

CITY OF ST. FRANCIS  
CITY COUNCIL AGENDA

St. Francis Area Schools District Office 4115 Ambassador Blvd. NW

November 21, 2022

6:00 p.m.

**1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**

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

**2. ROLL CALL**

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

Also present: City Administrator Kate Thunstrom, Deputy City Administrator/City Clerk Jenni Wida, Community Development Director Colette Baumgardner, Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), Public Works Director Paul Carpenter, Liquor Store Manager John Schmidt, Finance Director Darcy Mulvihill, City Engineer Craig Jochum (Hakanson Associates, Inc.), and Police Chief Todd Schwieger.

**APPROVAL OF AGENDA**

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

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

Nays: None

Motion carries: 5-0

**3. CONSENT AGENDA**

A. City Council Minutes - November 7, 2022

B. LESO 1033 Program

C. Public Safety Project Legislation Renewal

Resolution 2022-60 - Support of Anoka County Joint Law Enforcement

Council's Renewal of Legislation for Future Public Safety Projects

D. Siwek Park Improvements – Pay Estimate no. 4

E. 2020 Street Reconstruction and Watermain Improvement Project – Final Payment

F. 2021 Street Rehabilitation Project – Final Payment

G. Poppy Street and 229th Lane Reconstruction Project – Pay Estimate No. 3

H. CIP Software

I. Appointment of Brent Wentworth and Zach Goers to the position of Lieutenant-Fire Department

J. Notice of Funding Restriction for Siwek Park Property

K. Gambling Permit – St. Francis Athletics Booster Club

#### L. Payment of Claims

MOTION BY: ROBINSON SECOND: BAUER APPROVING THE REGULAR CITY COUNCIL CONSENT AGENDA

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

Nays: None

Motion carries: 5-0

#### **4. MEETING OPEN TO THE PUBLIC**

Mark, a resident from St. Francis came forward and shared he received his tax statement and the section in regard to the City budget shows the City's increase in revenue being significantly higher than the increase in expenses. He shared his frustration with this and shared it looks bad to the public.

Mayor Feldman thanked Mark for bringing this forward and stated that the portion of the property tax information sheet is new and does not give an itemized list of this expenses and what is seen is only a portion of the expenses. He shared that the public hearing on taxation will be held on December 5, 2022. He stated this Council is open and transparent and his happy to answer any questions. He stated he does not like the way the County does not have a fully itemized list to show the actual numbers. Finance Director Darcy Muvihill added that the levy was raised to help fund the debt service on the new building and the debt has not sold yet so this is not included on the tax statement. Mayor Feldman shared the differences on his 2022 to 2023 tax statements. He encouraged anyone with questions to call Muvihill or any member of Staff.

Weston Rolf of the Oak Grove City Council came forward and shared he will be the next Mayor of Oak Grove. He stated that he is aware that St. Francis and Oak Grove have had their differences from time to time, but he would like to leave those differences in the past and move forward with St. Francis for the good of each city.

Mayor Feldman congratulated Rolf on his new position and agreed that he would like to move forward and leave the past behind. He stated how much of a tool joint power agreements can be between the cities for the benefit of both sister cities. He is very optimistic about the future of the cities. Rolf added he hopes to keep the line of communication open between the cities.

Robinson congratulated Rolf on winning the election and thanked him for coming to the meeting.

Muehlbauer thanked Rolf for coming and shared he hopes the disdain between the cities is over.

Bauer welcomed Rolf and hopes the past is in the past between the two cities.

Udvig congratulated Rolf and shared she looks forward to working with him and his new councilmembers.

Mayor Feldman stated that Poppy Street is almost complete and is just waiting on some sod, seeding and sprinkler systems. He shared a note from a resident that thanked the Council for their thoughtfulness of getting new utilities and black top on Poppy Street as well as making this road safe. He stated his goal, and the goal of the Council is to make the residents' life better.

## **5. SPECIAL BUSINESS**

## **6. PUBLIC HEARINGS**

### **A. Poppy Street and 229th Lane Reconstruction Project – Hearing on Proposed Assessment Resolution 2022-61 Adopting Assessments for the Poppy Street and 229th Lane Reconstruction Project**

City Engineer Craig Jochum reviewed the Staff report and gave a summary of the project.

Mayor Feldman opened the Public Hearing 6:17 p.m.

Theresia Renner, 22940 Poppy St - came forward and asked if this can be paid off in a shorter amount of time than 15 years. Jochum stated it can be paid off by November 15th of the given year or interest will be charged for the preceding year. He stated a partial payment can be made in the first 30 days and after that it can only be paid in full. Mulvihill stated the breakdown of payments is in the packet. She added the amount on the tax statement will be split in two. The resident stated the home next door to her is being sold and the lender and the underwriter wanted to know what that person's taxes are. Mulvihill stated that taxes can be found online with a parcel ID number, or they can contact the City.

Mayor Feldman asked when the amount in full could be paid off. Muvihill stated that would be allowed 30 days from now, December 20, 2022. She reiterated that prepayments can only be taken until November 15th of the given year to avoid paying interest for the coming year. Mayor Feldman stated the 2.2% interest rate is great for the amount of work that was done, and the improvements made.

Muehlbauer told the resident to encourage her neighbors to call or stop by City Hall for help.

Steve Ortell, 839 235th Avenue, East Bethel, came forward and asked when this could be paid off. Muehlbauer stated it is 30 days from tonight.

Mayor Feldman closed the Public Hearing at 6:27 p.m.

**MOTION BY: MUEHLBAUER SECOND: ROBINSON ADOPTING RESOLUTION 2022-61 ADOPTING ASSESSMENTS FOR THE POPPY STREET AND 229TH**

## LANE RECONSTRUCTION PROJECT.

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

Nays: None

Motion carries: 5-0

### 7. **OLD BUSINESS**

#### A. Weber, Inc. Payment

Mayor Feldman reviewed the Staff report and shared updates on the payments. He read an email he received from Weber concerning them losing money on this project. He stated that their losing money on the project was not a problem of the City as the City paid the costs that were bid out. He explained the breakdown of the costs, starting with the low quality threshold that was installed that did not last. He stated a new threshold was ordered which was the wrong size and could not be returned and this was a cost to the City for their mistake. He also discussed the difference in agreed upon price of the ceramic tile flooring and the lumber that was left outside in the elements that warped and became unreturnable and unusable. He stated that they were charged more for lumber than the amount of lumber used and Weber still came back and tried to get them to pay more. He shared he told Weber that the City will pay the amount it owes not one penny more or less and the City does not owe the amounts due made by errors from the project manager. He added that he was at the project every day for months and will not stand the City being ripped off by a company that is incapable of handling the job. He shared everything had been brought to code in this project, which was the hardest part of the project. He asked Council to approve the payment of \$4,185.17 with \$209.26 being withheld in retainage which is 5% of the amount.

Muehlbauer asked if this would end up costing more in lawyer and legal fees and if it would be cheaper to pay the extra \$943.03. Mayor Feldman said he agrees but Weber has had multiple lawsuits against them. Assistant City Attorney Dave Schaps asked to keep the discussion on what is being asked of Council which is to approve the payment for \$4,185.17 and the rest can be discussed later. Muehlbauer stated his support in approving the amount of \$4,185.17.

Mayor Feldman shared that he was asked why he did not come forward with change orders and this is due to dealing with this company. He stated that Miles wrote an AIA contract without mediation or court, he wrote in only arbitration. He cannot justify paying the extra amount to Weber that the City does not owe.

Robinson stated that with a Public Works Director who was missing in action who could have done this and not put this headache on Mayor Feldman. He added he cannot even fathom the amount of legal time already spent and City employee time spent. He said this project started off on the wrong foot and Mayor Feldman took this project under his wing and saved the City lots of money. He added that if it is only just over \$900 versus the amount in legal fees, he thinks it should be paid.

Bauer agreed with Robinson that \$943.03 is not worth \$10,000 in legal fees.

Udvig asked Schaps if Council does not approve this what happens. Schaps stated that if Council wants to approve a different amount they would need a motion and a second to approve a different amount.

Mayor Feldman shared he is not surprised by Council's response. He stated there was a time when he was questioned for not bringing change orders and he did this job and charged the City nothing to do this job. He said it was a \$70,000 job that he charged nothing for so that he can prove to the residents that when the City Hall Fire Station is being built they will have confidence in the City. He stated he will not vote for paying the full amount that Weber is requesting as he was there when Council was not. He said Council will have to explain to the people what their thinking is.

MOTION BY: MUEHLBAUER SECOND: ROBINSON APPROVING PAYMENT OF \$4,871.79 ON CHANGE ORDER #005.

Ayes: Udvig, Robinson, Bauer, and Muehlbauer.

Nays: Feldman

Motion carries: 4-1

## **8. NEW BUSINESS**

### **A. Fee Schedule Amendments**

City Administrator Kate Thunstrom reviewed the Staff report on amending the fee schedule. She was happy to answer any questions.

Mayor Feldman wanted to bring food trucks to Council's attention. He stated he has had a lot of difficulty in the past years getting food trucks out due to the fees, even though they are lower than other cities. He shared he has received lots of complaints from vendors concerning these fees. He stated he is for not even charging these vendors because getting the food trucks in the City is something the public wants and enjoys. He wanted to bring this to a work session and have some vendors come in to discuss with the Council. He believes that the vendors should still provide their general liability insurance coverage and fill out an application. He does not see what the fee really does for the City. Thunstrom stated the fees being charged are to provide for Staff time, investigation time, and processing time for the application. She stated this fee is one of the lowest fees the City charges and if they will not charge it then the City will be subsidizing all of the work for the food trucks by offered the vendors the benefit of free Staff time. Mayor Feldman reiterated that he has experienced difficulty in the last two years getting food trucks to come to the City.

Muehlbauer added that by not charging a fee it would disrespect those businesses who have established themselves in brick and mortar stores. He shared the situation last year when there were residents upset on social media that there was

a taco truck across from an established taco restaurant. Mayor Feldman shared that the only reason there were four food trucks at National Night Out was because there was a promotion. He said that with the lower population of St. Francis, these vendors are likely to go to bigger cities.

Robinson asked for clarification on what the vacant building fee is and why it was raised. Thunstrom stated the vacant fees were put in place in 2014 after the foreclosure crisis due to many properties sitting boarded up. She said the fee encourages getting these houses back in line. Community Development Director Colette Baumgardner explained the increase is due to Staff's thoughts that the current amounts that are charged were not covering the social costs associated with a vacant building being in the City. She stated it is the same price for residential and commercial buildings. Robinson asked if there is a routine for Police or Fire to check in on these properties. Baumgardner said the list is shared with the Police team but she is not sure if there is a routine. Police Chief Todd Schwieger added there is not a formal procedure in place for checking in on these properties but the department is aware where they are located.

Robinson asked about the increase in non-profit organization fee for the ballpark from no fee to \$150. Thunstrom explained that this fee is put in place to cover Staff time taken to maintain the fields. Robinson asked if Thunstrom foresees any push back on this increase. Thunstrom stated that this is an annual fee and it used to be charged in previous years as well.

Robinson asked about the increase in the park dedication fee. He stated that with the economy the way it is, the increase is going to be unpalatable to some developers. He shared he called around to neighboring cities to gather their numbers for park dedication fees. Baumgardner stated this fee should not be set too high that it scares away developers but it should also be set at an amount that does accommodate for new and expected use and growth of the City parks. She stated that earlier in the year there was a park plan assembled that put together a structure of all of the park that would be needed moving into 2040 and broke out what the projected cost would be just due to new growth. She stated these fees can only be used for new improvements to parks, not park maintenance. She added that new investment in parks attributed to new growth expected in the City would total around \$11,000,000 and the current fees being charged would fall short of that now. She said this could be talked about further at a future meeting with City Planner Beth Richmond. She explained the three tiered approach to this. She gave examples from other surrounding cities fees. Mayor Feldman again stated that these other cities are significantly larger than St. Francis and they have more lots available. Thunstrom added that this is not accounting for what is developed but the charges that are put on what will be developed.

Mayor Feldman explained that these developers want to make a profit and if they can make more of a profit with a lower park dedication fee in other cities they will go there. He said if these fees are too high the developers will move on to other

cities. He thinks the numbers could be better as the upside of the economy comes back. He said they do not want to turn away development in the City and these numbers can do that. He added this may not be the right time to raise these rates.

Muehlbauer asked why there was an increase in escrow for driveways. Thunstrom explained that these escrow amounts act as an insurance on policy on if the City then must do the work itself. She stated the increase is partially due to inflation.

Bauer stated he agrees with Mayor Feldman and Robinson on the park dedication fee that it may not be the best time to increase the rates. He asked if a food truck wanted to come into the City for a day if it would have to prove its license for a year. Thunstrom stated that is correct. Bauer suggested charging \$15 for a year for these permits. He stated he is slightly discombobulated with the ballpark fee for nonprofits versus outside organizations and stated he thinks the fee should be the same for all.

Muehlbauer added to the food truck situation and asked if a vendor pays for a whole year if that means they can operate every day or if they have to use more Staff time every time they want to be in the City. Wida stated the yearly permit is for the year, but the vendor must come in for a new permit if they are switching locations and the permit has to be signed off on by Public Safety. Mayor Feldman suggested leaving this as it is right now and in the spring this can be brought to a work session with food vendors present to discuss.

Bauer asked if everything is kept the same and this is approved, would the park dedication stay the same or would they make any changes. Thunstrom stated this is a first reading so if there is something that needs to be adjusted, it needs to be done before this is brought back in two weeks.

Thunstrom clarified Bauer's concern of the non-profit fees for the ballpark by saying that nonprofits are charged \$150 for a year whereas outside organizations are charged \$100 per night for the season. She stated she would have concerns not adjusting the park dedication fee at all as a \$21,000,000 concept idea was just approved for the future of the parks. She stated she would like to see some sort of increase, even if it was not the whole amount proposed. Mayor Feldman suggested a phase in plan. He understands needing to raise it, but with raising it there is a possibility it could scare developers away. He stated he is a firm believer that a development should not just be utilities, it should also be things like internet, but developers do not do this because they do not want to pick up the cost. He worries that if the fee jumps to \$3,500 and developers see that they will be scared off and there would be no money in the park fund at all.

Thunstrom added that a majority of the park fund was spent at Siwek Park. She stated that since these funds are for new improvements only this is leverage for grants for building and the park dedication was used as a match for the grant money from the State. Mayor Feldman asked if the fee would have been \$3,500

when Rivers Edge was doing the park would the developer have paid this amount. Thunstrom believes they would have.

Baumgardner recommended making the change from per lot to per unit, regardless of the fee amount. She used the example of an apartment. Robinson stated this is what the city of Elk River does. Mayor Feldman asked how this would affect the Bluffs of Rum River. Baumgardner stated there is not a development agreement set with the Bluffs of Rum River, so they would be incorporated into the updated fees schedule. Mayor Feldman asked to clarify that it would be an increase of \$1,000 per unit for the over 300 units at the Bluffs of Rum River. Baumgardner said that was correct. Muehlbauer suggested the developer could adjust the price of the homes accordingly. Mayor Feldman explained that the developer will pass his costs on to the builder, who will pass the costs on to the buyer of the home. He said the buyer is going to end up paying for this in the long run.

Muehlbauer expressed his concern with how much Siwek cost and took out of the park dedication fund. He stated the funds need to be there if they want further growth in other parks. Mayor Feldman again suggested a phase in plan by first increasing the park dedication fee by \$500 and if the County bounces back the other \$500 can be added on. He said the decision on this right now is not set in stone for the future, it can be changed and discussed again. Thunstrom stated these fees are brought to the City this time every year and they will be opened up mid-year to account for changes in the code, but overall they will be discussed again.

Udvig agreed with Thunstrom on starting with a smaller increase on the park dedication fees. She explained that these funds are needed and these increases are inevitable in order to keep up with the parks. She does not see the \$1,000 increase as a huge increase. She stated that if the City wants to provide the services to the park, the City needs to charge what is going to be the cost to build them. Mayor Feldman added that he has seen research that in the State one of the main things that hold up development are city's policies, permits and charges. He again suggested the phase in plan to be reevaluated with the economy turns up.

Robinson shared he would like to see a work session for the higher density situations and a formula for what is charged in park dedication. He stated he would like to see the Council per diems brought down to \$25 and \$50 as opposed to \$35 and \$75. He stated in his opinion Council are public servants and would like to see this brought down.

Mayor Feldman asked for an explanation of the thumb drive fee. Wida stated that the file is put on a thumb drive provided by the City and given to the consumer so the fee is for the cost of the thumb drive.

Mayor Feldman asked about the delinquent fees that were marked out on the fee schedule. Wida stated there was no change in this and it was just a spacing issue.



He asked about the delinquency fee change from the lesser of 10% or \$75 to just 10%. Mulvihill said yes.

Bauer stated he has just started taking the Council per diems since the work sessions are very lengthy and he heard a Councilmember say that they have not received a pay raise in six years. He stated he does not want a pay raise, but there are dollars out there that account for those extra hours. He stated he is not for reducing the per diems but if it were to ever come to the Council to raise the pay rate, he would not be in support as there are dollars in the fee schedule for this already. He added he does agree with raising the park dedication fees after hearing what Udvig had to say. He stated that residents are going to be happy about the parks and if the park dedication is lowered and in return taxes are raised to pay for the parks the residents would not be happy.

Udvig shared she thinks the Council per diems should stay where they are and the people who want to take the funds can take it and vice versa. She said the City Council is not looking to give themselves a raise. She asked if this is in line with other cities per diems. Thunstrom said yes.

Mayor Feldman stated the City is between a rock and a hard place with development. He stated that residents do not see the park dedication fee because they just see the price of the house. He added that things are changing and there is no easy solution. In regard to the per diem, he stated that this Council does a lot of work and is due a raise, but timing is everything and now is not the time for that. He stated he would rather see an increase in wages rather than an increase in per diems. He reiterated that he would like to see the park dedication fees be phased in and warned of scaring away developers.

Bauer added when there is a fee schedule to pay the Council what they should be paid it does not make sense to raise the rate when there is money out there for the Council's time. Mayor Feldman stated it is up to each Councilmember to decide if they want to take the per diem and he is not for it.

MOTION BY: MUEHLBAUER SECOND: UDVIG APPROVING THE FIRST READING OF THE ORDINANCE WITH THE EXCEPTION OF THE PARK DEDICATION FEE SECTION

A roll call vote was performed:

Councilmember Muehlbauer	aye
Councilmember Robinson	aye
Councilmember Bauer	aye
Councilmember Udvig	aye
Mayor Feldman	aye

Motion carried 5-0

**B. Geotechnical Evaluation**

Thunstrom reviewed the Staff report and the results of the geotechnical evaluations conducted for the City Hall Fire Station site. She shared that Chosen Valley had the lowest proposed amount and also turned the report around the quickest. She was happy to answer any questions.

Mayor Feldman explained that the soil evaluations are important since not much is known about the soil at this site. He asked when the work is going to be done and if they will have to drill through the slab into the ground to get to the soil below the existing building. Thunstrom stated this is needed for design so the evaluation will be done soon. She added that it is up to Chosen Valley how they get the soil they need.

Udvig shares she thinks they need to move ahead with this.

Bauer asked if there are any concerns with Chosen Valley being able to do the job since their price is significantly lower than others. Thunstrom stated that Chosen Valley comes in lower than competitors regularly.

Muehlbauer said Chosen Valley seems like a no brainer and likes the accelerated timeline to get things ready for this project.

Robinson says he has no problem with moving forward with Chosen Valley.

MOTION BY: UDVIG SECOND: BAUER APPROVING THE GEOTECHNICAL EVALUATION AND CHOOSING CHOSEN VALLEY FOR \$6,080.

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

Nays: None.

Motion carries: 5-0

**9. MEETING OPEN TO THE PUBLIC – NONE****10. REPORTS - NONE****11. COUNCIL MEMBER REPORTS**

Robinson shared he attended the last planning and zoning meeting and two new members were introduced. He said he went on a tour of the city of Newport's new fire station to get some ideas and inspiration for the new City Hall Fire Station.

Udvig stated she attended the Turkey Bowling and Bingo on Saturday and it was a well-attended event by the community. She reminded residents that the St. Francis community tree lighting will be on Wednesday, November 30th 2022 at Woodbury Park.

Bauer added that he was also at the Turkey Bowling and Bingo event and many St. Francis businesses were sponsors of this event.

Muehlbauer wanted to recognize the Winning with Cops program and encouraged Council to attend these events. He encouraged residents to like the Facebook page dedicated to the Winning with Cops program.

Mayor Feldman again mentioned the thank you card he received that he read to Council at the beginning of the meeting. He said it is nice to have someone acknowledge all the work that went into Poppy Street. He wanted to thank Deputy City Administrator/City Clerk Jenni Wida and the staff of judges for the exceptional job on the election, which had the highest midterm turnout. He also wanted to thank Public Works Director Paul Carpenter for his work on Siwek Park. Feldman added that Thunstrom also found the grant money to help pay for the park. He wished everyone a happy and safe Thanksgiving. He thanked Staff for all the work they put in throughout the year. He thanked the public for coming out and voting. He stated this Council is a platform for transparency and is happy to answer any questions. He thanked Jochum for the work done on Poppy Street.

## **12. UPCOMING EVENTS**

November 21 - City Council Meeting

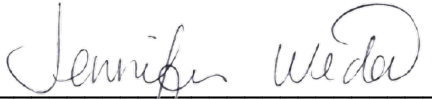
November 24 - City Offices Closed for Thanksgiving Holiday

December 5 - City Council Meeting

December 14 - Open House City Hall & Fire Station (4:00 pm - 8:00 pm)

## **14. ADJOURNMENT**

There being no further business, Mayor Feldman adjourned the regular City Council at 7:56 p.m.

  
\_\_\_\_\_  
Jennifer Wida, City Clerk