

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

The Ramsey City Council conducted a City Council Work Session on Tuesday, August 22, 2023, at the Ramsey Municipal Center, 7550 Sunwood Drive NW, Ramsey, Minnesota.

Members Present: Mayor Mark Kuzma (attended remotely)
Councilmember Debra Musgrove
Councilmember Michael Olson
Councilmember Chris Riley
Councilmember Dan Specht
Councilmember Matt Woestehoff

Members Absent: Councilmember Chelsee Howell

Also Present: City Administrator Brian Hagen
City Engineer/Public Works Director Bruce Westby
Finance Director Diana Lund
Fire Chief Matt Kohner
Police Chief Jeff Katers
Parks and Assistant Public Works Director Mark Riverblood
Administrative Services Director Colleen Lasher
Assistant City Engineer Joe Feriancek
Community Development Director Stephanie Hanson
Street Supervisor Shane Turner
Streets Maintenance Worker Jake Marks

1. CALL TO ORDER

Acting Mayor Riley called the City Council Work Session to order at 5:30 p.m.

2. TOPICS FOR DISCUSSION

2.01: Continued Discussion on 2024 Budget/Levies

Finance Director Lund reviewed the Staff report concerning the updated items for the 2024 budget and levies. She focused on capital equipment and personnel items.

City Administrator Hagen reviewed all of the personnel requests. He started by discussing the reclassifications.

Acting Mayor Riley asked if the Council was in agreement with moving forward with the reclassifications.

The Council was in agreement.

Councilmember Woestehoff suggested having at least four out of the five present Councilmembers be in agreement on every decision.

City Administrator Hagen stated that this would be helpful. He continued his presentation by discussing the two positions that are looking to have increased hours, the Planning Administrative Assistant and the Building Administrative Assistant.

Councilmember Musgrove shared that at the last discussion she had brought up the item of increasing the hours and asked what this does with their benefits.

Administrative Services Director Lasher explained that at 30 hours a week, City employees qualify for health, dental, and life insurance.

Acting Mayor Riley asked if these two individuals would accept these increases in hours.

Administrative Services Director Lasher said yes.

Acting Mayor Riley asked if the Council was in agreement on moving forward with these two increases in hours.

The Council was in agreement.

City Administrator Hagen discussed the request to increase the wages for firefighters on-call, as well as, parks and seasonal employees.

Acting Mayor Riley stated that they have already discussed the idea of increasing seasonal wages in order to get workers and shared that this seems like a good idea.

Councilmember Musgrove noted that she is okay with the fire wage increase as requested. She shared that she was in support of increasing the range for seasonal workers to \$15-\$18 an hour rather than the proposed \$16.35-\$18.35 an hour. She added that an increase to these wages was already done recently.

Administrative Services Director Lasher explained that this was last increased in 2020 where the range was increased to \$13-\$15 an hour based on qualifications.

Councilmember Specht noted that the most basic jobs on the market start at \$15 an hour. He shared that he does not want to see huge increases; however, the proposed increase seems more than fair. He asked if some of the additional parks workers that have been requested get approved if they would need fewer of the seasonal workers.

Parks and Assistant Public Works Director Riverblood explained that the seasonal workers are very important for the operations within peak times. He stated that typically they do not get these workers until they are out of college, meaning they would be starting the first or second week of

June. He noted that they have already lost a majority of the seasonal workers. He stated that having seasonal workers does not reduce the demand for parks or street maintenance workers.

Councilmember Woestehoff asked how many parks seasonal workers there currently are.

Parks and Assistant Public Works Director Riverblood shared that they have eight to 12 over the course of the summer season. He noted that in years prior they have struggled to attract this many workers.

Councilmember Olson asked if new full-time workers would decrease the need for the seasonal workers.

Parks and Assistant Public Works Director Riverblood stated that the requested employees would have very little influence on the need for the seasonal workers.

Councilmember Olson asked if it would make sense to keep the bottom of the wage range for seasonal workers closer to where it is and broaden the range.

Administrative Services Director Lasher stated that they could do this. She noted that a range of \$15-\$18 an hour would be reasonable.

Acting Mayor Riley asked if the Council was in agreement on these items.

Councilmember Musgrove shared that she was in favor of a smaller wage increase or no wage increase at all.

Acting Mayor Riley shared that he is in favor of the increase.

Councilmember Woestehoff stated that he fully supports the wage increase as basic jobs are hiring for the same if not higher wages. He added that it would be nice to see what the total cost increase for the on-call firefighters and the parks workers would look like. He stated that he appreciates the 6% increase in firefighter wages.

Acting Mayor Riley added that he would not like to see the seasonal worker hourly wage increase much above \$15 an hour.

Councilmember Musgrove stated that she would like to see this average be around \$16 an hour.

Councilmember Woestehoff noted that if the range is \$15-\$18 an hour then the average would be the average of what people accept.

Councilmember Musgrove added that even though there is a range Staff will give wages based on qualifications and abilities.

Councilmember Woestehoff stated that he would not support an average of \$16 an hour as it is too low.

Acting Mayor Riley asked if the Council, other than Councilmember Musgrove, is in agreement with the wage range from \$15-\$18.

The Council was in agreement with the exception of Councilmember Musgrove.

City Administrator Hagen discussed the request to add an Accountant 1 position to the finance department. He noted the changeover of the software and that the City is growing. He asked about the time commitment to get the software up and running.

Finance Director Lund stated that it will take at least three months for one full-time person to get this software up and running. She added that the current workload is enough to keep the current Staff very busy. She noted that the audit took a very long time to be put together this year as there are so many more standards that are required with these audits.

Councilmember Specht stated that he does support this. He noted that he has never seen a situation where it would take three months to get a new software up and running.

Finance Director Lund explained that they will have to go to LOGIS to help set this up to move the packages over for finance. She stated that this is for setting up the vendors and new accounts. She noted that the estimated time frame is the time frame she was given.

The Council was in support of the new position in the finance department.

City Administrator Hagen reviewed the request for the housing inspector and shared that this correlates to the ordinance for proactive rental housing inspections in regard to the multi-family housing program. He noted that they updated the projected start date of this position from June to April. He added that the revenue from this program will pay for the position.

Acting Mayor Riley stated that they have already discussed this and tentatively agreed. He asked if the Council was in agreement with this position and moving it to an earlier start date.

Councilmember Musgrove asked if this is paid for through the program revenue then why is it being shown on the general levy.

Councilmember Woestehoff stated that the income comes in through the general levy.

Finance Director Lund explained that there is \$200,000 that is included as the rental income. She added that this also was moved from a step 1 to a step 3 for pay as they will need someone who is already up and running when they get on board.

City Administrator Hagen discussed the requested building maintenance worker.

Acting Mayor Riley noted that this would be for Public Works and specifically for the new water treatment plant and covers a shortage that has been created.

Councilmember Woestehoff asked if custodial services are included with the maintenance worker.

City Administrator Hagen stated that it is just for a maintenance worker including some custodial work.

Acting Mayor Riley asked how many they currently have.

City Engineer/Public Works Director Westby shared that they currently have a full-time supervisor and two full-time workers.

Councilmember Musgrove asked how things are going now with only the three full-time workers.

City Engineer/Public Works Director Westby explained that the three full-time workers are taking care of all of the City buildings with custodial services and repairs. He noted that the workers are doing their best; however, it is hard to cover for vacation and other absences. He added that there are also items that are being contracted out that they cannot do themselves but they could do themselves if they had the capacity.

Councilmember Olson asked if there are any deficiencies or areas where the current employees are not licensed but should be.

City Engineer/Public Works Director Westby said he did not believe so and that they are licensed in all areas of building maintenance.

Administrative Services Director Lasher added that the building maintenance supervisor has a lot of difficulty even taking vacations because of the workload. She noted that 2024 is an election year and the maintenance workers help a lot with the set up and take down for elections.

Councilmember Specht asked if there would be a cost benefit to outsourcing certain aspects of this, such as custodial services.

City Administrator Hagen explained that they have started doing this for some of the park rentals and they will continue to utilize this where it makes sense.

Councilmember Specht asked if it makes more sense to hire this position rather than increasing outsourcing.

City Engineer/Public Works Director Westby stated that they have not gone through and calculated what the cost benefit of that could be. He noted that there is plenty of work to be done for this position and not contract out as much work as they currently are.

Administrative Service Director Lasher shared that in the past they have attempted to contract out custodial services at Public Works and it was unsuccessful due to turnover and poor quality work.

Parks and Assistant Public Works Director Riverblood agreed and shared that there are also security issues with contracted services. He added that the Police Department is very concerned

with contractors moving around the City facilities. He noted that they also contracted out the snow removal at the municipal center and it was a failure and the contractor did not show up.

Councilmember Woestehoff stated that of all of the positions, he thinks this is the one that he is least in agreement of. He noted that Councilmember Specht made some good points about contracting out services. He said that hearing the security concerns makes this a little more difficult. He stated that he is generically in favor of this but could easily be swayed when comparing this to the rest of the requested positions.

Councilmember Musgrove stated that she had requested more information from City Engineer/Public Works Director Westby concerning the cost benefit ratio of having this new worker versus contracted work. She shared that she is more in support of this position after hearing the other Staff's demand in regard to vacation time. She stated that she would support this position.

Councilmember Olson noted that there seems to be a need for growth in the department to treat the current workers better. He added that the fact that this is also an election year makes this good timing as the City will also be continuing to grow. He stated that he would also be in support of this position.

Acting Mayor Riley asked if there would be an interest in a mid-year hire for this position.

City Administrator Hagen added that there will be three elections next year with the first election being in March.

Acting Mayor Riley asked if the Council was in favor of this position.

The Council was in agreement.

City Administrator Hagen reviewed the request for three new streets maintenance workers.

Councilmember Olson asked if adding three new employees would cause a shortage of equipment.

City Engineer/Public Works Director Westby explained that they have some equipment requested as part of their capital equipment which would give them enough equipment.

Acting Mayor Riley stated that they have contracted out a very large amount of work this year. He asked if the three new workers would have a decreasing effect on the amount that is currently being contracted out.

City Engineer/Public Works Director Westby shared that over \$1,100,000 was spent this year on contracted services. He noted that generally three workers will make up a crew. He stated that having the three additional workers would make up a second crew to go out and maintain the streets. He noted that one crew could be out pothole patching and the other could be street sweeping. He stated that it would have a huge impact on not needing to go out for these contracted services.

Councilmember Specht asked if they will continue adding new streets over the next few years.

City Engineer/Public Works Director Westby stated that they will also have a request for another street maintenance worker in 2027.

Street Supervisor Turner shared that he realizes that asking for these positions is a big ask; however, he feels that it is necessary at this point in time.

Councilmember Musgrove stated that she supports two of the three requested positions as well as the Public Works mechanic. She added that she believes that streets are a priority over parks. She noted that the parks are currently more staffed than Public Works.

Acting Mayor Riley asked if there is an ability to hire two street workers and one that can help with both streets and the mechanic aspect.

City Engineer/Public Works Director Westby stated that these two positions have a different pay range which would have to be considered.

Street Supervisor Turner explained that they already support the mechanics staff with functions that they complete. He noted that he is trying to pull away from some of this assistance and support so that the street workers can dedicate their time to the streets.

Acting Mayor Riley asked if they had to choose one as being more needed if it would be the streets worker or the mechanic.

Street Supervisor Turner stated that he would lean toward the additional street worker; however, he will come back again next year requesting the new mechanic. He added that one of the current mechanics will be retiring in the next few years and shared that it would be great to have the third mechanic up to speed before the current mechanic retires.

Councilmember Woestehoff stated that he would be in favor of four new street workers and not the mechanic.

Councilmember Specht asked if there is going to be as much need for streets workers after the \$12,000,000 worth of street work is done this year.

City Engineer/Public Works Director Westby stated that there is a lot more that the streets workers do than just pothole patching. He noted that the streets have been the area of emphasis for the last few years but there are a lot of other things that are not getting done that need to be done. He added that there will be no shortage of work moving forward.

Councilmember Woestehoff shared that he receives lots of complaints about street sweeping.

Councilmember Specht said he has received the same.

Councilmember Woestehoff agreed that there is other work that needs to get done beyond patching potholes.

Councilmember Specht stated that he believes that streets should be a priority over parks. He stated that he will be in support of the three streets workers.

Acting Mayor Riley suggested talking about the requested parks worker before deciding how to move forward.

City Administrator Hagen reviewed the request for the parks maintenance worker.

Parks and Assistant Public Works Director Riverblood explained the tasks and duties of the full-time parks maintenance workers. He noted that this request is to address the unmet maintenance that is already due and is coming due. He shared that they have been understaffed in this area for a long time, beginning in 2012. He added that taking care of parks is not just cutting the grass and maintaining playgrounds and there is a lot that they take care of, including buildings, signage, trails, and the sewer and water system. He discussed trees with the ash bore that need to be taken care of.

Street Supervisor Turner reminded the Council that some of the work that also needs to be kept in mind is the stormwater management and stormwater ponds. He noted that they just inherited a stormwater pond south of Highway 10. He stated that they should also consider the snowplowing events of the past year.

Councilmember Musgrove appreciated the discussion of the job sharing between departments. She shared that she asked that Administrative Services Director Lasher put together some numbers concerning other cities in the metro area of a similar size to see how Ramsey compared. She reiterated that there are more parks workers than street workers in the City. She shared that this is why she supports the two street workers and the mechanic. She stated that if they need another body she would also be in support of another street worker who could also help with parks. She stated that she is definitely in favor of the mechanic and also two of the requested street workers. She added that she would also be in favor of a third street worker over the parks worker. She asked if the parks workers ever work on the utilities.

Parks and Assistant Public Works Director Riverblood said yes and explained that the job sharing occurs between all divisions depending on needs.

Councilmember Woestehoff stated that Ramsey is the worst as compared to other cities when it comes to the number of workers and lane miles, with 38 lane miles per employee. He noted that they are at 53 acres per employee for parks. He mentioned that there are drastic differences between Ramsey's numbers compared to other cities.

Acting Mayor Riley stated that he would support the new street and park workers and put the mechanic on as a request for next year.

Councilmember Olson agreed that the street workers and the park worker are all valuable adds for this year and the mechanic can be moved to next year while still allowing for some time before the existing mechanic retires.

City Administrator Hagen asked if the mechanic position is dropped but they expected to see it on the budget for the following year if the Council would like Staff to reorganize some start days for all of these positions so that they still save the money.

Councilmember Musgrove stated that all of these positions are very valuable and necessary. She shared her support again for the mechanic as the mechanic is there to make sure that all of the equipment is running and they are also having a hard time as a department with vacations. She stated that even if they do spread out the start dates she would still like to see the mechanic position filled. She noted that the street workers are valuable as well as they can also do park work.

Street Supervisor Turner stated that he would not like to lose the mechanic position for this year; however, he realized that the Council has tough decisions to make.

Councilmember Specht stated that he likes City Administrator Hagen's idea of reorganizing the start dates.

Councilmember Musgrove suggested having the mechanic start earlier in the year and have the parks work start later in the year. She asked if they would be moving forward with all three of the streets worker positions, the mechanic position, and the park worker position and just stagger the start dates.

Acting Mayor Riley stated that this would be the idea so that they can still fill every position while reducing the dollars spent.

Councilmember Olson asked about when the need is heaviest to figure out which positions should be hired for first.

Acting Mayor Riley stated that Staff can look into this.

The Council was in agreement to move forward with all five positions with staggered start dates throughout the year.

Acting Mayor Riley moved on to discussing the capital equipment requests. He shared that he does not support an additional front-end loader this year when they are asking for another one next year.

Street Supervisor Turner discussed the need for the front-end loader. He shared that this is needed in crucial times if the current one breaks down, which just recently happened.

Acting Mayor Riley asked if they would still be requesting a replacement front-end loader next year.

Street Supervisor Turner stated that the request for the replacement could be pushed out a few years as the existing one is still in good shape.

Councilmember Woestehoff asked how old the current front-end loader is.

Street Supervisor Turner stated that it is a 2015 model. He noted that they attempt to run off of a 10 year window. He added that there is also a possibility that if this is approved in 2025 there may be delays in receiving the equipment due to the supply chain issues.

Acting Mayor Riley noted that in the Staff packet the useful life of the equipment is listed as 15 years.

Street Supervisor Turner stated that the estimated life is 15 years. He explained that they base this off of the piece of equipment itself and the troubles that it has been causing. He shared that he is trying to stay in front of this issue and spread the asks out over time. He noted that there has been a great difficulty with ordering these trucks, which is why he is requesting this before the end of the estimated useful life.

Acting Mayor Riley asked about the fire truck that is being replaced with the State funds that they are being given.

Fire Chief Kohner explained that the fire truck that is up for replacement is from 1994. He noted that this is passed its useful life and they are spending a lot of money maintaining it to keep it operational. He shared that this is a prime opportunity to get this replaced through the funds from the State.

Acting Mayor Riley asked if they are only looking at issuing the capital equipment certificates for one year.

Finance Director Lund explained that it is up to Council what they choose to do. She stated that the numbers that are being presented for the tax capacity have it calculated out for a single year for the capital equipment certificates. She noted that each additional percentage is going to have around a \$200,000 impact on the tax capacity.

Acting Mayor Riley asked how this compares to issuance costs.

Finance Director Lund shared that this factors in the issuance costs. She noted that these are all based on estimates due to rates. She added that she would have to reach out to the bank to see if they would issue these certificates depending on what the Council chooses to include in the certificates. She also mentioned that they still need to issue debt in regard to TIF-14. She noted that she attended a meeting with other Anoka County cities and a lot of them were at a 4%-8% levy increase.

Councilmember Specht asked what percentage increase they are looking at based on the new positions and capital equipment that they discussed this evening.

Finance Director Lund stated that it will be around 11.5%. She noted that if they were looking at issuing the equipment certificates for all three years it would be around a 12%-13% increase. She discussed the effects on the tax capacity. She asked if the Council would like to see the impact of doing the three year capital equipment certificate with the overall levy increase and tax effect on the residents.

Acting Mayor Riley stated that they have not made an informed decision on this yet. He noted that this would obviously increase the levy but he would like to know the cost benefit of issuing a three-year certificate versus one-year certificates three years in a row.

Finance Director Lund noted that this would be dependent on interest rates over the years as well as the continued issuance costs. She added that there could also be savings with equipment costing less now than it could in a year or two from now.

Acting Mayor Riley said he would recommend staying with a one year certificate.

Councilmember Musgrove added that it would be worth seeing the numbers on a three-year certificate.

There was a consensus of the Council.

2.02: Discussion of Ordinance #23-15 Tobacco and Cannabis Use Within Public Property and Public Places

City Administrator Hagen stated that this item will be discussed at a later meeting.

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 6:56 p.m.

Respectfully submitted,

Brian S. Hagen
City Administrator

ATTEST:

Katie M. Schmidt
City Clerk

Drafted by Ava Rokosz
TimeSaver Off Site Secretarial, Inc.