



City of Saint Paul
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**SAINT PAUL LONG-RANGE CAPITAL IMPROVEMENT BUDGET
COMMITTEE MEETING**

Monday, August 12, 2013 at 3:30 p.m.

Central Library Fourth Floor Conference Room

MEETING MINUTES

Members Present:	Monica Bryand, Jacob Dorer, Diane Gerth, Jane Lyon Lee, Melanie McMahon, Gene Olson, Carrie Pomeroy, Paul Sawyer, Michael Steward, Gary Unger
Members Excused:	Deb Jessen, Dave Pinto, Darren Tobolt, D'Ann Urbaniak Lesch
Members Absent:	Kellie Charles Connor
Visitors and City Staff Present:	Daley Lehmann, John McCarthy, Marissa Peterson – OFS Mike Hahm – Parks Paul Kurtz – Public Works

1. Convene

Convened at 3:36 p.m.

2. Approval of Agenda

Mr. Sawyer moved approval; Mr. Olson seconded; All approved

3. Approval of July 8, 2013 Meeting Minutes

Mr. Olson moved approval; Ms. Bryand seconded; All approved

4. Chair's Comments

The Chair had no comments.

5. Action Items

Parks and Recreation - Mike Hahm

RES PH 13-184: Amending the financing and spending plans in the Lowertown Ballpark Project in the amount of \$9,000,000, and designating the St. Paul Port Authority as the issuer of Taxable Limited Tax-Supported Ballpark Revenue Bonds.

Mr. Hahm presented the resolution, which the City Council had already acted on. He noted that the resolution did two things: the first is it increased the ballpark budget by \$9M to a total of \$63M; and the second is that it designated the Port Authority as the issuer of the revenue bonds included in the original budget.

Mr. Hahm said that he would focus on the increase to the budget, since that is the CIB Committee's focus.

Mr. Hahm further stated that he had heard two primary issues of concern on the resolution: first, why the need for the \$9M increase? He stated that \$9M was identified for 2 reasons: First, getting out on site Parks determined that the volume of soil and the degree of contamination was far greater than had been anticipated. The work of locating the structure and a re-routing a major sanitary sewer line, both required excavating more soil than originally planned and the contamination was worse resulting in a total of \$6M of unanticipated costs. Mr. Hahm stated that the second need for the increase in funding was \$3M of increased costs for the ballpark experience – including additional seats to get back up to the 7,000 seat level. He stated that even after going through a series of tough decisions to keep cost down, there were still \$3M of costs that Parks needed to cover.

Mr. Hahm stated that the other questions he had heard about this resolution were: what are the sources of money and how do they impact CIB Committee decisions in the future; and why the rush on this resolution.

Mr. Hahm explained that there were three specific sources of money: first is St. Paul Saints investing an additional \$1M in private money raising their total investment to \$11M – in the form of cash or things they purchase directly for the ballpark facility; second is \$2M of state appropriation made specific to sports and athletic facilities in St. Paul; and third is \$6M from an internal loan to cash flow the project while the Port Authority works to secure additional environmental clean-up grants. Mr. Hahm stated that he believes that the City will secure those grants, but we needed to get working on the project now. He further explained that the City has a perfect record of paying back internal loans. Mr. Hahm then explained that none of these revenue sources would come at the expense of the Committee's ability to recommend funding on future projects.

Mr. Hahm addressed the last question, why the rush on the resolution. He explained that the State would not work with the City on its current grant contract while the budget was unbalanced. He further explained that in order to meet the timeline, the City had to begin working with the State as soon as possible to keep construction on schedule.

Mr. Unger moved approval; Mr. Olson seconded.

Nine in favor; one opposed; the motion passes.

Public Works – Paul Kurtz

RES PH 13-197: Amending the financing and spending plans in the Department of Public Works in the amount of \$132,825.00 in additional revenues, \$207,333.00 for transfers of appropriations, and \$4,415,417.65 in reduced project budgets to cleanup, realign, and close out projects.

Mr. Kurtz explained that Public Works is committed to getting its capital program under control to get old projects closed and off the books. He stated that the resolution in front of the Committee was a clean-up resolution that addresses six projects. He stated that four of the projects are old and will be closed out, and two are current projects that need to be cleaned up. Mr. Kurtz stated that the two current projects that need to be fixed are Montreal Ave, which has some additional assessment revenues coming in; and the Hamline Ave bridge project, which had federal money incorrectly double-budgeted in two separate years.

Mr. Kurtz further stated that the 2008 RSVP program has \$207,000 in MSA remaining, which Public Works proposes to put back into MSA contingency. He explained that the remaining projects to be cleaned up are the 4th St. Utility under CCLRT, the 2010 sewer projects, and the Rice St. Streetscape.

Mr. Sawyer moved approval; Mr. Olson seconded.

Ms. McMahon stated that she had heard that the Montreal Ave project was being delayed. She asked Mr. Kurtz what the reason for the delay was.

Mr. Kurtz responded that it is delayed, but he did not have details. He committed to follow up with more information at a future meeting.

Mr. Steward asked if the real estate fees of 8% were standard.

Mr. Kurtz responded that yes, real estate charges 8% to do all of the administration work on collecting assessments.

Mr. Sawyer stated that he really appreciated these clean-up resolutions. He noted that it makes the Committee's work easier during "on years."

All approved.

6. Finalize plans for Task Force Appreciation Party

Ms. Gerth noted that the Task Force Appreciation party is scheduled for September 12th at Summit brewery at 5:30 p.m. She stated that set up will begin at 5:00. She further stated that the Committee's contribution is \$25 per person.

7. Adjourn

Mr. Unger moved to adjourn; Ms. McMahon seconded; All approved.

Adjourned at 4:01 p.m.

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