

**WORKSHOP  
OAKDALE CITY COUNCIL  
May 24, 2022**

The City Council held a workshop on Tuesday, May 24, 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  
Katie Robinson, Deputy City Clerk  
Nick Newton, Police Chief  
Jason Zimmerman, Finance Director  
Jim Romanik, Public Works Manager  
Andrew Gitzlaff, Community Development Director  
Lori Pulkrabek, Communications Manager  
Nick Newton, Chief of Police  
Jim Thompson, City Attorney  
Ryan Stuart, Police Officer  
Kevin Wold, Fire Chief  
Julie Williams, Recreation Superintendent  
Luke McClanahan, City Planner

Brian Bachmeier – Interim Engineer

Public Attendees: Glen Bearth, Interview Candidate for Parks and Recreation Commission  
Allen Dale, Dale Properties

**PARKS AND RECREATION COMMISSION APPOINTMENT INTERVIEW**

Mayor Reinke and all Council Members welcomed Mr. Glen Bearth and gave him the opportunity to share information about himself and why he is interested in the appointment to the Parks and Recreation Commission.

Mr. Bearth is a long-time resident of Oakdale that had retired from 3M Company and Ameriprise, is currently the President of the Maplewood Oakdale Lions Club, a past Commission member of the Washington County Parks and Open Spaces, Oakdale Wellness 50+ team member and Oakdale Discovery Center volunteer.

Mr. Bearth is very familiar with our parks system and has participated in recreation programs for the following parks; Tanners, Walton, Eberle, Eastside and the Oakdale Nature Preserve to name a few. His passion is not only to help others, but also wanting to ensure parks and trails are safe for our current residents and future residents.

He expressed that he would love the opportunity to continue the legacy of his father, Mr. Ted Bearth with public service.

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At the conclusion of the interview (after Mr. Bearth left), there was a brief discussion amongst the Council in regards to Mr. Bearth's qualifications for the position. All members agreed he would be a great addition to the Parks and Recreation Commission. A final decision will be made at the next City Council meeting.

### **COMPREHENSIVE PLAN ECONOMIC DEVELOPMENT CHAPTERS, CONTINUED DISCUSSION**

Community Development Director, Andy Gitzlaff, began his presentation on Charter 7, Economic Development, Goal 2,

There was much discussion in regard to the language of the policies in this goal. The second policy states, "provide business financing options to support the maintenance and upgrading of existing commercial and industrial buildings and increase the sustainability of business operations."

Mr. Gitzlaff recognized that the wording may lead to open interpretation so he provided additional background on some of the things the City has done in the past for financing such as; the Covid loans, building rehabilitation loans as well as Open to Business which is a program ran by Washington County and DEED also has a program that covers expansions of businesses.

Mr. Gitzlaff paused for any feedback from Council. Council Member Zabel stated the challenge in that policy is the word 'provide'. There have been conversations about what that looks like for Oakdale going forward. The question is, does the City want to be in the business of financial lending. Council Member Zabel feels that wording for the policy needs to be reexamined. Mayor Reinke agreed with Council Member Zabel in regard to not being in the business of being a lender, however, to be a conduit of financing options to the provider of other funding sources, makes sense. The City would not be putting up the funding, but directing individuals to other resources.

Council Member Olson asked if we can change the policy to state that we are no longer giving out direct loans, Ms. Volkers replied we put a hold on it when we were short staffed and there still is a hold as we are not fully staffed yet and at some point, the Council will have to make that decision whether to offer funding or not. Mayor Reinke confirmed a formal decision has not been made to change that policy, but we will continue to take a pause and concentrate on current projects.

Mr. Gitzlaff moved on to Policy 3 which states the city partners with DEED (MN Department of Employment and Economic Development) and the Washington County Workforce Center to respond to firm closures or contractions to assist dislocated workers transition to new employment opportunities.

Council Member Zabel asked for clarification on how the city assists with relocating private employees. Mr. Gitzlaff, referred to the Washington County Workforce center resource as they provide types of services and classes.

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Ms. Volkens mentioned that this is a common policy in comp plans and gave the example of Sam's Club. When they closed, they provided that city a whole list of all the employees that were laid off, the city then reached out and gave each of them the resources such as DEED and the local county workforce to assist them in finding new employment. The city was the "conduit" and was there to support those living in the community that were searching for new employment.

Mr. Gitzlaff went on to the Policy 4 which is a plan for the development and integration of transit service, affordable daycare, and housing options that reflect the wages paid by Oakdale businesses and other supports required to ensure the success of business and labor.

Council Member Ingebrigtson said he thinks it's a great idea, however is unsure of how realistic that idea is. Council Member Swedberg agreed and shared that she believes the language should be changed regarding affordable daycare because it is not something the City can control.

Mayor Reinke agreed the language needs to be changed. Mr. Gitzlaff will review it and come back to Council.

Goal 3 states; The local economy and employment base shall be diverse so as to ensure the continued employment for all residents.

Mayor Reinke supports this goal and the policies under it.

Goal 4 states; The number of Oakdale residents who struggle the most in securing employment that provides a minimum standard of living shall be reduced.

The two policies that align this goal are;

To work in partnership with other public and private stake holders to ensure employment opportunities for those with the greatest challenges to securing living wage employment to include, but no limited to unemployment, disabled and those moving toward greater self-sufficiency.

Continue the administration of the Oakdale First policy that requires businesses receiving City financial assistance to give priority to Oakdale residents when hiring especially those who are unemployed moving toward greater self-sufficiency, disabled or those who are otherwise looking for work.

Council Member Zabel explained his belief as to why he believes the second policy is not needed. He stated that given the position employers are currently at with the struggles of attracting and retaining talent is already tough and then having the city 'handcuff' them saying they have to hire a resident even if they are not the most qualified is not in the best interest of the City.

Mayor Reinke clarified for Council Member Zabel that is not what the policy states (as far as not the most qualified). Mr. Gitzlaff had the documentation of the policy and it states that it requires the business to use the Washington County Workforce Center service when filling the new positions and giving priority to hiring first qualified Oakdale residents, then secondarily to qualified Washington County residents. The Council supported taking a closer look at the Oakdale First policy.

### **SUMMERFEST UPDATE**

Several members of the Summerfest Committee were present to give an update on respective activities. There was brief discussion as to how/if the pony vendor was paid by the City in the past, however, Recreation Superintendent, Julie Williams stated we have no confirmed documentation whether or not the vendor was paid or just collected money per ride. Therefore, council has decided to pay for pony rides this year at the rate of \$195.00/hr.

The parade participant number has increased to 47 from 39 signed up by the last workshop discussion, a car has been confirmed for our Grand Marshal to ride in per Council Member Zabel and the OACC Pancake Breakfast is confirmed to be held on Saturday at Guardian Angels church. Council Member Zabel will provide Communications Manager, Lori Pulkrabek with a contact to Hy-Vee to obtain donations. The breakfast cost for the public will be \$5.00. Any money raised beyond their (OACC) cost will be donated to Christian Cupboards.

There is a Summerfest meeting scheduled on May 26, 2022 at which time it will be determined if Bingo will be an available activity. Mayor Reinke mentioned the Maplewood Rotary Club wanted to participate in Summerfest this year, so he will reach out to them to see if they want to host Bingo.

Currently the vendor count is 28, (18 food / 10 non-food).

Council Member Olson will use her truck for Council to participate in the parade.

### **CR14 SANITARY SEWER CAPACITY STUDY**

Interim Engineer, Brian Bachmeier began by sharing the background information on a sewer capacity study that was initiated in March to evaluate impacts due to several high-density developments being considered simultaneously in the Oakdale Station, Oakdale Market Place (east of I-694 and south of CSAH 14), and 4Front Development (east of I-694 & north of CSAH 14) areas.

#### **South of CSAH 14**

The study evaluated both pipe size and lift station capacity as the area is served by the lift station at the corner of Ideal and Stillwater Blvd. Currently the pipe size is sufficient, however the additional density uses up more than half of the reserve capacity of lift station which raises the question of cost recovery as the lift station reconstruction project was more expensive than budgeted. Lake Elmo's share of the lift station is \$450,000 for 300ga/min capacity or \$1500/gal.min capacity. The high-density developments increase the flow to the lift station by 128al/min which results in \$192,000 equivalent charge for 637 residential units or \$300/unit service availability Charge surcharge per resident unit. This would recover about 1/2 of the local cost increase associated w/the bid award to reconstruct the lift station (\$410,000).

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### North of CSAH 14

This part of the study evaluated the capacity of the sanitary sewer pipe that runs from High Point Blvd. to Hadley Avenue. The capacity of the pipes currently matches the projected flow from the area based on the land uses identified in the current comprehensive plan. Any residential development that is not offset by an equivalent reduction will exceed the pipe capacity that serves the area. If such development is pursued that is not offset, the 8" diameter pipe would have to be replaced with 10" diameter pipe. The estimated cost to replace the pipe could exceed \$1,000,000. Dividing the costs to replace the pipe with the total number of residential units results in a \$1600/unit SAC Charge.

The development schedule in the 4Front area is still evolving. This increased the level of uncertainty for the city to recover the costs to install a larger sanitary sewer pipe through a SAC surcharge.

Due to the study information it was recommended that Council advise staff if they support allowing high-density developments in either of these areas.

Council Member Olson asked if the SAC charge would be a one-time charge, and indeed it would be.

Council Member Zabel brought up other financial options such as developers paying upfront, SAC and possible special assessments on streets (10 years) / utilities (20 years).

Mayor Reinke stated that he is not comfortable with the planning process of multi-family areas nor is he in favor of increasing multi-family development in either of the areas (North and South of CSAH 14) and if it does happen, the City should not be at risk for the costs.

Overall, the Council would like to see an overall plan for additional / multi-use development plans for the 4Front development before further considering multi-family housing there.

### **BODY WORN CAMERAS**

Sergeant Ryan Stuart gave a summary of a field test study of four different body worn camera systems. The study was 6 – 8 months long and included 8 officers. The police department has narrowed the considerations down to two systems; Axon and Motorola (WatchGuard), favoring on the side of Motorola.

The Motorola system not only meets the needs for our police department but has a few enhanced features such as; rechargeable batteries, holds 2 – 3 days of video, information can be stored on the cloud and the cost for a 5-year agreement would cost \$279,331 vs Axon's 5-Year agreement at \$447,841. This total would include 14 squad cameras and 36 body worn cameras along with the administration / software fees.

The next steps would be to communicate directly w/our residents it may be an open house or an invite to a City Council meeting, conduct a survey and then a policy would have to be crafted for the public to review. After the public's review, the police department would bring this back to Council

with findings and financial considerations. A couple financial options for funding would be State grants, 2-year forfeiture funds or internal funding through property tax.

Council Member Zabel believes that having an open house for the public would be a great way for the residents to be able to engagement directly with officers and see the equipment. This way officers can answer questions and / or concerns immediately.

Although the 2-year forfeiture financial option was not an ideal method, Mayor Reinke along with Council Members Olson, Swedberg and Ingebrigtsen would support it.

The police departments goal is to development a policy that follows LMC recommendation, implements vendor specific protocol, complete a formal review and present a funding plan to Council in September, 2022.

The police department's desired implementation date of the body worn cameras is the first quarter of 2023.

#### **IDEAL AVENUE FINANCING OPTIONS**

Finance Director, Jason Zimmerman began by reviewing the memo which states that three street projects that were approved in 12/2014 were identified as requiring the use of debt to facilitate the reconstruction as outlined in the CIP. The projects involved are 2022 Street Reconstruction and Overlay, 40<sup>th</sup> Street Reconstruction and Ideal Avenue Reconstruction.

Each of these projects has a least a portion of the cost assessed to the benefiting property owner, per City policy, and will be charged an interest rate of 2 percent (rounded to the nearest ¼ percent) above the city's interest rate established at the time of the bond sale.

The primary risk with a bond that has an assessment tied to it is that it may be prepaid by the property owner to the city at any time while the city has a fixed term that is required to make principal and interest payments. For example; if a parcel that is to be assessed with a repayment term of eight years pays off the principal obligation in three years, the city would need to find external resources to fulfill the interest obligation associated w/the debt for the remaining five years.

Currently the Ideal Avenue project poses the most exposure in regards to interest expense obligation under a traditional bonding structure as it is proposed to be financed 100 percent by assessments.

An alternative option to finance the Ideal Avenue project is internally with use of the Special Project Fund.

Mr. Zimmerman handed out a document that broke down the General Obligation Improvement Bonds, Series 2022A for Ideal Avenue Reconstruction Project over 8 years along with a City of Oakdale Special Project Fund (530) Summary as of May 24, 2022.

As it stands, there is currently \$2,444,530.79 remaining unallocated in the Special Project Fund.

The question for Council is the comfort with the risk that exists w/this project in regards to financing.

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If the city finances internally, we are potentially compromising up to \$600,000 of city cash for a duration up to 8 years. It will be prepaid in portions and the money will be freed up over time if the prepayments are made. The city would realize all the interest and the 2% interest additional as revenue for using our cash up front.

Mayor Reinke is in favor of bond financing, even if early payoff is putting the City at risk for the interest payments. He also brought up the possibility of taking monies out of Special Project Fund and putting it in escrow in case we need it.

Council Member Swedberg asked if it's common that debts are paid off early, and City Administrator Volkens confirmed that it is.

Council Member Olson asked, would raising the percent to 2.25 or 2.5 minimize the risk, Mr. Zimmerman replied yes it would help but current policy states 2% above bond interest rate.

**ADJOURNMENT**

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

**RECONVENE**

The workshop reconvened at 7:25pm to continue discussion on the Comprehensive Plan and Council Topics.

Council Member Zabel asked if the 2021 audit has been finalized and Mr. Zimmerman informed him that we are awaiting the formalized financials.

Mayor Reinke voted for moving forward on typical bond sale rather than set aside a portion of special project fund. All Council Members agree.

**COUNCIL TOPICS**

Council Member Olson – Asked the Council if they would agree to place signs on the trails / sidewalk of Hadley and Helmo Avenues to warn people about asphalt temperatures for pets. City Administrator Volkens is working with Public Works to obtain pricing and will bring it back to council.

All Council members agreed this is a great idea to research and consider.

Council Member Swedberg asked for an update on pricing on the maintenance of the Eder School house. Ms. Volkens stated staff is still gathering the pricing and will bring back to Council when complete.

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Council Member Zabel brought up a few different topics to Council. His first being a confirmation on the Commissions Annual meeting (where all Commissions are together). This typically takes place in April, however it has not been scheduled as of yet. After a brief discussion, City Administrator Volkens will work with Council and coordinate a good date/time for all, possibly in September.

Council Member Zabel also brought up the topic of City employees maintaining private property such as maintaining the lawn at Transfiguration Church. Council Members Zabel's last topic was the issue of paying for Sanitation on school property. It was determined that this all needs to be researched to see if any agreements are in place in regards to these tasks. His last ask was for an update from City Administrator Volkens on the Abelight meeting. Ms. Volkens shared that Washington County, the City of Oakdale and the State met w/Abelite last week and Abelite has decided that they will not proceed w/the project as the primary due to the market rate apartments included in this project which complicates their ability to get financing. They have also had a lot of change w/their mission as to where they want to go as an organization and didn't want to take the risk of the market rate component. They have however committed to look out for other nonprofits or socially conscious for-profit developers that do this kind of work and to help see if there is someone who is willing to jump in and help.

**ADJOURNMENT**

The workshop was adjourned at 8:00pm.

Respectfully submitted,

Katie Robinson  
Deputy City Clerk