



City of Saint Paul
Mayor Melvin Carter

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**SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET
COMMITTEE MEETING**

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

George Latimer Central Library

MEETING MINUTES

Members Present:	Rebecca Airmet, Joel Clemmer, Devin Driscoll, Jack Fei, Raymond Hess, Amy Huerta, Hoki Tse, Darren Tobolt
Members Excused:	Larvel Bunker, Mary Morse Marti, Pat McQuillan, Elsa Vega Perez
Members Absent:	Samakab Hussein
Visitors and City Staff Present:	Sarah Brown Holly Huston Madeline Mitchell Mike Solomon Anne Weber



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1. Call to order – The meeting was called to order by Rebecca Airmet at 3:35 p.m.
2. Approval of March agenda and February meeting minutes
Clemmer moved to approve the agenda for the March 9, 2020 meeting; Driscoll seconded. Hess moved to approve the minutes from the February 10, 2020 meeting. Clemmer seconded. The agenda and minutes were approved.

3. Action Items

Public Works

RES PH 20-71: Amending the financing and spending plans in the Department of Public Works Capital and Operating Budgets for the 2020 Saint Paul Streets Projects.

- Anne Weber presented the resolution to the committee, explaining that it adds sewer and water funding to the 2020 Griggs/Scheffer project and some funding to the Como Avenue project.
- Weber noted that the resolution accepts funds from the City of Lauderdale for work completed on Como Ave outside of Saint Paul city limits.
- Fei asked how projects were decided. Weber explained that they are in the Public Works 5-year plan (Saint Paul Streets Program). Projects are programmed out for 20 years. Each year includes a residential project and 1-2 arterial projects depending on funding available.
- Fei asked whether the funding covers maintenance. Weber said that this is just construction. There is a separate list of mill and overlay projects and operating funds (not capital) are used to address smaller maintenance issues like potholes.
- Tobolt moved to approve the resolution. Hess seconded. The resolution was approved.

OFS

RES PH 20-58: Amending the City's Capital Improvement Budget and Operating Budget to reflect the final sale details resulting from the issuance of the G.O. Various Purpose Bonds, Series 2020A, the G.O. Street Improvement Special Assessment Refunding Bonds, Series 2020B, and the G.O. Temporary Tax Increment Bonds, Series 2020C.

- Sarah Brown and Mike Solomon presented the resolution to the committee, explaining that resolution:
 - o Aligns the CIB budget to actuals from bond sales,
 - o Aligns a 2014 bond with actuals, and
 - o Rolls forward bonding authority community proposals and Pedro Park.
- Tobolt asked whether this resolution was just moving funds forward and how it fits with the Pedro Park lawsuit. Solomon explained that the City is trying to move away from unused bonds and that he would defer to PED for information on Pedro Park. Tobolt noted that the committee took heat for their decision and would like to know what happened
- Tobolt asked if the Ayd Mill Road project would come before the committee after the public process. Solomon said it would.
- Airmet moved to approve the resolution. Hess seconded.
- The resolution was approved.

4. 2020 Spring Bond Sale and City Credit Rating

- Mike Solomon provided an overview of the 2020 spring bond sale and City credit rating. The presentation will be forwarded to the committee.

- Clemmer asked about the guidelines for the limit of debt the City carries. Solomon said the limit in state law is 3.33% of taxable value but the City keeps it lower to maintain its AAA bond rating.
 - The spring bond sale was on February 12, 2020.
 - Solomon noted that we are in a very low interest rate environment due to coronavirus and oil concerns.
 - The City's AAA was reaffirmed by both S&P and Fitch.
 - Clemmer asked what changes could occur in the city's debt position to move from an adequate outlook to a strong outlook. Solomon said the agencies would like to see less debt. In Minnesota, it is relatively easy to issue GO Debt. In some other states, like California, a referendum is required for every issuance. The agencies would also like to see faster amortization and less new issuance.
 - Hess asked how Saint Paul compares to other cities of a similar size. Solomon said it is relatively rare to have a AAA rating for larger built-out cities. Typically, these ratings are in wealthier suburbs that don't have the burden of being regional center. Saint Paul was one of less than 250 cities nationwide that have more than one AAA rating.
 - Driscoll asked what proportion of the city's outstanding debt is CIB. Solomon said outstanding CIB debt comes in around \$80 million.
5. Update on status of 2020 CIB Process
- Madeline Mitchell provided a brief update, noting that ideas had been submitted and the application process would be happening soon.
6. Additional business
- Social event – Huerta will reach out to Heritage Tea House.
7. Adjournment
- There being no further business, the meeting was adjourned by general consent.

Staff:

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