

**CITY COUNCIL WORK SESSION
CITY OF RAMSEY
ANOKA COUNTY
STATE OF MINNESOTA**

The Ramsey City Council conducted a City Council Work Session on Tuesday, May 14, 2019, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor John LeTourneau
Councilmember Nadine Heinrich
Councilmember Mark Kuzma
Councilmember Debra Musgrove
Councilmember Chris Riley

Also Present: City Administrator Kurtis Ulrich
Finance Director Diana Lund
Parks and Assistant Public Works Superintendent Mark Riverblood
Public Works Superintendent Grant Riemer
Administrative Services Director Colleen Lasher
Community Development Director Timothy Gladhill
City Engineer Bruce Westby
Community and Events Coordinator Megan Thorstad

1. CALL TO ORDER

Mayor LeTourneau called the City Council Work Session to order at 5:35 p.m.

2. TOPICS FOR DISCUSSION

2.01: Engineering Department Staffing Plan Update

City Engineer Westby reviewed the staff report. Mr. Westby reviewed the current staffing levels in the Engineering Department and noted that a part-time, yet long-term employee submitted a notice of retirement, which was not expected.

Councilmember Riley asked if the former employee was available to work as an independent contractor.

Administrative Services Director Lasher noted that there are PERA rules about employees that have separated from employment and are drawing their pension.

City Administrator Ulrich noted that as long as the employee is out of public service for 30 days it is fine to provide service to the City as an Independent Contractor contingent upon having no prior agreement with the employee.

City Engineer Westby stated that the former employee was already working elsewhere and was not available.

Councilmember Heinrich asked how long the current Engineering Technician II has been working for the City and how does the rate of pay compare to the private sector.

City Engineer Westby stated the current Engineering Technician II has been with the City for about 15 years. He stated the pay is approximately 20 percent less than what the private sector pays, but that benefits and other factors are not the same. He noted that it has been several years since the current Engineering Technician II has had a raise in pay.

Administrative Services Director Lasher noted that while the current Engineering Technician II has received the applicable cost of living adjustments, he has been at the top of his pay scale for about 10 years.

Councilmember Musgrove asked if he would be getting an adjustment if he changes levels.

City Engineer Westby stated that his duties will be changing and that staff will be proposing a reclassification to the next step, which would include a higher wage.

Councilmember Musgrove asked if the new wage would be automatic.

City Engineer Westby stated that reclassifications must come forward to the City Council for approval and that is not on the table at this time, but will occur in the future.

Mayor LeTourneau asked about finding a new Engineering Technician II, and what the net effect would be on the budget.

City Engineer Westby responded that the exact figures are not available at this time but that he would assume there will be a negative budget impact based on the former employee's higher wage and a new employee's lower wage.

Administrative Services Director Lasher stated the Engineering Department has been down on staffing since the Senior Engineering Technician has been on phased retirement. Under this proposal, the staffing would go back to the levels in early 2017.

Administrative Services Director Lasher stated that Staff is looking for a consensus from the City Council to begin a recruitment for an Engineering Technician II at this time. She noted that it would be the plan to reclassify the current Engineering Technician II after the employee was fully transitioned into the new role. She noted that a reclassification would be necessary because without a reclassification, the employee would be working out of his job classification.

Mayor LeTourneau asked the Council if there is a general consensus to move forward and he replied that we have a consensus.

2.02: Discuss Update on Interim Public Works Facility Options

Public Works Superintendent Riemer reviewed the staff report.

City Administrator Ulrich noted that this is an interim solution and advised that financing options were also included in the case for the new public works facility. He stated that the estimated debt was listed at the lowest amount and advised that four financing options were listed.

Finance Director Lund provided details on the four financing options proposed within the case.

Councilmember Riley referenced the two percent rate and asked if that is the approximate rate the City is currently earning.

Finance Director Lund noted that currently the rate is slightly under two percent but has been increasing slightly each year.

Councilmember Riley stated that future improvements may come sooner than anticipated and asked the current balances of the sewer and water funds.

Finance Director Lund replied that the water fund currently has a balance of \$23,800,000 while the sewer fund has a balance of \$13,500,000.

City Administrator Ulrich stated that this presents the best option for financing a \$15,000,000 building. He asked if this is reasonable for the City to take the next step on the building, which would be to solicit proposals on plans and specifications. He noted that would also provide more information on the anticipated cost, noting that value engineering could also be done.

Councilmember Kuzma stated that he does not support the interim option and would instead prefer to move forward on the steps needed to proceed with the new public works facility.

Mayor LeTourneau asked if the perspective of public works would change about the interim option, if the direction were given to move forward on the new public works facility.

Public Works Superintendent Riemer replied that if the direction is given to move forward on the new public works facility, he can make do without the interim option.

City Administrator Ulrich noted that the planning process and construction for a new public works facility would be about 18 to 24 months.

Public Works Superintendent Riemer confirmed that he can forgo the interim option for that amount of time if the new public works facility process is moving forward.

City Administrator Ulrich stated that even if the building is purchased from Anoka County for the interim option, it could be resold in the future.

Councilmember Musgrove stated that she was eager to hear a response from Anoka County on the price of the building, but it appears the County is not flexible on the price and would only sell at market value. She stated that she would also agree with the direction to move towards the new public works facility, rather than proceed with the interim option.

Councilmember Heinrich agreed that the new public works facility is needed. She stated that she would be more in favor of not pursuing the interim option and instead moving forward with the public works facility. She stated that she would not support interest only financing and would prefer to use funds from the utility funds.

Mayor LeTourneau confirmed the consensus of the Council to direct staff to move forward to solicit plans and specifications for the new public works facility and not to pursue the interim option.

City Administrator Ulrich stated that it could be helpful to have a subcommittee made up of Council members for this process.

Mayor LeTourneau confirmed that could be further discussed in the future.

2.03: Discussion Regarding the Possibility of Outsourcing the Ramsey Resident Newsletter

Communication and Events Coordinator Thorstad reviewed the staff report.

Councilmember Musgrove asked where the regulation exists requiring six newsletters per year and whether there would be consideration to change that to require less as the trend is more towards providing digital information.

City Administrator Ulrich stated that this has been discussed previously, noting that would require an amendment to the City Charter. He stated that the issue could be brought forward to the Charter Commission for discussion to reduce the number of issues to five or even quarterly.

Councilmember Musgrove stated that she would support outsourcing the newsletter as the company has better equipment and noted that she also likes the live links.

Councilmember Kuzma stated that not everyone is digital adept and therefore the printed newsletter is important. He stated that he would want to ensure the printed piece remain. He stated that he is not thrilled with a three-year commitment, although acknowledged the ability to cancel with a 90-day notice. He asked who would be responsible for advertising.

Communications and Events Coordinator Thorstad explained that currently the City shares the revenue with the sales person. She stated that Prime would take on the advertising responsibility and would then receive the funds in return.

Councilmember Kuzma stated that his question is more content related.

City Administrator Ulrich stated that advertising content could be set through policy in the contract.

Councilmember Kuzma asked if the advertising funds generated would reduce the City's contract amount or would be kept by Prime in addition to the contract amount.

Communications and Events Coordinator Thorstad confirmed that the City would not receive any of the advertising revenue, and the contract amount would remain at the set amount. She stated that the City would still come out ahead due to the amount of time and funds the City puts into creating the newsletter inhouse.

Councilmember Riley stated that it is clear that the version generated by the City exceeds the quality of the example.

Communications and Events Coordinator Thorstad stated that the City previously contracted with a consultant to redesign the layout. She stated that with Prime, the City would be able to change the design and layout as often as we want.

Councilmember Riley stated that the example from the other city looks more like a sales flyer rather than a newsletter. He stated that there was also mention of a buying guide. He stated that he would prefer the City to retain 100 percent control and keep it inhouse.

Mayor LeTourneau asked if there could be an expectation that Prime use the exact design the City currently uses, along with the same amount of advertising.

Communications and Events Coordinator Thorstad confirmed that could be done. She stated that if the issue is with the design or quality of paper, those elements can be tweaked. She stated that in regard to advertising, there would be no more than 38 percent advertising. She confirmed that the current *Ramsey Resident* has a lower level of advertising. She stated that quarterly editions would have 24 pages, noting that is more pages than the current editions, so content would not be lost to advertising.

Councilmember Heinrich stated that she was disappointed to learn that Prime is not located in Ramsey and would prefer to support a local business. She stated that she likes the idea of cost savings and time saving. She stated that perhaps the thought of reducing the number of issues could be revisited. She noted that when she visited residents, many were not aware of the publication and simply threw it in the garbage. She agreed that the newsletter is important for those residents that choose to use it, along with having information available online. She stated that perhaps different options for cost savings could be investigated that would still keep the operation inhouse. She stated that she does not see the point in a winter recycling issue and would support only doing that issue in the spring.

Mayor LeTourneau stated that it seems that would become a much larger project and he is unsure that a better result would be gained. He stated that the elements of the newsletter have been developed from the input the City has received from residents in the past. He stated that the

discussion is focused on whether this would be the right time to outsource this task and free up additional staff time.

Councilmember Heinrich stated that outsourcing something that is done internally brings up a lot of questions for her.

Mayor LeTourneau stated that the City has received input from the community that this method of communication is in its best format.

Councilmember Kuzma stated that there is not a printer in Ramsey that can do the job correctly. He stated that if this was done inhouse, he could assist in securing bids that would provide additional outsourcing options for inhouse efficiencies. He stated that he would be willing to sit down with staff to work on this.

Communications and Events Coordinator Thorstad stated that the largest benefit would be that this would save time across all departments. She explained how the process currently works and the work that would be required of staff. She stated that currently the City works with multiple vendors to deliver this product, while this contract would put all those elements together under one vendor.

Councilmember Heinrich stated that this is one option and believed that additional options could be explored as Councilmember Kuzma suggested.

City Administrator Ulrich confirmed that staff would meet with Councilmember Kuzma to explore an alternate option.

Councilmember Musgrove stated that she strongly supports outsourcing the newsletter to a company that does this activity on a regular basis. She noted that this option would save both time and money.

Councilmember Riley stated that he was surprised that the communications staff person is not in charge of this.

Mayor LeTourneau confirmed the consensus of the Council to evaluate another option.

2.04: Update Regarding Local Road Funding

City Administrator Ulrich reviewed the staff report.

Finance Director Lund noted that there would be different charges for residential and commercial properties.

3. TOPICS FOR FUTURE DISCUSSION

3.01: Review Future Topics/ Calendar

Noted.

4. MAYOR / COUNCIL / STAFF INPUT

None.

5. ADJOURNMENT

The Work Session of the City Council was adjourned at 6:55 p.m.

Respectfully submitted,

Kurtis G. Ulrich
City Administrator

ATTEST:

Katie M. Schmidt
Administrative Assistant

Drafted by Amanda Staple
TimeSaver Off Site Secretarial, Inc.