

**WORKSHOP MINUTES
OAKDALE CITY COUNCIL
MAY 9, 2023**

The City Council held a workshop on Tuesday, May 9, 2023 at Oakdale City Hall, 1584 Hadley Avenue North, Oakdale, Minnesota. The meeting began at 5:00 PM.

Present: Mayor Kevin Zabel

Council Members: Noah Her
Jake Ingebrigtsen
Andy Morcomb
Susan Olson

City Staff Members: Christina Volkers, City Administrator
Sara Ludwig, City Clerk
Jesse Farrell, City Engineer
Andrew Gitzlaff, Community Development Director
Luke McClanahan, City Planner
Nick Newton, Police Chief
Lori Pulkrabek, Communications Manager
Jim Romanik, Public Works Manager
Kevin Wold, Fire Chief
Jason Zimmerman, Finance Director

Others Present: Alex Bisanz, Director of Acquisitions for Real Estate Equities
Mario Cocchiarella, CEO and Owner of Maplewood Development

REAL ESTATE EQUITIES – WILLOWBROOKE SITE – CONCEPT PLAN

Mayor Zabel began by stating that the conduit debt bond financing question has been asked and answered by staff, and stated that the conversation should solely revolve around the land use and zoning question presented in the memo.

City Planner Luke McClanahan gave a brief background of the subject property. He reviewed the necessary land use approvals if the development was to move forward as proposed.

Alex Bisanz, Director of Acquisitions for Real Estate Equities, presented about the history of the company, reviewed interior and exterior examples of past projects, along with the preliminary concept plan and parking specifications, and proposed unit and community amenities. He discussed the affordability requirements, income levels, and occupation types that would likely be served by this development.

Mr. McClanahan clarified that there may be additional PUD deviations based on the architectural and landscaping plans that have not yet been provided.

Council Member Ingebrigtsen expressed concern with the number of units proposed for this site, and was overall not supportive of the development as presented.

Mayor Zabel was comfortable with the number of units and open to multi-housing development at this site, however he explained that he is not supportive of the current financing model as presented.

Mario Cocchiarella, CEO and Owner of Maplewood Development, Inc. offered his support for the Bisanz family and Real Estate Equities. He encouraged the Council to think about the financial proposal and possibly reconsider their position.

MINNESOTA LAW ENFORCEMENT SUPPORT OFFICE (MN-LESO) PROGRAM

Police Chief Nick Newton began by noting this topic can be controversial, but that the intent of the Oakdale Police Department is to be part of the Minnesota Law Enforcement Support Office (MN-LESO) program is to give officers who serve in special units the specialized equipment they need when responding to public safety issues in Washington County. He added that the equipment secured through this program will not be used for daily operations.

Mayor Zabel expressed support and asked about the City's responsibility for personnel who are participating in Washington County's SWAT program, Chief Newton explained that it is like a mutual aid understanding with each entity contributing their fair share.

Council Member Ingebrigtsen was fully supportive of staff's recommendation to participate in this program.

Council Member Her was also supportive and asked a couple clarifying questions about what the City provides versus what the County provides for Oakdale police officers to participate in the Washington County SWAT program.

City Administrator Chris Volkens stated that the Oakdale Police Department volunteers to be part of the Washington County SWAT program as the City sees value in being part of this team.

In response to Council Member Olson's question about a shared fund for this program that can be used for purchases, Chief Newton said that cities pay a percentage into the fund that is based on the number of personnel in the Police Department.

Council Member Her asked about the relationship with the Washington County SWAT program. Chief Newton stated that the program has increased collaboration among neighboring departments and helped align policies and procedures.

Council Member Morcomb expressed his support for participation in this program.

In response to Mayor Zabel's question about the availability of obtaining surplus Department of Defense property, Chief Newton said that it is available throughout the year.

Chief Newton added that there will need to be policy revisions and/or additions to address the tight regulations and protocols around the storage and use of this equipment.

In summary, all were supportive of proceeding with the donation.

ELECTRIC & GAS FRANCHISE AGREEMENTS AND FEES

Finance Director Jason Zimmerman provided a brief background of the four separate franchise agreements that are currently in effect for natural gas and electric utility distribution, each of which has a 20-year term. Of the four agreements, three will need to be updated and renegotiated this year. He stated that although the terms of the franchise agreements are separate ordinances from those that determine the amounts of the franchise fees, it provides an opportunity for Council to reassess these charges, which have remained relatively unchanged since 2010. Mr. Zimmerman noted that total annual revenues from these franchise fees are approximately \$500,000 per year, based on the terms of the current agreements. He asked the Council for their direction on the franchise fee rate structure for both natural gas and electric utilities. Ms. Volkens added that setting parameters for staff will assist with the discussions for updating the fees.

Mayor Zabel suggested moving to a percentage-based model because it is based on consumption and therefore is more equitable. Council Member Olson agreed that consumption-based is the fairest fee structure model, but was opposed to raising the rates overall.

Mr. Zimmerman noted that less communities charge a gas franchise fee versus an electric franchise fee. He also pointed out that the Oakdale commercial accounts have a much lower rate than comparable accounts in neighboring cities. If Council were to move to a percentage-based model, these customers may push back given that their rates will likely increase significantly. He suggested setting a future date for these franchise fee ordinances to go into effect to allow for these conversations to take place.

Mayor Zabel shared that neighboring cities dedicate franchise fees to certain projects such as their yearly street improvement project.

Council Member Morcomb would feel more comfortable if future increased fees are done in a way that is more visible to the general public, i.e. raising property taxes versus franchise fees.

In response to Council Member Morcomb's question about how much revenue a four percent increase in franchise fee would yield, Mr. Zimmerman said calculations have not been completed yet. He added that franchise fees do not keep up with inflation and suggested that these be revisited every few years.

Council Member Morcomb requested more data on what certain percentage fee increases would yield in revenue before making a decision on updated/increased franchise fees. Mr. Zimmerman noted that it might be a challenge to go from a flat fee to a percentage-based model without a target for revenue.

Mayor Zabel recapped that the Council would like more information especially in relation to switching to a percentage-based model.

In response to Council Member Her's question about the ability to review and modify franchise fees, Mr. Zimmerman stated that the franchise fees do not have an expiration date so they can be revisited as desired.

In response to Ms. Volk's question about a public hearing, Mr. Zimmerman noted that a public hearing is not required by law, but can be held if desired.

Mr. Zimmerman concluded that the new franchise agreements must be in place by October 2023, and that even though the franchise fees do not have an expiration date it is a good time to review those and request any changes, especially as staff continue to have the annual budget discussions.

ADMINISTRATOR UPDATE

Ms. Volk's reminded the group that there are a few events throughout the year in which Council presence is anticipated. She mentioned the Arbor Day Tree Giveaway, the Jane Klein Memorial Spring Planting event, and Summerfest, specifically the parade on Thursday night, the fireworks on Saturday night, and the community picnic lunch on Sunday.

Ms. Volk's said she will send out information about the City apparel webstore to the Council.

Lastly, Ms. Volk's mentioned the Landscape Revival event taking place June 3rd at the North Fire Station. She added that this is not a City-sponsored event.

COUNCIL TOPICS

Council Member Morcomb stated that he is interested in taking a tour of the water treatment facility and asked if any other council member would like to join him. Other interested Council Members were directed to notify Ms. Volk's so she could set up a tour, and post notice of a quorum if necessary.

Council Member Morcomb mentioned that he has a meeting with Kevin Corbid, Washington County Administrator, and Stan Karwoski, Washington County Commissioner, to learn more about how financing and budgeting work at the County and how it interacts with the City. He noted that he is not attending as a representative of the City.

Council Member Her stated that last week he attended his first Economic Development Commission meeting and his first Oakdale Area Chamber of Commerce meeting. It was his first time at the 4Front Technology & Office Campus.

Mayor Zabel requested that Ms. Volkens reach out to Michael Larson to set up a tour with Council of the 4Front Technology & Office Campus.

Mayor Zabel noted that he recently attended a mediation relating to the White Bear Lake water lawsuit with ten other cities and the Department of Natural Resources as a fill in for Ms. Volkens due to her vacation.

Mayor Zabel provided an update on the formal request of Independent School District (ISD) 622 for two School Resource Officers. Discussion ensued about how to proceed with the matter to ensure that the City is doing its due diligence as discussions with ISD622 are ongoing. Council Members Her and Morcomb showed an interest in attending the School Board meeting on May 16th.

Mayor Zabel provided an update on efforts to partner with Washington County to provide a social worker in the Police Department. He said a discussion will be had between Mayors of neighboring cities in the next couple weeks to determine how to approach Washington County together about this needed resource. Council Member Her added that in talking with an Oakdale resident who serves on the Canvas Health Board, Canvas Health is partnering with Stillwater Police Department on a program to address mental health issues, and because of its success they are looking to expand it. He offered to share more details about the program with the Council.

Mayor Zabel brought up changing how the minutes are recorded to a style that more closely aligns with the guidance per his reading of Robert's Rules of Order which is referenced as the governing style in Section 2-26 of the City Code. He suggested that the minutes only record Council action versus being a transcript of the discussion.

Council Member Olson expressed her desire to have a discussion before changing anything about the recording of the minutes.

Council Member Morcomb stated that if a statement is requested to be put on the record, it should be accommodated for transparency for the public.

Council Member Her suggested that a council member could explicitly request a statement be included in the minutes to assist staff in capturing the desired record.

Ms. Volkens stated she will look at the League of Minnesota Cities' guidance on this topic and speak to Attorney Thomson about how to accommodate a Council Member's requests for comments on the record. She said this can be brought back to a future workshop for discussion.

Mayor Zabel noted that he attended the Regional Council of Mayors' meeting and will send the slides to Ms. Volkens for dissemination.

Discussion was had about equal distribution of information among the Council so each member is able to make an informed decision about City matters.

ADJOURNMENT

The workshop was adjourned at 6:48 PM.

Respectfully submitted,

Sara Ludwig, City Clerk