



Approved: February 12, 2018

**CITY OF ARDEN HILLS, MINNESOTA
CITY COUNCIL WORK SESSION
JANUARY 16, 2018
5:00 P.M. - ARDEN HILLS CITY COUNCIL CHAMBERS**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Mayor Grant called to order the City Council Work Session at 5:00 p.m.

Present: Mayor David Grant, Councilmembers Brenda Holden, Fran Holmes, Dave McClung and Steve Scott

Absent: None

Also present: City Administrator Dave Perrault, City Attorney Joel Jamnik, Public Works Director/City Engineer Sue Polka, City Planner Matthew Bachler, Communications Coordinator Dawn Skelly, Deputy Clerk Jolene Trauba, State Representative Randy Jessup, Ehlers Senior Municipal Advisor Stacy Kvilvang, Ehlers Senior Financial Specialist Jeanne Vogt, WSB & Associates Engineer Andy Brotzler, and WSB & Associates Project Manager Steve Foss

Mayor Grant requested Item 1J be discussed after Item 1A.

1. AGENDA ITEMS

A. Update on Legislative Initiatives

Mayor Grant welcomed Representative Randy Jessup to the meeting.

Representative Jessup discussed the recent court ruling that the State would be shut down if no budget was reached. He would like to have a stop-gap provision that State government core functions would continue in the case of a budget disagreement between the Legislature and the Governor.

Representative Jessup stated that he is working on some pieces of legislation regarding sexual exploitation education for young students. He is also working on an initiative that would stop land from being taken from homeowners in mobile home parks. He said there are some funds available for park residents that form associations and need money to make improvements to the parks.

Councilmember Dave McClung mentioned that the Governor released his bonding proposal focusing on statewide infrastructure projects but the public safety emergency operations center that was slated to go on the TCAAP property was not listed. He also noted the Governor proposed money for the Metropolitan Council to continue Inflow and Infrastructure (I&I) grants to cities. Councilmember McClung asked that Representative Jessup strongly support that program.

Mayor Grant asked what types of funding Representative Jessup would favor.

Representative Jessup responded that bonding will most likely be a part of the budgeting process but right now the forecast is good and there may not be much budget work to be done.

Councilmember Holden wanted to revisit the I&I and the possibility of the formula being changed to penalize cities that have been working on the I&I.

Representative Jessup concurred that cities that have been proactive should not be penalized.

Mayor Grant requested that Representative Jessup come back to a regular Council meeting to give a recap of the upcoming legislative session.

B. Utility Rate Study

Ehlers Senior Municipal Advisor Stacy Kvilvang shared a Powerpoint presentation highlighting the utility rate study that was conducted by Ehlers to assess the health of the City's utility funds. The main findings were: the water fund had a sufficient cash balance; the sewer fund has an insufficient cash balance and will need increases; the storm water fund is sufficient; the City should eliminate the undeveloped surface water management fee, and could eliminate the standby fee and incorporate it into a flat fee meter charge. None of these findings will create a significant impact to users.

Councilmember Holden asked for an explanation of the difference between the charges of meter and standby.

Ms. Kvilvang stated that meter is the actual water meter charge, standby is an additional fee that is charged for water hydrant replacement, fire protection etc.

Ms. Kvilvang clarified that the rates they are proposing for 2018 also includes the debt service.

Ehlers Senior Financial Specialist Jeanne Vogt explained the options they are presenting are all revenue neutral. So when the meter charge is lowered slightly the consumption charges go up slightly to generate a sufficient amount of revenue, but only as much as customers need to be charged to balance the funds.

Mayor Grant felt that eliminating the miscellaneous charges by bundling them will make the bill easier for the customers to read and understand.

Ms. Kvilvang mentioned that the rates should be looked at annually.

Ms. Vogt suggested that bonding be done every other year to keep bond issuance costs at a minimum, as opposed to issuing debt every year and having those costs every year.

It was determined that the Council would like to have a Special Work Session to discuss capital improvement projects as they relate to the rate study and possible rate increases.

C. City Attorney Attendance at Council Meetings

City Administrator Dave Perrault requested direction from the Council as to how many Council meetings they would like the City Attorney to attend.

Mayor Grant said he felt the first regular meeting of the month usually didn't have items that the attorney would be needed for, but the second regular meeting of the month often contains items that are Planning related and he would like to see the attorney at those meetings.

Councilmember McClung agreed that development and planning issues are more often at the second meeting of the month and the attorney may need to be consulted during those meetings.

City Attorney Joel Jamnik suggested that he would plan to attend the second regular meeting of the month, unless there are no Planning items and will not be at the first meeting of the month unless staff identifies an item needing him to be there. He also said going forward they can add a line to the memos stating he has reviewed that item.

D. WSB Contract - Engineering

City Administrator Perrault stated the Professional Services Agreement with WSB had an amendment and Council had pulled the item from a previous meeting for further discussion. The amendment was to have WSB provide engineering support for up to 80 hours per month as opposed to 20 hours a week.

WSB & Associates Engineer Andy Brotzler noted there are two different items in the packet; one is a standard Professional Service Agreement with WSB that has no contractual obligation for any specific projects. The second contract is for the services Kelsey Gelhar would provide as graduate engineer at 80 hours per month for the next twelve months.

Mayor Grant said that there should be a policy established as to when they go out for bid on projects. He didn't see any concerns with the Professional Service Agreement. He would also like to see what Ms. Gelhar is working on put into the Admin Update.

E. Fee Based System (Fire, Police, Ambulance)

City Attorney Jamnik said the state statues allow fees for services however those fees are hard to establish and collect. Any shift in a fee based system brings up questions of formulas, how to pay for fixed rates, how to deal with special charges. Fixed fee are generally viewed as a policy incentive to eliminate the number of false alarms with regard to the fire and police departments.

Mayor Grant felt adding a fee to police or fire calls may stop someone from making the call to 911.

Councilmember Fran Holmes said it appears charging a facility fee for services is not an option.

City Attorney Jamnik said the City would run a risk to try to set up fees to individual businesses. But excessive alarm fees are acceptable.

F. Personnel Discussion – Finance Director

City Administrator Perrault stated that the City currently has the following openings: Finance and Administrative Services Director, Community Development Director, and Public Works Working Foreman. Following discussions with the Personnel Committee, the most immediate need is for a Finance Director. He requested the Council approve posting for the Finance Director position and explained changes to the job description.

Mayor Grant said the Personnel Committee found that going outside for contract services wasn't cost effective.

City Administrator Perrault noted that it is currently hard to find a Finance Director in the current climate and that could affect the timing of the position being filled. There are other cities that have recently recruited for similar positions and so he will reach out to them for possible candidates.

Councilmember Holmes asked who would handle Human Resources functions with it being taken out of the position description.

City Administrator Perrault said responsibility would fall to the City Administrator, and some clerical responsibilities were added to the City Clerk position. Larger items like union negotiations and insurance discussions would fall to the City Administrator.

Mayor Grant directed staff to move forward with Finance Director posting.

G. Restructuring Departments

City Administrator Perrault said the intent of the restructuring is to move the administration duties back into the Administration Department. Human Resources duties would be retained by the City Administrator but day to day paperwork would go to the City Clerk as approved by the Council in December. The Administration Department personnel would report to the City Administrator as their department head, including but not limited to City Clerk, Deputy Clerk, Communications Coordinator and front desk staff. The Director of Finance would maintain the payroll portion of Human Resources.

There was no discussion.

H. Hiring and Termination Authority

City Administrator Perrault said the intent of the policy is to delegate the hiring, discipline, and termination authority to the City Administrator for hourly employees that are non-supervisory and budgeted for, including seasonal employees, with the City Council approving the actions on consent. The Personnel Committee would be kept up to date with any issues. Salaried positions would fall to City Council for direction and final approval. The Personnel Committee was supportive of the policy and the City Attorney reviewed it as well.

Councilmember Holmes expressed concern that the policy doesn't say the City Administrator will check with City Council to see if they would like to fill the position.

City Attorney Jamnik said the policy can be modified to say that the Council should be notified of someone's resignation or termination so if they have an issue with filling the position they can talk to the Personnel Committee or the City Administrator.

Councilmember McClung stated that he is comfortable with the policy as long as they are informed of someone's resignation or termination.

Councilmember Holmes mentioned that the Council used to approve advertising for a position and wondered why that couldn't continue to happen.

City Attorney Jamnik said most cities the separation from employment is notified to the Council, which is an indicator that there is an opening in a budgeted position, and that would build in the opportunity for communication and dialog.

City Administrator Perrault clarified that the Council is asking for the only change from current practice is that seasonal employees won't need to go to Council for approval but everything else needs to be authorized by Council prior to posting.

Mayor Grant asked staff to make the changes to the policy and put it on the consent agenda at the next Council meeting.

I. Highway 96/Lexington Avenue Gateway Sign

City Planner Matthew Bachler stated that the 2018 budget includes \$80,000 for a gateway sign and the Council discussed the location of Highway 96 and Lexington Avenue. Staff has been working on a conceptual plan for the sign. Taken into consideration were travel speed, size, setbacks, viewing orientation and constructability. The cost estimate for the conceptual sign is approximately \$193,000. Factoring in contingencies and construction administration it comes to approximately \$261,000. WSB provided a more detailed breakdown of the costs and potential cost savings.

Councilmember Holden wondered if there was any money in the Foundation that could be applied toward the sign.

Mayor Grant said there is no money in the Foundation tagged specifically for gateway signs.

Councilmember Holden said she was concerned about the garden in front of the sign and the ability to maintain it. She wondered if it would be better to have grass instead of the plants.

WSB & Associates Project Manager Steve Foss said the materials in the drawing are hardy and native but there could be a cost savings with a reduction in plantings and maintenance by narrowing or isolating the planting bed.

City Planner Bachler noted that the irrigation system is an add-on item not included in the base cost.

Councilmember McClung said as the City logo is a tree, he'd like to see trees behind the sign and lose the shrubs and perennials, which would also lower the need for irrigation.

City Planner Bachler pointed out two potential cost reduction items; swapping out the stone veneer with a simulated stone patterned concrete and reducing the size of the sign to 22 feet. He noted that reducing the size of the sign also limits visibility.

Councilmember Holden said she thinks it important that we have the sign because businesses have been wanting signs for years. She wondered if tree donations could come from the Friends of the Ramsey County Parks.

Mayor Grant suggested money in lieu of trees, and asked if there would be any other unbudgeted sources.

Councilmember Holmes wondered if the EDA Revolving Load Funds could be used.

City Planner Bachler said those funds have not been allocated yet.

Mayor Grant directed staff to come back to a future work session with funding options for the amount above the budgeted \$80,000, and to not cheapen the sign down.

J. Communications Work Plan

(Discussed after Item 1A)

Communications Coordinator Dawn Skelly noted the three communications priorities the Council had decided on at the November 27 work session: the Admin Update, City Newsletter and Website redesign. The Admin Update has already seen some changes and will continue to be sent weekly. The Arden Hills Notes newsletter has been moved in house and staff recommended the Communications Committee serve in an advisory capacity as needed. Clean up will continue on the City website, while features and brand elements will be worked on with Civic Plus. The new site launch is scheduled for August 2019.

Councilmember Holden wondered how much time the Arden Hills notes is taking the Communications Coordinator to compile and felt we should note in the newsletter that it is being put together by staff and not local volunteers. She also requested a short resident guide with common regulations be given to new residents.

Mayor Grant felt the resident guide was important but doesn't need to be lengthy. He requested that resident meetings be included in the Admin Update so Council members can attend if they wish.

K. Local Union No. 49 Labor Agreement (closed per M.S. 13D.03, Subd. 1(b) and 179A.01 to 179A.25)

MOTION: Mayor Grant moved and Councilmember Holmes seconded a motion to end the open session and begin the closed session at 7:30 p.m. The motion carried unanimously (5-0).

Open Work Session resumed at 8:10 p.m.

2. COUNCIL COMMENTS AND STAFF UPDATES

Councilmember Steve Scott commented that he went out on a snowplow with one of the Public Works employees and had an enjoyable and informative experience.

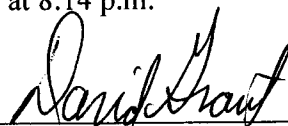
City Administrator Perrault noted he may be on vacation March 26-30.

ADJOURN

Mayor Grant adjourned the City Council Work Session at 8:14 p.m.



Jolene Trauba
Deputy Clerk



David Grant
Mayor



Approved: February 12, 2018

**CITY OF ARDEN HILLS, MINNESOTA
CITY COUNCIL WORK SESSION (CLOSED)
JANUARY 16, 2018
7:30 P.M. - ARDEN HILLS CITY HALL**

CALL TO ORDER/ROLL CALL

Pursuant to due call and notice thereof, Mayor David Grant called to order the City Council Work Session (closed session) at 7:30 p.m.

Present: Mayor David Grant, Councilmembers Brenda Holden, Dave McClung, Fran Holmes, and Steve Scott

Absent: None

Also present: City Administrator Dave Perrault; Public Works Director Sue Polka; and City Attorney Joel Jamnik

1. AGENDA ITEMS

- A. Local Union No. 49 Labor Agreement (closed per M.S. 13D.03, Subd 1(b) and 179A.01 to 179A.25)

Mayor Grant opened the closed portion of the work session, and a discussion ensued regarding negotiations of the Local Union No. 49 Labor Agreement.

ADJOURN

Mayor Grant adjourned the closed portion of the City Council Work Session at 8:10 p.m.

Dave Perrault
City Administrator

David Grant
Mayor