

**WORKSHOP
OAKDALE CITY COUNCIL
April 12, 2022**

The City Council held a workshop on Tuesday, April 12, 2022 at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota. The meeting began at 5:00 PM.

Present: Mayor Paul Reinke

Council Members: Jake Ingebrigtsen
Colleen Swedberg
Kevin Zabel
Susan Olson

Also Present: Christina Volkens, City Administrator
Kathy Laur, City Clerk
Katie Robinson, Deputy City Clerk
Nick Newton, Police Chief
Jason Zimmerman, Finance Director
Jim Romanik, Public Works Manager
Andrew Gitzlaff, Community Development Director
Kevin Wold, Fire Chief
Greg Brady, Building Director
Lori Pulkrabek, Communications Manager

CONVERSATION WITH FIRE CHIEF KEVIN WOLD AND FIRE MARSHAL SERVICES

Fire Chief Wold began by giving a brief overview of his Council Memorandum. In February of 2022, the fire department applied for six additional firefighters through a grant process at FEMA and their Staffing for Adequate Fire and Emergency Response (SAFER) program for \$2.4 million dollars. We expect to be notified sometime in the next 6-8 weeks with the results. Last year the fire department applied for the same grant but were denied. This time Lexipol, a third party, was hired to write the grant as they have a much higher success rate so we will hope for the best.

Currently, there are 18 full-time fire department staff, which includes a Fire Chief, Assistant Fire Chief and 1 part-time Administrative Assistant. Three full-time firefighters were promoted to Captain on January 1, 2022. The expectation is to hire three additional firefighters to start on Monday, July 11, 2022 and three more by year-end 2022. Following a question posed by Council Member Zabel, Ms. Volkens believes that we could come up with the funds between the Corporation and the City to be able to hire the second group of firefighters earlier and not have to put them on hold.

Council Member Zabel asked if staff could put together a funding proposal to be reviewed by Council.

Mr. Wold's preferred intent is to utilize the current candidate pool, hire all of the positions at once and then do an academy for training.

Beginning January 1, 2023, the fire department will be a completely career department. All paid on-call firefighters will be done at midnight on 12/31/2022.

Mr. Wold expressed how proud he is of these individuals as they had the opportunity to leave after finding out their positions would be eliminated at the end of 2022. However, they all showed up for training, drills and are still very much engaged in providing service to the City of Oakdale.

The fire department's 2021-year end results include; 3257 calls for service, which is a 15% increase over 2020. The average is 9 calls per day with 79% of those calls being emergency medical services.

The first quarter of this year has already had 1,000 calls comparatively. The numbers are skyrocketing which is the perfect time for a transition to a career department.

As part of the transition to an all career fire department, Mr. Wold expressed a need for a Fire Marshal within the organization, whether this position resides in the Fire Department or another department in the City.

Mr. Wold also pointed out that beyond the growth of the community of the next five years, the Fire Marshal would be responsible for fire investigations, on-site inspections, and getting state delegation for plan review and inspections. Part of the vision of this position would be that it could help out the building department as well by conducting rental housing and multi-family building inspections. The position would also coordinate all community events, public relations requests, mobile food vendor inspections, investigations, assist administratively with budgets, and respond to fire and EMS calls.

Ms. Volkens mentioned that Chief Building Official Greg Brady does need some relief in his department given the significant development happening, therefore, hiring a Fire Marshal could provide some of that relief to that area as well.

Mr. Wold suggested for the short-term, the city hire a part-time contracted individual to do new construction, and bring plan reviews in from the state until a full-time Fire Marshal is hired.

Council Member Olson asked if we would have to recruit for this position. Ms. Volkens stated we have a couple people who may be interested already. Ms. Olson asked if it would be a formal recruitment, and Mr. Wold replied yes.

Mr. Wold offered a live burn training opportunity for Council Members to be held sometime this summer.

The Corporation made some updates to the fire department facilities this year by adding more bedrooms in order to accommodate the new staff they will be hiring.

LIVABLE COMMUNITIES DEMONSTRATION ACCOUNT (LCDA)

Community Development Director Andy Gitzlaff gave an overview of the Livable Communities Demonstration Account Grant.

In January, the Metropolitan Council awarded the City of Oakdale a \$565,000 grant under the LCDA Development grant category for the AbleLight (formerly Bethesda) Cornerstone Village.

The use of the funds will include; site acquisition prior to award, surface infiltration basin on the southern tip of the development site, and installation of an accessible playground for affordable housing residents.

AbleLight intends to break ground on the Cornerstone Village in late summer of this year and open in late fall of 2023.

As the LCDA Grantee, the City will act as the fiscal agent for the grant and funding will pass from the Metropolitan Council to the City, and then from the City to AbleLight. All payments from the Metropolitan Council to the City are made on a reimbursement or cost-incurred basis. AbleLight will do the work, notify the City that the work is complete, Met Council pays the City, then the City will pay AbleLight.

Mr. Gitzlaff shared with Council that he received a call from AbleLight. AbleLight is getting their costs back for the project and it is above what they have budgeted. They will be looking at ways to offset the costs such as; value engineer anything in the project such as materials for the interior and exterior, subsidized or increased rent and revisit their funding sources to include MN Housing to see if more money is available.

Mr. Gitzlaff will update Council as he learns more.

BRE&A PROGRAM

Community Development Director Gitzlaff highlighted the changes that were made in scope based on the feedback he received at the last workshop discussion on February 22, 2022.

He said a key takeaway is to focus on quality over quantity. Some of the changes in the revised proposal include visit reductions from 24 to 18 businesses within the first year. A spreadsheet will be utilized to track the visits and ensure complete follow-up. Creating a welcome packet both digitally and a hard copy will occur and recruitment of the participation pool to include key staff, elected officials and a business presence.

Council Member Swedberg would like to have members of the EDC included in the pool. The EDC has reviewed this scope of work and offered their support and willingness to participate. Mayor Reinke suggested that it depends on the business as to who participates in the visits.

Mayor Reinke expressed that the most important piece of this process is to ensure the business understands we appreciate their investment.

Council Member Olson expressed how important it is to be careful of who is chosen to be a part of the visiting pool as to not misrepresent the City.

2023 BUDGET PLANNING

Staff is seeking Council feedback on the budget process specifically what worked for 2022 and any additional information needed for 2023. Some examples of options are longer but fewer meetings, monthly special meetings, and/or a Saturday planning session before rolling out the budget. Staff asked for feedback on the effectiveness of its presentations and preliminary levy and truth in taxation.

Although the implementation of OpenGov is going well, the challenge is getting the software up and running for each department.

Mayor Reinke, Council Members Swedberg and Olson all agree this is a much better process than in the past.

Council Member Zabel mentioned that it would be beneficial to have a list of all of the department's specific needs earlier in the budgeting process. City Administrator Volkens replied that the supplemental budget requests would do just that.

Ms. Volkens suggested that sometime be set aside early summer for each department to review their supplemental request with Council Members as a team.

The current challenge is to get the OpenGov product up and running. However, Finance Director Zimmerman is optimistic that the roll out will come soon. There is more work on the back end to be done such as direct integration with our financial system and syncing up.

Fire Chief Wold will be the first department head to learn this software.

2022 DEBT CONSIDERATIONS AND STRATEGY

Finance Director Zimmerman began with the background of his memo. At the December 14, 2021 City Council meeting, several road construction projects were approved in the 2022-2026 Capital Improvement Plan. As part of the planning process, the projects identified in the Council memo were proposed to include the proceeds of debt to finance construction and reconstruction activities.

Traditionally the city annually completes a street reconstruction and overlay project, which is partially funded by the issuance of debt. This year, the City has two other large road projects near the new Willowbrooke development, Ideal Avenue and 40th Street. Bids for the Ideal Avenue project were received and awarded by Washington County (fiscal agent on the project), bids on the 2022 Street Reconstruction Project are scheduled to be opened on April 14th, and the bids on the 40th Street Reconstruction are anticipated to be opened sometime mid-summer. Typically, the city refrains from issuing bonds without opening & awarding bids for the construction portion of projects, but with the volatility of interest rates, the timing of the 40th Street project poses potential interest rate risk; thus, staff is recommending issuing one bond for all three projects in June 2022. If staff were to process two separate debt issuances this year, it is estimated that a \$3M bond, which is the approximate size of the 40th street requirement, would result in nearly \$50,000 of issuance costs. By combing the projects into one debt issuance the City will save staff time and financial resources.

Mayor Reinke stated that the environment we are in with interest rates rising is not conducive to waiting. It is his recommendation to move forward with a single bond for all three projects.

Much discussion occurred with the City Council supporting the Finance Director/City Administrator to fluctuate the amount of issuance up to 10% due to rising costs in the bond issuance.

UTILITY BILLING PAYMENT ELECTRONIC PAYMENT PROCESSING FEES FOLLOW-UP

Finance Director Zimmerman reintroduced this topic as an item that is returning to Council for guidance and a decision as to whether or not the City of Oakdale charges credit card transaction fees back to the utility customer and if so, at what percentage rate. Currently there are fees for emergency medical services, utility, licensing, permits and the software that is used to complete transactions. All transaction fees from the individual card issuers are passed along to the City with no mark up. An annual cost to the City for all fees is \$33,000.

City Administrator Volkers expressed her concern with projecting this expense onto the residents at the same time the City would be requesting a sales tax increase for two Capital projects.

The opinion of Council whether or not fees should be charged back to the utility customer differed. Council Members Ingebrigtson and Zabel felt that fees should be charged back to the utility customer. Council Members Olson and Swedberg along with Mayor Reinke were not in favor of doing that.

COUNCIL TOPICS

Council Member Olson took a moment to remind everyone to have a yearly skin cancer check. She also inquired about employee salaries and whether they were all captured in levy dollars or if some are paid through fees. She wondered which ones are or are not and why would the City charge fees if salaries are paid by the levy.

City Administrator Volkers replied that the City allocates salaries to some of the funds paid by fees, but doesn't charge those same salaries to the levy.

The discussion continued whether it was fair to ask for a levy and charge fees. Discussion occurred with various opinions of the definition of both. Due to the importance of the topic, Council would like more time to discuss if needed. Mayor Reinke asked that the discussion be put on hold and discussed at a later date.

Council Member Swedberg shared that there is some contamination under the paint on the old schoolhouse and therefore it may need to be abated which will cost more than what was estimated for the paint project.

City Administrator Volkers agreed to research costs and bring the findings back to Council for the painting project of the old schoolhouse.

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Ms. Swedberg also wanted to make the Council aware of her concern that Commissions do not have enough participation for quorums. Members of the Economic Development Commission want to have more involvement in decisions that affect the residents.

Mayor Reinke mentioned that Ideal Avenue is under construction with the removal of trees, and the installation of utility lines, gas and power on the Lake Elmo side. We should expect calls from residents about this.

Council Member Zabel shared there was a request from St. Paul realtors to do a fair monthly housing value. The City did do this a few years back and Council Member Zabel thinks we should do this again. Council agreed.

Council Member Ingebrigtson had nothing to report.

ADJOURNMENT

The workshop was adjourned for the Regular City Council meeting at 6:55.

Respectfully submitted,

Katie Robinson
Deputy City Clerk