



City of Saint Paul
Mayor Melvin Carter

700 City Hall
15 West Kellogg Boulevard
Saint Paul, Minnesota 55102-1658

Telephone: (651) 266-8800
Facsimile: (651) 266-8541

SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET COMMITTEE MEETING

Monday, November 9, 2020 at 3:30 p.m.

Meeting held remotely

The chair has determined, due to the emergency declared by the Governor of Minnesota and the Mayor regarding the COVID-19 health pandemic, that it is not practical nor prudent for the Capital Improvement Budget (CIB) Committee to meet in-person or pursuant to Minnesota Statutes, Section 13D.02. In light of the COVID-19 health pandemic, it is not feasible for any member of CIB Committee to be present at the regular location, and all members of the CIB Committee will attend this meeting by telephone.

It is also not feasible for members of the public to attend the meeting at its regular location due to the health pandemic and emergency. Accordingly, no meeting will be held in the 4th Floor Conference Room of the George Latimer Central Library at 90 West 4th Street in the City of Saint Paul.

Members of the public are able to monitor this meeting via phone. Public comment and materials can be submitted to madeline.mitchell@ci.stpaul.mn.us Any comments and materials submitted by 3:30pm of the meeting day will be provided to the CIB Committee for their review.

MEETING MINUTES

Members Present:	Devin Driscoll, Jack Fei, Amy Huerta, Darren Tobolt, Patrick McQuillan,
Members Excused:	Elsa Vega Perez,
Members Absent:	Raymond Hess, Samakab Hussein, Mary Morse Marti
Visitors and City Staff Present:	Madeline Mitchell Susan Earle Noel Nix



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1. Call to order – The meeting was called to order by at 3:44p.m. by Chair Tobolt.
2. Approval of November agenda and October meeting minutes. A motion was offered to amend the agenda to move the election of vice chair to December to allow Elsa Vega Perez to be present. Huerta moved to approve the agenda for the November 9, 2020 meeting as amended. Fei moved to approve the minutes from the October 12, 2020 meeting. Huerta seconded. The agenda and minutes were approved.

3. Action Items

OFS

RES PH 20-213 (tabled from October): Amending the spending and financing plans for various city departments.

- Susan Earle presented the resolution to the committee. Earle explained this resolution is to help solve the budget gap created by unanticipated expenses and lost revenue related to the COVID-19 pandemic and civil unrest. The CIB Committee review is for the capital portion only.
- Earle noted that the specific action required from the committee is to provide a rating for the specific projects that will be funded with bond funds: public safety leases and mill and overlay.
- Fei noted he felt the committee was asked to approve a \$1.9M change without understanding of the thought process behind decisions and that he would like more information on how these decisions came about. Earle explained that the city leadership team looked at the whole City budget situation and went through a long decision-making process with the Mayor over the summer. Earle noted that the components that are CIB-related are the capital balances and capital projects that would be pushed out (for Station 7 and Pedro Park). These options were brought as part of an overall conversation on resources that are available and the tough decisions that need to be made to balance the budget. The CIB balances are from projects that are complete – they are not service reductions. The City is hoping to come back with another plan for Station 7 down the road. For Pedro Park, the bonds were sold but the project isn't quite ready. RES PH 20-213 repurposes those funds to be used for projects that are ready. Noel Nix added that moving Pedro forward was always contingent on revenue from sale of public safety garage and the agreement with the developer to pay for ongoing maintenance. These pieces haven't been finalized, so it's not timely. Huerta noted the public hearings for Pedro were two years ago and asked why the project hasn't moved forward. Nix stated that project hasn't closed and offered to bring in PED for additional information. Nix also summarized that from the bonding side, this was identified as an opportunity to help fix budget problems happening now.
- Huerta noted that she felt the committee advocated for this project and had a lot of community input. She said she understands the budget crisis but takes issue with the resolution, noting a lack of transparency in the coding. Huerta expressed that she wants to be mindful of the fact that there are places St. Paul residents do not feel heard. Huerta said it was understandable to make tough decisions but felt COVID was being used as an excuse for a lack of transparency. Huerta also asked about the legality of the resolution.
- Earle responded that the city charter gives the Mayor authority to propose amendments and when there are expected revenue shortfalls the Mayor is required to inform the City Council. This budget amendment makes anticipated revenue shortfalls official and gives the finance team authority to put it into the financial system. The CIB Committee is required under State of Minnesota special law regarding bond financing to rate CIB projects. Earle also explained that there was not an immediate path forward for Station 7 as it was already more expensive than what was budgeted. Earle noted

that all of these decisions are hard and unfavorable. The Mayor set the goals of no levy increase, no layoffs, and no use of emergency reserves. Those were goals that led into individual choices and examining what resources can be made available. Nix added that City staff have been continually trying to find ways for people to interact with the Mayor and senior leadership especially during this year. Nix said that the Mayor's Office recently hosted 12 sessions with the Mayor to allow residents to ask questions about the budget and other things. The Mayor's Office is trying to create as many spaces and ways for people to make voices heard, while recognizing there are a lot of demands on people right now.

- Fei asked what would have happened to Station 7 and Pedro Park if there had not been a budget crisis and what communication should happen to the people who pushed for these projects.
 - Nix noted that the Mayor's Office will communicate with district council and others. And that they have tried to create space for these concerns in various events this year.
 - Fei asked if there was any funding left in these projects. Earle told the committee that Station 7 has \$500k remaining in 2021 and \$500k in 2020 for planning. The City Council has approved the 2020 resolution reducing the budget for Station 7. Additional funding will have to be identified in the future, as it is not currently funded in 2021. If the Fire department chooses to pursue this again, it will become part of the next CIB planning cycle. Pedro Park will be a future discussion on how to allocate additional funds. The projects are not cancelled, but currently have no future funding identified or allocated.
 - Driscoll asked whether the action taken by the committee would be pro forma since the City Council has already approved. Chair Tobolt confirmed, saying the Council had taken action without a recommendation from the committee.
 - Huerta expressed that updates are important and that she does not like seeing resolutions that blame civil unrest for needing to remove money from areas that don't get a lot of infrastructure investments. Nix explained that the intent is not to minimize and resolutions like this can feel cold and technical, but hopefully the overall actions and statements of this administration reflect the true intent.
 - Earle explained to the committee that they would need to give a high/medium/low rating to each project mentioned in the resolution: the public safety leases and mill and overlay. The committee rated as follows:
 - o Driscoll: Public Safety Leases – Medium, Mill and Overlay - Medium
 - o Fei: Public Safety Leases – Medium, Mill and Overlay - Medium
 - o McQuillan: Public Safety Leases – Medium, Mill and Overlay - Medium
 - o Huerta: Public Safety Leases – Low, Mill and Overlay - Low
 - o Tobolt: Public Safety Leases – Low, Mill and Overlay - High
 - Huerta thanked Susan Earle and reiterated that the committee cares about the process and takes it seriously. Huerta expressed a commitment asking good questions and community involvement. Driscoll echoed Huerta's comments and thanked Earle for answering the committee's questions. Tobolt also thanked Earle for getting the committee to a place of understanding.
- 4. Other business**
- Mitchell invited the committee to stay engaged through end of budget process as it moves to City Council. Earle gave dates and times for the Truth in Taxation hearing and budget adoption.
- 5. Adjournment**
- There being no further business, the meeting was adjourned by general consent.

Staff:

Madeline Mitchell (651-266-8803), madeline.mitchell@ci.stpaul.mn.us