

Finance Committee Meeting Minutes
Monday, October 9, 2023 at 5:00 P.M.
City Hall Council Chambers

1. CALL TO ORDER

Derek Lundell called the meeting to order at 5:00 p.m. Roll call: Derek Lundell, Council Member – present; Steve Gesme, Council Member – present; Matt Montgomery, Mayor – present

Also present: City Administrator Neil Jensen, Utility Clerk Ellen Hartman, Council Member Diane Johnson, Ambulance Director Tim Malchow, City Engineer Bill Angerman, Mark Jones from OakPoint, Inc via Zoom

1B. APPROVE AGENDA

Action - ***Motion by Gesme, second by Montgomery, to approve the agenda, passing unanimously.***

2. APPROVE MEETING MINUTES

Action – ***Motion by Montgomery, second by Gesme, to approve minutes from August 14, 2023 Finance Committee meeting, passing unanimously.***

3. OAKPOINT, INC PRESENTATION

Malchow introduced Mark Jones from OakPoint, Inc. The purpose of working with OakPoint is to get help capturing additional revenue for the CF Ambulance Department from the surrounding townships that use the service. Jones provided a brief background about himself and his company. Jones detailed how OakPoint would proceed: prepare a history and overview of the current ambulance organization; identify trends in billing, revenue from calls, and expenses; project insurance demographics; predict potential revenue and come up with a number. Jones stated they would then reach out to townships via town-hall-style meetings and work with townships individually, to bring them on board. Jones said that funding potentials are tax districts and fees; the goal is to educate, not negotiate. Montgomery questioned how much townships contribute currently and Malchow stated \$0. Montgomery also asked about the city/township call ratio and Malchow reported that approximately 40% of calls are in township, which covers a 228 square mile area, that is larger than the area covered by CFPD. The timeline and costs were discussed. Jones stated he would work with Malchow and the City, hold meeting with the 8 townships that CF Ambulance serves, plus travel from St. Paul, wrapping up in July hopefully, with an estimated cost for services of \$8000.00. Jones said he could create a written proposal.

Action – ***Consensus of the Finance Committee to have OakPoint, Inc. create a proposal that would be presented to the City Council.***

4. FEE SCHEDULE

Jensen presented the fee schedule. Proposal to increase sewer rates by 3%, water rates by 2%, and storm water by 2%. The Park Board recommended raising pools fees across the board. Current WAC/SAC fees were discussed. Jensen state that \$750 covers both WAC/SAC and the meter, which is very low. The commission discussed raising those fees and a consensus was to set them at \$1000 each, plus the meter cost.

Action – ***Motion by Montgomery, second by Lundell, to recommend raising sewer rates by 3%, water rates by 2%, and storm water by 2%, and SAC to \$1000, WAC to \$1000, plus meter cost, and raise pool fees as recommended by the Park Board, passing unanimously.***

5. 72nd AVE WAY ASSESSMENTS

Angerman discussed paving 72nd Ave Way. There are 9 lots, with 3 being very large lots. They would be assessed 100% since it is considered a new road. Cost is \$280 per front foot, with the lowest potential assessment being \$20,989, and the highest \$58,769. These could be challenged, since the benefit of that amount would need to be proved. The homes are on substandard street currently. City assessment policy is clear that properties are assessed 100% on gravel streets.

Lundell questioned if the project could wait and be done with Hardwood Estates; Angerman stated that the best price is now, also you cannot comingle assessment projects. Lundell stated that he cannot support the high assessments; he felt that the road is only being paved now because of the Hardwood Estates project. Angerman stated that all gravel roads in the City will be paved eventually, and this just happens to be the time for this one. Angerman also said that 100% assessments are rare, so the City could try to help the property owners with longer terms, and lower interest rates. Senior citizen deferrals and hardship deferrals are also possible, but interest does accrue during the deferral period.

Angerman stated that 30319 72nd Ave Way faces HWY 19. Usually, the long side is assessed 50%, and the short side 100%, but properties are not usually assessed for state highways. Angerman proposed assessing the long side of 30319 at 100%, and then not assessing for the highway, which would keep the property from being assessed for the turn lane.

Consensus of the committee was to discuss the assessments during the preliminary hearing at the October 17th council meeting, concede that the assessments are large, but offer longer terms, lower interest rates and deferrals, to appease the property owners if needed.

6. TIMBER RIDGE MODEL HOME AGREEMENT

Jensen reported that Leon Endres is requesting to build two model homes this winter. Jensen stated that this would not be allowed for most developments, but this is an unusual situation since there are roads, sewer, and water already in place. The Model Home Agreement states no occupancy will be granted until streets are complete, fees paid, securities and letter of credit are provided. The abatement agreement is being worked on for curb removal; the public hearing will be held on November 1st for the abatement agreement. Consensus was to move forward with the model home agreement.

7. ADJOURNMENT

Action – ***Motion by Gesme, second by Montgomery, to adjourn at 6:23 p.m., passing unanimously.***

Respectfully Submitted,
Ellen Hartman, Utility Clerk

-Approved at 11/13/23 Finance Committee Meeting-