City of
ROSEVILLE
Minnesota, USA

Regular City Council Meeting Minutes
City Hall Council Chambers, 2660 Civic Center Drive
Monday, July 17, 2023

1. **Roll Call**
Mayor Roe called the meeting to order at approximately 6:28 p.m. Voting and Seating Order: Etten, Groff, Strahan, Schroeder, and Roe. City Manager Patrick Trudgeon and City Attorney Rachel Tierney were also present.

2. **Pledge of Allegiance**

3. **Approve Agenda**

Groff moved, Strahan seconded, approval of the agenda as presented.

Roll Call
Ayes: Etten, Groff, Strahan, Schroeder, and Roe.
Nays: None.

4. **Public Comment**
Mayor Roe called for public comment by members of the audience on any non-agenda items. No one appeared to speak.

5. **Recognitions, Donations, and Communications**

6. **Items Removed from Consent Agenda**

7. **Business Items**

a. **Receive the Preliminary 2024-2043 Capital Improvement Plan**
Finance Director Michelle Pietrick briefly highlighted this item as detailed in the Request for Council Action and related attachments dated July 17, 2023.

Councilmember Etten explained he asked questions of the City Manager about whether some funds or things within certain funds were factoring increases and other things were not and at a level the Council should agree with staff on one plan and not have both. He thought this should be a starting point in the conversation. He felt that ignoring inflation is like sticking your head in sand. He explained his main inquiries were regarding the inconsistency and use of inflation.

Mayor Roe thought that was a reasonable comment. He wanted to make sure that everyone is on the same page and everything is equitable across all of the categories and funds that are being looked at.

Councilmember Schroeder explained on the list of changes there are a number of them that reflect current costs. She wondered if that is based on inflation or is that actually going out for bids. She asked how it was determined that some of these items on the list were current costs.

Ms. Pietrick explained it is based on what the City is currently paying today or on bids.

Councilmember Groff stated he found that information helpful because when there is actual information, he would like to have a note on that. He noted that when thinking about the inflationary factor, there are many things that are variables and change the further out it goes, and the worse predictions are. One of them, also, on the other side is the valuation of property. He thought the City had to deal with what is real and keep in mind every year that the amount needs to be checked, even maybe a couple times a year.

Mayor Roe thought the preference of the Council was to remain with the current system and make sure everything is consistent. He noted there was a bench handout of one report from the packet where some pages were missing. The Council and the public now has that information.

Mayor Roe asked if the Council wanted to hear about the Fire Department side of the planning, look specifically at that fund, and perhaps also get the information from the Fire Department about the alternative being proposed.

The Council agreed that was a good idea.

Mr. Trudgeon explained the two alternatives are not included in the spreadsheet.

Fire Chief David Brosnahan reviewed the Fire Department fund and alternative plans for the Fire Department with respect to purchasing an electric engine and possibly ambulance type vehicles rather than the current medical response vehicles.

Councilmember Strahan asked if the Fire Department has explored any grant funding for the proposed department vehicles or other options that might exist for offsetting the cost of the EV (electric vehicle).

Assistant Fire Chief Neil Sjostrom explained there have been some grants and the most popular one at this point is the settlement with Volkswagen and the State has been a part of that. The initial grant cycle happened about a year and a half ago and the Fire Department was not eligible based off the current use of the current fleet. There have been some efforts to change the rules surrounding those grants that would make them eligible. The lead time between the time the department agrees to do this and the time the City will actually pay for and receive the truck is anywhere from eighteen to twenty-four months. During that time, whatever efforts the Department can, in partnership with the both the manufacturer and the State MPCA, solicit both grants will be pursued as well.

Councilmember Strahan was curious about what kind of consideration there was in repair of EV engines, as far as mechanics since now, with the traditional diesel engine, the City probably has people internal who are able to do that. She could see where there would be additional maintenance expense in that regard.

Chief Brosnahan explained that differently than their conventional engine, there is a five-year warranty with the company the Department is leaning toward, the Rosenbauer product, which is consistent with what the Department has and is a Minnesota based company. The majority of repairs would have to be sought outside of the Department.

Councilmember Groff wondered how the EV will function in cold weather, twenty below degree days. He indicated a resident was also concerned.

Chief Brosnahan indicated the battery powered fire engines have been tested, mainly in Europe and northern Europe, a similar climate, for the past ten years. The feedback he has received from the vendor is only in situations where, for example, the fire engine is turned off for seventy-two hours would it have a problem where the battery would not operate. He noted the engine is either outside being used or in the Fire Department garage so the battery will warm or cool itself depending on the conditions it is around.

Chief Brosnahan and Assistant Fire Chief Sjostrom reviewed the maintenance costs for EV versus gas engine vehicles.

Councilmember Schroeder asked if the Fire Department has had any input from St. Paul, which has an EV, about these types of vehicles.

Chief Brosnahan explained St. Paul has ordered the vehicle but does not have one yet.

Councilmember Strahan wondered what the resale value would be at the end of an EV life and if there will be adequate time to charge the vehicle in between calls.

Assistant Fire Chief Sjostrom explained it is really hard to determine a resale value because of the specialized market and how every engine in designed for a specific department.

Chief Brosnahan explained he did not have any concerns about being able to keep the vehicle charged in between calls and there is a backup generator that can help power the battery if it were to get down to a certain level, but he did not believe that would be an issue.

Mayor Roe asked if the Council was ready to give some direction to staff as to whether to continue looking at this or does the Council still need to ponder it some more.

The Council Members indicated they would like to have more time.

Councilmember Groff indicated he would like more information, but would tend to go this way because of the reducing the City's carbon footprint. In the long term, he thought this was a better investment and for the environment, the City needed to make some serious changes.

Councilmember Strahan agreed with Councilmember Groff and thought the City needed to work toward an electric fleet.

Mayor Roe thought the technology made sense and with the way things are going, he generally agreed with the idea. He thanked the Fire Department for bringing forward the information.

Mayor Roe suggested the Council move into the more specific fund-by-fund questions or feedback. He noted the first one to discuss is the administrative equipment fund. He asked if the Council had any questions or comments. The only thing he noted was that it seems the City has the potential to reduce the levy on that one by about five thousand dollars a year.

Ms. Pietrick explained staff actually increased the levy that went into this fund in 2023 because it was negative. One of the things staff can look at is reducing the out years. She noted one of the variables is the voting equipment, which is dependent on Ramsey County costs. Staff programmed in an estimate, with a big purchase in 2026.

Ms. Pietrick reviewed the finance account, indicating the only purchases are software. She also reviewed the central services fund with the Council.

Mayor Roe explained the City has a pretty substantial fund balance and he wondered if there was any benefit to using that balance in the near term and just levying what the City needs for the annual costs of those leases.

Ms. Pietrick explained staff can transfer some of the fund balances. She reviewed the Police Department fund with the Council. She noted if Dodge quits making Chargers the City would have to switch to Durangos which would cost more because the equipment is not interchangeable. She also reviewed the Fire Department fund, Public Works, and the Parks and Recreation vehicle fund.

The Council discussed with staff the funds within the Parks and Recreation fund as well as the Golf Course enterprise fund and movement of money between those funds.

Councilmember Schroeder thought it would be nice if the enterprise fund could support its capital, but it cannot at this point.

Ms. Pietrick reviewed the IT fund. She noted staff was going to fold the IT fund into the general fund because it will eventually go away. She also reviewed the general facilities fund and explained staff reduced the levy and are anticipating a State bonding next year for the OVAL project. If the City does not get the funding, the bonding and project will move to another year.

Councilmember Schroeder explained on the general facilities fund, she noticed staff reduced the levy. She reduced the levy even further and it looked like even if more money is taken out of the fund, it would still stay healthy. She asked if staff could look at removing even more in this area to help offset some of the other funds.

Ms. Pietrick thought staff might be able to do that, but noted this is one of the funds where there were not significant changes in the expenses to account for current pricing. Her hope is that departments will take a harder look to see if the numbers are still realistic as a lot of the numbers are still historic. She reviewed the park improvement fund.

Councilmember Schroeder thought there was funding for Emerald Ash Borer (EAB) on the operational side of the budget.

Ms. Pietrick explained there was not any funding for that except for in the park improvement fund.

Parks Director Matt Johnson explained the EAB number the Council is seeing in the CIP, noting when the City went forward with the accelerated EAB program, which was about 1.4 million dollars, it was paid for with a combination of CIP dollars and tree replacement funds. This is a three-year program and was broken out based on tree estimates so the number is a combination of removals and planting from that final year of the accelerated EAB program. He noted there is an allocation within the operating budget for disease and hazardous trees because non-ash trees continue to fall, and the City still has its standard forestry operation.

Ms. Pietrick reviewed the pavement management/street replacement fund and the street light replacement fund with the City Council. She noted the City is coming to an end of the lease contract with Xcel Energy and will need to maintain a larger number of streetlights as a result.

Public Works Director Jesse Freihammer explained the vast majority of streetlights are Xcel owned poles and the City only pays the monthly fee on them. However, the type covered by the expiring leases were generally done in business parks, industrial areas, and a few residential neighborhoods in the 1990s. He explained the City can do leases on them or partial leases, partial payment up front, so the City does have options going forward.

Mayor Roe asked if the City had a levy dollar amount programmed in as a part of the proposals for this fund.

Ms. Pietrick indicated it is one hundred thousand dollars and staff was looking at that going up.

Mayor Roe thought there could be potential for that going down or it may not be going up so much in future years but for now, one hundred thousand dollars is being put in for immediate needs.

Ms. Pietrick indicated that was correct.

Mayor Roe wondered if this would be a candidate for some of the IT reserve funds and or central services reserve funds to help those first few years until staff works through works through the process.

Councilmember Strahan wondered if this also includes a battery backup for the lights that were talked about within the last few months on Snelling at C2 and Lydia.

Mr. Freihammer explained it did not.

Ms. Pietrick reviewed the pathway and parking lot maintenance fund with the Council.

Councilmember Strahan thought the City needed to move toward being more walkable and environmentally friendly for people to get from point A to point B so she would not be in favor of taking the funding away for any new pathways.

Mayor Roe thought the pathway system was managed similar to the roads in terms of a pavement management index and there is a prioritization system.

Ms. Pietrick reviewed the community development vehicle and equipment fund, the water capital fund, sanitary sewer capital fund, and the storm sewer capital fund.

Ms. Pietrick continued to review the golf vehicle and equipment fund, and the recycling fund.

Mayor Roe recapped the discussion and indicated more work is needed to be done by staff and the Council moving forward. He thanked the staff for going through this with the Council.

b. Receive Presentation from Tubman Regarding Request for Financial Assistance

City Manager Patrick Trudgeon briefly highlighted this item as detailed in the Request for Council Action and related attachments dated July 17, 2023.

Ms. Jennifer Dickinson, Director of Legal Services and Ms. Leta Morgan, Ramsey County Legal Advocacy Manager, made a presentation to the City Council.

Councilmember Strahan asked for an estimate on how many hours per week Tubman would dedicate to Roseville.

Ms. Morgan thought it would be forty hours or even more.

Ms. Dickinson explained Ms. Morgan covers Roseville, Vadnais Heights, North St. Paul, and White Bear Township. She explained Maplewood is the busiest city in terms of how many domestic cases, Roseville is second. She indicated when Ms. Morgan is in court for Roseville cases, she is often there for other cities cases as well. She was not sure if it was forty hours but the majority of it is working with Roseville clients.

Councilmember Etten thanked Tubman for all the work being done. He assumed Tubman is going to all cities and asking for some financial assistance using that same kind of ratio, and wondered what kind of revenue Tubman anticipated bringing in if every city said yes.

Ms. Dickinson explained if every city said yes, she would anticipate approximately two hundred thirty thousand to two hundred forty thousand dollars from the cities that have already been approached.

Councilmember Etten indicated the 2022 report states the revenue remained stable, the operating expenses remained stable, he asked what the change was.

Ms. Dickinson explained Tubman recently put in some money for staff incentives, some compensation pieces, to try to retain staff. There have been a lot more costs related to inflation and things like that. She indicated this is her first year doing the budget, so she is getting up-to-speed on all of this. The decision was made that the operating funds Tubman had did not cover or a decision was made that it was to be placed elsewhere and not within the Ramsey County program and that is where the funding was lost.

Mayor Roe asked if the goal of this outreach effort was to get back the one and half positions back into the program and fully fund what happened prior to those changes.

Ms. Dickinson explained she was hoping to replace the one lost position for sure and she did not include any of the numbers of the clients Tubman is not serving.

Councilmember Etten asked what work is happening with Ramsey County to try to recover dollars or what work would Roseville be able to help with in Ramsey County.

Ms. Dickinson explained Ramsey County puts out an RFP every year for advocacy services and Tubman applies for that every year. She noted Ramsey County is pretty tight lipped about their process and where the funding goes but it is her understanding that it has gone to other agencies and a great deal of the money goes to St. Paul Intervention Project, which is the main advocacy agency for the City or St. Paul.

Mayor Roe noted the request was to take this under advisement. There is a budget process the Council is just getting into and the City Manager is going to be recommending his budget. One of the things that he had mentioned in early conversations with Mr. Trudgeon was that the City needed to take a step back from a larger policy perspective because of two things. One is the City does provide some funding now to the Roseville Area Schools Senior Program and has provided funding to Northeast Youth and Family Services for a long time. There is very much a nexus between what they do and what the City does. He thought it was similar to what has been described by Tubman so as the Council is considering this, they should also think about a more general policy because the reality of non-profit funding is that it is harder and harder to find funds, especially for operating costs. In addition, there are a number of non-profits in and around Roseville that may be looking for support. He thought the Council and staff needed to have the general policy discussion about this request as a part of their next couple of months' worth of budget discussions. He noted the Council will not be deciding tonight, but someone will contact Tubman regarding the request.

Councilmember Strahan stated she appreciates their services and it is important for the Council to ask a lot of questions and talk about it because the City did fund some of the smaller non-profits housed within Roseville earlier this year on a one-time basis. So, it is important to understand the City's policy for supporting non-profits because the City has a lot of great organizations that serve in the City.

Mayor Roe thanked Ms. Dickinson and Ms. Morgan for coming to the Council for the request.

c. Discuss Draft Sewer Availability Charge Credit Policy

Community Development Director Janice Gundlach briefly highlighted this item as detailed in the Request for Council Action and related attachments dated July 17, 2023.

Councilmember Etten appreciated staff bringing this back and still thought this was a good program. He thought that bringing the qualifying business revenue level down to five hundred thousand dollars makes sense. When looking at the application, he thought it was great and no real concern for him.

Councilmember Strahan wondered if staff could delineate the five employees and be clearer on four or five FTEs, noting it states five employees and to her this is unclear on how staff numbers those. She would be fine with going to five hundred thousand from one million dollars or maybe seven hundred fifty thousand dollars.

Ms. Gundlach reviewed the policy in the packet and indicated there is a specification of five FTEs. She was also hesitant to offer assistance if it is not needed.

City Engineer Dave Englund reviewed the Sewer Access Charges (SAC) charge determinations that come through his department.

Councilmember Schroeder explained she would be comfortable leaving the revenue at a million dollars because now days that is not a hard number to get to, especially if doing an improvement. Also, this is a very healthy fund and gives staff some leeway on that.

Mayor Roe indicated this will come back to the Council.

8. Council Direction on Councilmember Initiated Agenda Items

9. Approve Minutes

10. Approve Consent Agenda

11. Future Agenda Review, Communications, Reports, and Announcements – Council and City Manager

City Manager Patrick Trudgeon reviewed the July 24, 2023 City Council meeting, August 7, 2023 City Council meeting and the August 21, 2023 City Council meeting.

12. Adjourn

Strahan moved, Etten seconded, adjournment of the meeting at approximately 9:19 p.m.

Roll Call

Ayes: Etten, Groff, Strahan, Schroeder, and Roe.
Nays: None.

Daniel J. Roe, Mayor

ATTEST:

Patrick J. Trudgeon, City Manager