officers on what are we going to do about it. Schwieger said that is why we would like people to report activity, which helps us out.

Feldman asked Kate to explain the septic funds. Currently we are preparing property files for PermitWorks and electronic storage. As this occurs, we have the opportunity to identify permit history, age of systems and inspection notes. In a case in which a property is not meeting State or local requirements, we will have an opportunity to work with the property owner to address concerns. For systems that are a risk to health or water, we will provide information on resources that may be able to assist property owners. Through the Anoka County Conservation District, the City may be eligible for funding to assist in the reimbursement of salaries directly associated to the efforts of organizing septic system files. Otherwise these funds would come from the building department fund and not the general fund. Our code states every three years septic systems are to be inspected to determine the condition of the septic system. Record of the completed inspections are submitted to the City and placed in the property files.

- C. Councilmember Reports – Tveit want to remind everyone February 22 at 7:00 pm my meet and greet at the Community Center. Tveit ask this be posted on the city's website.

Muehlbauer still looking into the audio here, trying to fix it. In regards to the subscribe list on our website, Kohlmann said it is in the works. Things I am seeing on social media are the speeding and the break ins.

Feldman said I would like on the website that our workshop with Met Council on February 21st at 5:00 pm is open to the public. I want to read something to you. This actually was from an idea from Mr. Skordahl who brought this up before we were elected. Please signal your turn when exiting the roundabouts. When you don't signal, you don't know if the other vehicle is exiting or passing through so you have to pause. The whole thing about the roundabouts is flow. Please let's educate ourselves and let other people know to remember to please signal when exiting so someone else can enter safely.

Also, we know the rates are high; we pay them too but I am asking the public to be patient with us. We are working on things behind the scene and we will let you know when they become more concrete, signed and sealed, you will be the first to know. But for right now I wish I had a magic wand to lower the rates to what you would like, I can't. You elected us to do a job for this specific reason. Do I think there were mistakes made, yes I do. But we are past that, it's done, it's in the ground, it is going to be operational. So, let's just learn to live with this and work with this the best we can. We will do rate cuts as soon as we can but I am not going to allow a rate cut to go into effect and take it back, that would be ridiculous. We are going to work on this with staff and council for lower rates. I am aware people are putting their houses up for sale moving out and I am worried of not replacing them because of high water rates. These are things that go on in my mind all the time. We are aware of that we campaigned on this; we ran on that, we got elected on that and we have not forgotten that. So please, let people know we are on this, it will be worked on. It won't be a short term fix but it will be worked on.

12. **ADJOURNMENT**

There being no further business, Mayor Feldman adjourned the regular city council at 7:49 pm.

Barbara I. Held, City Clerk