

**City of West St. Paul
Open Council Work Session Minutes
April 8, 2019**

1. Roll Call

Mayor Napier called the meeting to order at 5:00 p.m.

Present: Mayor Dave Napier
Councilmembers Wendy Berry, Lisa Eng-Sarne, Anthony Fernandez,
John Justen, Bob Pace and Dick Vitelli (arrived at 5:04 p.m.)

Absent: None

Also Present: City Manager Ryan Schroeder
City Attorney Kori Land
Police Chief Manila Shaver
Fire Chief Mark Juelfs
Asst. City Manager/HR Director Sherrie Le
Finance Director Char Stark
Parks & Public Works Director/City Engineer Ross Beckwith
Community Development Director Jim Hartshorn
Asst. Community Development Director Ben Boike
City Clerk Shirley Buecksler

2. Review and Approve the OCWS Agenda

Council approved the OCWS agenda, as presented.

3. Review the Regular Meeting Consent Agenda

Council approved the Regular Meeting Consent Agenda, as presented.

4. Agenda Item(s)

A. Code Enforcement Procedure Review

Assistant Community Development Director Boike said Staff drafted a spreadsheet for Council to outline common code enforcement violations, including compliance timelines, tools used for non-compliance, citation frequency and citation amounts. Boike said that Staff utilizes two primary methods in dealing with non-compliance:

1. Abatement - Several violation types are remedied through the use of abatement. If compliance is not met within the allotted compliance timeline, the City hires a company to do the work to bring the violation into compliance. If the charges to complete the work are unpaid by the property owner (city sends an invoice) the charges are then assessed to the property owner through their property taxes.

Examples include long grass and weeds, snow and ice removal, and graffiti. The Council typically holds an assessment hearing twice a year to approve all outstanding assessments.

2. Citations - For all other violations, the city issues administrative citations. Most fines start at \$200 and for each subsequent citation (if violation continues), the fine doubles up to a maximum fine of \$2,000. If the violator feels that a citation is unjustified, an appeal process is an option. All appeals are reviewed by an administrative law judge in St. Paul. Staff typically attends a handful of hearings annually. The City has not lost a case since adopting the administrative citation process over 10 years ago.

The abatement process is the preferred option as it is timely and the city receives an administrative fee for processing the invoice (helps cover staff time). The complaining party is generally also happy because the issue is resolved quickly. However, the use of abatement is not feasible for all code enforcement violations. As a result, if the violation cannot be remedied through abatement, the city issues an administrative citation.

For the majority of cases, the issuance of an administrative citation typically leads to compliance due to the fine. In fact, if the property owner is cooperative after receiving the citation, Staff sometimes uses the citation as a negotiating tool to gain compliance by either reducing the fine or even waiving the fine. However, it is not uncommon to have a property owner completely ignore compliance letters and citations. We have had several violators fined upwards of \$30,000 for code violations. As with unpaid assessments, Council also holds assessment hearings twice a year to assess unpaid citations. In the past, Council has questioned how administrative citation fines get so high. In addition, the citation process can lead to frustration for neighboring property owners as the violation continues without correction.

Based on these issues, Staff is recommending that thought be given regarding setting a cap on the number of citations issued for any given violation. If the cap is met, Staff would turn to a criminal citation in attempt to gain compliance. Issuing criminal citations does have its disadvantages as the court process can take considerable time and costs the City money, which is why the City opted to adopt the administrative citation model ten or so years ago. However, Staff believes that the process may be a better alternative to gain compliance in a timelier manner for those property owners who do not take action based on the issuance of administrative citations.

Staff also drafted some recommendations on capping the number of citations and total fees before going to the criminal court process.

Boike introduced Rental/Code Enforcement Inspectors Terrie Sauer and Zach Ludwig. Terrie Sauer covers the west half of the city and Zach Ludwig the east side.

Mayor Napier said it is valuable to have Sauer and Ludwig on our team to carry out these duties. He wanted them to know that he is never diminishing their work when Council is discussing a conflict and working on resolutions. Mayor Napier said he wants both of them to know how important they are and suggested they come back to Council with some of their more difficult items.

Boike said we have some property owners who refuse to take any action. If they continue to be non-compliant, the fee doubles until the cap of \$2,000. He said that 99% of these property owners eventually comply when they see a bill coming. Once it hits the \$2,000 cap, it goes in front of a judge. However, Boike said this takes both time and money and is the reason Staff went away from that process in the beginning. To date, however, Boike said the City has not lost a case that has been appealed.

Councilmember Pace asked if capping it would solve any issues and also asked if it would need to come before Council.

Boike said Staff would initiate the process, after which it would go in front of a judge, but that the process could take up to six months.

Councilmember Fernandez asked if all fines are assessable to taxes. Attorney Land answered yes. Councilmember Fernandez said he doesn't see any benefit in capping it, when it will come back through taxes.

Boike asked if Council wants to raise the threshold higher than \$5,000.

Councilmember Fernandez asked Attorney Land for a projection on legal fees. Attorney Land said criminal court used to be the only option. She said criminal court is a slow system and it could be six to nine months before it's resolved. She added that the Code Enforcement Officer would need to go back and recheck the property during that amount of time so everyone has the most up-to-date information and photos. Attorney Land said, realistically, a judge may only issue a stay of imposition, a \$50 fine and a misdemeanor.

Councilmember Fernandez said it seems like a lot of work for the same outcome, potentially less of an outcome if the judge sides with the owner.

Councilmember Justen said the purpose is not necessarily to keep property owners from receiving large fines but to correct and expedite the problem. He asked if we can inform neighbors that the property owner has accrued large fines. Boike said yes. Councilmember Justen said he would not support a cap.

Councilmember Pace said this sounds like a long process and asked how we can put a cap on it so that violators come to us before it gets to \$30,000. He said he is not a fan of lowering the citation when these issues come before Council.

Councilmember Vitelli said it needs to go through a process in order to assess it to the property. He suggested moving it directly to an assessment rather than making it criminal. He asked if the City starts over with new fines if they don't abate the problem. Attorney Land said this is the current process.

Councilmember Fernandez asked if we have an excessive consumption clause and when that accelerates. Boike said it accelerates with the third violation within 12 months.

Mayor Napier said that, whenever we get the opportunity, we need to send a strong message that our main focus is to clean up our city. He said we want everyone to care and take care of their property.

Mayor Napier asked Staff to bring back to the next meeting what the first point of contact looks like, as well as an example of a second infraction. He said that Council receives calls from new homeowners who get a first notice but may not know how firm the City is on the policy. He said that Staff is doing a great job with the current process but he would like Council to take a look at it.

Councilmember Justen said they purchased their house from a previous owner who neglected items but the first letter they received from the City was both friendly and supportive. He said the City newsletter also included helpful information for owners.

Mayor Napier said he wants to see these examples because he wants Council to be able to answer a call from a property owner, understand what they are looking at and be able to support it and walk them through the process. When they call their Council representative who can clearly explain the issue and how to solve it, most times it can be resolved right there.

Mayor Napier thanked Staff for all they do and for coming to the meeting.

B. 2019 City Council Initiative Discussion

At the March 25 OCWS, Council reviewed Staff-generated objectives meant to suggest generalized approaches by Staff in addressing Council initiatives. Council suggested changes throughout the document at that time. Schroeder said those changes have been integrated into the draft the Council is reviewing tonight. Further, due to time constraints on March 25, Council had not reviewed the ninth initiative regarding accessibility. Staff is seeking any additional input that Council might have.

Schroeder described changes that were made since the March 25 OCWS.

Councilmember Justen said the use of “pros and cons” does not look good and suggested it be reworded. He said we are looking to reach out to renters to be sure they are engaged.

Mayor Napier said it is fair to look at what is and isn't working with our rental program. He asked where the pros and cons came from and what the thought was behind it. Schroeder said it was meant to show what's working and what's not and how to improve the housing stock.

Councilmember Berry asked if we are reaching out to only rental residents and looking for feedback. She said it should be engaging them. Schroeder said it is meant to be all inclusive to reach all populations.

Councilmember Justen said if this is to assess what's working and what's not, then it should be moved to the housing stock initiative and not be in the diversity inclusion section, as this area was to engage renters, not to determine what our issues are with renters. He said the outreach section was only for talking to renters and looking at how renters work in our community.

Councilmember Vitelli suggested putting comments in an email to Schroeder to assist Staff.

Mayor Napier said ‘engaging our rental community’ could be one perfect statement.

Councilmember Justen suggested ‘reach out and engage with our rental community.’

Mayor Napier said the key for the most part is if you reach out and they accept a conversation, they will be involved in our community. If we reach out and they do not accept a conversation, they probably won't be involved. The point is that we need to reach out.

Councilmember Berry said it is important to continue reaching out with more than just one attempt.

Mayor Napier said he appreciates that the Branding and Identity section includes what was discussed at the last meeting.

Schroeder said this document will be brought back for approval at the next meeting and will include any comments he receives from Council. Councilmember Pace said he is happy with the document. He said some words could be changed but the rest is perfect.

C. Housing Improvement Area (HIA) Discussion

One of the City Council initiatives includes improvement of the City's housing stock. One option to accomplish this goal could be the creation of a Housing Improvement

Area (HIA). This is an area defined by the City where housing improvements in a condominium or townhome association are made through a low-interest loan from the City.

Hartshorn said Staff was contacted by Bisanz Property Management asking for the City's consideration of the creation of an HIA for the April Manor Townhomes. The property has some deferred maintenance items beyond the ability of the Housing Association to fund without third party involvement. Staff believes there are other associations that would move forward with improvements to their buildings if an HIA existed. If the Council would like to move forward, the association would need to petition its membership (needs 65%) to move forward with an application to the City. The funds would come from a bond issued by the City and the City would take on the role as the bank. Repayment of the debt would be similar to a 429 assessment project for which City policy is debt issuance cost plus 2%. Staff met with representatives from the City of Oakdale and they provided information detailing their HIA program.

Hartshorn said Staff is seeking Council feedback if there is any interest in moving this forward.

Councilmember Pace said he would look to Staff for their opinion on whether or not it should move forward. He asked if the City would benefit from it.

Schroeder said it is somewhat difficult to finance townhome and condominium association improvements. He said both Minneapolis and Bloomington have had this program in place. He added that it is entirely in the hands of the associations and the City provides the process. The association would decide whether or not they want to do it. The City provides the mechanism for the association to access funds.

Councilmember Vitelli asked if the City would issue debt for a small project. Schroeder said if it is \$100K, the City would take it out of cash or put it on some other issuance. He said they are probably looking at \$500K but they don't know for sure.

Councilmember Vitelli said he doesn't see a downside to the program.

Schroeder said it improves the private infrastructure, which would be difficult without a process like this.

Councilmember Fernandez said that associations would come to the City for this because they don't have the funds and their properties would deteriorate without it. He said with the money coming back to the City on taxes, that it's easy to agree.

Councilmember Justen asked if this is a pass-through of funds. Schroeder said the association would make the improvements to the facility and the City is the bank. He said they are managing the project. Schroeder said the City could manage it but it's not our expectation. Part of the process is that the City would also require that they show how they will maintain the infrastructure in the future. He said they would have to raise their dues not only to pay the assessment but also to be able to continue making

improvements to their properties so that they aren't in the same situation 15 years from now.

Mayor Napier suggested that Staff has consensus to move forward with a draft for Council.

D. Cinco de Mayo Report

Councilmember Berry said the subcommittee met and they need to know by today who all will participate in the Cinco de Mayo parade on May 4. Councilmember Eng-Sarne said the subcommittee will plan for something bigger and better next year but that they are planning to keep it simple this year. She reminded everyone that candy must be handed directly and not thrown on the ground. She said they will go over the rules again the day of the parade.

Le said the application has been submitted for parade attendance. She said a Public Works truck will be used and there will be bags for carrying candy, water available, and a banner. She said they just need to know whom all will be going and t-shirt sizes for them.

Councilmember Eng-Sarne said a flyer should also be created in two languages to hand out and promote the Harmon Park Festival. Le said the flyer is currently being translated.

Council responded whether or not they would attend, as well as shirt sizes.

E. Clean Up Note from Volunteer Coordinator

Schroeder said he met with Sherrie Le, Ross Beckwith, Diane Erickson and Dan Nowicki to create a compendium of what occurs currently. The conversation lead to finding a way to generate excitement beyond this with some sort of neighborhood cleanup event. One recommendation was not to clean up parks because there is already an adopt-a-park program. Moreover, it was suggested that residents could clean up the neighborhood where they reside.

Councilmember Pace said Robert Street cannot be adopted because the State won't allow it, as the median is a safety concern. He said Oakdale and Marie may be good streets to adopt. He also said that an adopt-a-street program would be a good project for the Environmental Committee, which could be long-term.

Schroeder said if we want to do it quickly, information could be sent out through social media.

Mayor Napier said this was brought to Council to show what has been done and also to get something organized. He said West St. Paul has a joint effort with Inver Grove Heights, with everything being brought to Inver Grove Heights Public Works. Le said

information on this event is in the City newsletter which can be found on the City's website.

Councilmember Vitelli said if Public Works were to talk about storm drains in the streets, we could publicize for residents to clean them out on their block. He suggested that the City furnish orange bags for collecting trash and Public Works Staff pick them up the following Monday.

Mayor Napier asked how this ties into the Volunteer Engagement Manager's efforts. Schroeder said she has a group of volunteers for two dates for Robert Street. He said we can put together a quick communication plan for people to get more information.

Schroeder said we need to have more communication about what is being done but not necessarily recognized.

Beckwith said if there are groups that want to clean up Oakdale, Wentworth or Butler, those are county roads and so they would fall under the County's adopt-a-road program. He said he can direct them to the County.

Councilmember Vitelli asked if there would be an official application for the adopt-a-road program. Beckwith answered yes, as well a sign for recognition.

Councilmember Pace said that the second the snow melts, everyone sees the trash left behind. He asked if Public Works was out cleaning recently. Beckwith said they have been out more than once.

Councilmember Vitelli asked if we are set up with the maintenance district. Schroeder said no, that South Robert Street Business Association is still working on it. Councilmember Pace said Mark Tessmer would be the person to talk to and that he will reach out to him.

Beckwith said the City hired a part-time person dedicated to the maintenance of medians, specifically the weeds and plants, on Robert Street.

F. Infiltration & Inflow Program

At the March 25 City Council meeting, Staff had proposed the first reading of an ordinance which, if adopted, would address issues identified in the field as enhancements to the Infiltration and Inflow (I/I) inspection program. Council did not move forward with that recommendation nor a corollary recommendation for policy change regarding interest rates on assessments for improvements to private property through the program.

Additionally, through Council deliberation, there were a number of questions raised which Staff could not address with certainty.

In this evening's packet for Council review was a transmittal from Met Council Environmental Services (MCES) staff attempting to address questions and to provide a broader understanding of progress made through the I/I program. A 2018 report regarding the same was included, as well.

Essentially, the reporting asserts that significant progress had been made in West St. Paul due to I/I projects completed through 2014. Projects completed through 2016 will receive analysis in 2020. Further, that projects completed, both public and private, are asserted to achieve benefits to the local system sufficient to avoid demand charges which could have been at costs similar to construction costs within the community. MCES considers the West St. Paul program, including the point of sale approach, as a model even though that same approach has not been widely implemented throughout their system.

As stated in the Met Council's summary, West St. Paul's efforts to reduce I/I from private infrastructure have had significant and positive impacts on the wastewater flows and costs, reliability of the system, capacity for growth, and reduction of overflows to buildings and waterways. From 2007 to 2017, communities have reported over \$175M of work plan credits, which account for only a portion of the construction costs.

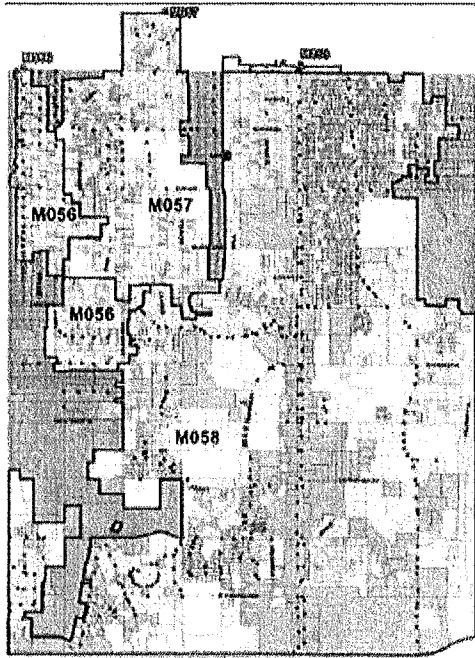
The results of the rehabilitation work from 2007 to 2014 indicated a high rate of return in the form of a 33% reduction in the I/I component of the flow in the M058 metershed basin, the largest of the three metersheds serving the City and highest ranked based on the amount of I/I. Much of this reduction can be attributed to effectively managing I/I from both public and private sources, specifically by utilizing grant funding in 2008 and 2009 to inspect and repair faulty service connections. The total peak flow was reduced by 28% and the base flow was reduced by 8%. The area serviced by M058 is shown on the figure below with a meter located near Robert Street and Annapolis Street. Of note is that only the work in green, completed through 2014 was used for this analysis. The additional investments shown in orange are expected to have further positive impacts on the system.

For inspections and repairs completed in 2008 and 2009, West St. Paul received roughly \$560,000 in grants. Many of these repairs are shown in green in the northern portion of M058 and assisted the flow reductions noted above.

After the expiration of grant funding, the City reduced efforts to complete private property inspections and repairs. In June 2014, the West St. Paul area received just over four inches of rain in a 24-hour period. The resulting I/I from the storm event overwhelmed two sanitary lift stations and caused basement flooding in over 100 homes.

Following that event, the City increased efforts on the private property inspection and repair programs. More service lateral investigation and repair occurred in all metersheds- M056, M057, and M058. That investment is expected to show additional

reductions in peak and base wastewater flows. MCES plans to quantify the success of I/I mitigation efforts for all metersheds within West St. Paul in 2020. There are roughly three years of rainfall and flow data needed after the significant work done through 2016 to properly calibrate those models and yield results with high confidence.



Schroeder said that he is unaware if any cities other than Golden Valley, St. Anthony and West St. Paul have the point of sale program.

Councilmember Pace asked at what point MCES will let us know that we can stop the program – or will it be after every household has been inspected. He asked if we can stop now and wait until the 2020 evaluation. Schroeder said he questioned the fine and the answer from MCES was basically that they don't know until they evaluate what has been done.

Councilmember Fernandez asked if the total investment is the cost that all of the homeowners have put into it. Schroeder said of the \$7.9M, about half is private laterals and the other half is the public system.

Councilmember Fernandez commented that \$6.5M was paid to save \$5.5M. Schroeder replied that the response to that is improvements to the system were realized which improved the meter.

Councilmember Fernandez said the MCES continues to go back to the historic rains of 2014 as their guide. He said it's frustrating that this is gauged on something that happened out of the norm. He said we also have a supposed fine hanging out there but the MCES has never charged it to a community. Councilmember Fernandez said

we could invest the \$7.4M in areas that our constituents have the biggest issues with, such as housing because it's something tangible people can see.

Councilmember Fernandez asked when the City will finally say to the MCES that we cannot afford this. The average cost of a single family home in Golden Valley and St. Francis is much higher than West St. Paul. He said it's not based on anything factual or tangible.

Mayor Napier said, in all fairness, that 2014 was an isolated incident that caused severe damage. The on-going issue is that we are treating water that doesn't need to be treated. Councilmember Vitelli added that it caused an overflow discharge to the river.

Mayor Napier said those are facts and we don't want to treat water that doesn't need to be treated. The big thing, he said, is we need to address it or they are going to charge us for it. He said he testified in front of the House and that's where we need to fight it and let them know we need the State's help. Mayor Napier said the MCES should offer more funding.

Schroeder said in the Property Tax Division report, there was \$5M in public sector grants. He said this is currently in the House.

Mayor Napier said we have accomplished a lot. He said if we had everyone dealing with their sump pumps and eventually have those all gone, he believes we could stop doing this because we wouldn't be treating a ton of water. Councilmember Fernandez agreed that this sounds realistic.

Councilmember Fernandez said we have already completed a third which is more than the surrounding communities have done.

Councilmember Justen said, on a functional level, this discussion came back because of two failed motions. He said he would like to look at access for the inspector and the \$50 fee so we can at least give the inspectors the tools to do their job. He said the other half is financing that will take another discussion. Councilmember Justen said we need to be more efficient as a City and asked if we can get this back on the agenda.

Mayor Napier agreed and said we should try to move it forward, as well as the sump pumps which is an affordable option. He asked if there is any way to know where inspections are currently at on sump pumps. Beckwith said we don't know about sump pumps until we put the camera in there.

Mayor Napier asked if an inspector finds a sump pump if that is point of sale. He added that we need to accelerate the sump pumps.

Councilmember Fernandez suggested repealing and replacing the entire ordinance. Mayor Napier said that would be a huge mistake because we have been working towards a solution. He said we are responsible for the water we send down to be

treated. In the two to three years it has taken us to get to this point, he said our residents are somewhat comfortable with it and, if we took the ordinance out now we would be spinning our wheels. Mayor Napier said he would like to revisit the ordinance but not throw it out.

Councilmember Pace suggested a direction to Staff to amend the ordinance to the extent that we can figure out who has a sump pump and deal with them. He said we are not being proactive by waiting for residents to call.

Beckwith said there are also unknown connections, which is the second thing they find. Roof leads and sump pumps. He said they still have to run the camera and close these unknown connections. Mayor Napier said we are slowly moving out of the area where this would be most likely.

Councilmember Eng-Sarne stated that MCES has a meeting on Wednesday and will accept public comment. Councilmember Fernandez said he met with one of the representatives and told him his concerns. He said they're listening but it's important to keep reminding them.

Councilmember Vitelli said if we do a public relations campaign on sump pumps it could have a big influence and may get homeowners to get those sump pumps out of the laundry tubs and outside.

Councilmember Fernandez said he feels we are giving our residents the most expensive option. He said we need to repeal the ordinance, bring it back, and do something about it. He said this would ensure to our residents why we are the only community being responsible. Councilmember Vitelli said this isn't actually true; that both South St. Paul and St. Paul had rain gutters that were going into the sanitary sewer and a correction had to be made.

Councilmember Vitelli said he would be willing to review the ordinance. He said he believes the main source of I/I is sump pumps.

Councilmember Fernandez said the most expensive option for the homeowner needs to be removed.

Councilmember Justen said if we reach out to the community, we may find that homeowners may choose to be environmentally friendly and correct the problem once they discover where their sump pump is flowing.

Councilmember Fernandez offered the campaign slogan: "Where do you dump your sump?"

Councilmember Vitelli said it may be worth revisiting the ordinance.

G. Review of CEP/CIP Changes

Due to lack of time, Council continued this item to the April 22, 2019 OCWS.

5. Adjourn

Motion was made by Councilmember Eng-Sarne and seconded by Councilmember Berry to adjourn the meeting at 6:25 p.m.

All members present voted aye. Motion carried.

A handwritten signature in black ink, appearing to read "David J. Napier". The signature is fluid and cursive, with a large initial "D" and "N".

David J. Napier
Mayor
City of West St. Paul