

**MOUND CITY COUNCIL MINUTES
SEPTEMBER 3, 2014**

The City Council of the City of Mound, Hennepin County, Minnesota, met in special session on Wednesday, September 3, 2014, at 6:30 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Hanus; Councilmembers Kelli Gillispie, Ray Salazar, Mark Wegscheid and Heidi Gesch

Others present: City Manager Kandis Hanson, Community Development Director Sarah Smith, Public Works Superintendent Ray Hanson, Liquor Store Manager John Colotti, Public Works Director Carlton Moore, Fire Chief Greg Pederson, Finance Director/Clerk/Treasurer Catherine Pausche, Accountant Noah Iverson, Jameson Smieja, Pamela Myers, Vern Brandenburg, Ron Pauly.

Open Meeting

Mayor Hanus called the meeting to order at 6:30 p.m. Kandis Hanson made some introductory comments.

1. Westonka Historical Society – Vern Brandenburg and Ron Pauly

A. Request for funding agreement with cities

Brandenburg read from Minnesota State Statute authorizing cities to spend public funds on historical preservation purposes.

Pauly summarized the request made to area cities to contract for services with the Westonka Historical Society with funding based on population. Pauly said Spring Park gave \$3,000 in 2014 and authorized another \$3,000 for 2015. Pauly proposed \$1.50 per resident, which would equate to \$13,597.50 for Mound. Pauly stated they would like to expand into Level 4 of the Centennial Building.

Discussion ensued and it would be stated funding would be considered either later on in the workshop or in a future budget meeting.

2. Finance and Admin – Catherine Pausche, Finance Director/Clerk/Treasurer

Pausche went over the packet materials for the following topics: fund balance and key statistics, major contracts and procurement, staffing proposal and capital expenditures. Pausche stated much of the information was provided for reference and could be referred back to in future budget discussions. Pausche summarized the reduction in FTEs since 2008 and the need to add back a position that was vacant and eliminated in 2014.

Metropolitan Environmental Wastewater treatment fees were discussed, including the need to track/measure I & I elimination efforts and corresponding impact on fees.

3. Fire Department – Greg Pederson, Fire Chief

Pederson went over the packet materials for the following topics: purchase of a ladder truck and long-term staffing needs.

Hanus questioned how much the ladder truck is used and Pederson said in a recent study, mainly due to the size, it is only used 12 – 15 times a year, whereas engines get used 275 times per year. Pederson said the committee to evaluate equipment is looking at a combined use, smaller ladder/engine and what the trade-offs would be.

4. Liquor Store – John Colotti, Manager

Colotti gave a technology update that includes the proposed purchase of a point of sale (POS)/register system. Colotti stated the current POS system is over 10 years old and the proposal includes the registers but not annual maintenance. Colotti stated it would streamline many processes, including inventory management, which would free up management and possibly reduce the need for part-time payroll. Salazar asked about the life expectancy and Hanus asked about the pay-back period, for which Colotti stated he would further investigate.

5. Public Works – Carlton Moore, Public Works Dir & Ray Hanson, Public Works Supt

Moore gave an overview of bid alternates, change orders and what is included in the indirect/contingency costs. Moore also discussed engineering costs in general.

Discussion ensued about why vendor bids can't incorporate the need for changes and Gillispie questioned the difference between what the Council approves and what is actually paid for. It was agreed to have Staff provide further analysis on a project by project basis, over the life of the project, breaking out the construction amounts and soft costs by category, and bring back to the October budget workshop.

6. Community Development – Sarah Smith, Community Development Dir

Smith gave an overview of a staffing proposal for a Field Officer position and summarized marketing and developer attraction efforts. Hanus stated that now that a market study has been performed, it is time to “re-vision” what Mound should be.

Council members were then invited to give their thoughts on the budget and what was presented. Hanus stated he has concerns about funding the Westonka Historical Society because there are organizations who also wish to be funded, but that once the 10-year Gillespie Center agreement is completed, there may be an opportunity to divert those funds or provide some kind of contribution in the meantime. Hanus said that could be discussed in future budget discussion and did not have to be decided tonight. Hanus said he would agree to Scenario 2, which was a 3% General Fund Revenue Levy/1.75% Total Levy increase, which included the staff proposals presented at the meeting.

Wegscheid stated he also agreed with Scenario 2 and the personnel adjustments and Gesch agreed. Wegscheid expressed concern over a potential back-lash from people opposed to the City Hall move if the Council funded the Historical Society when we already discounted the rent.

Gillispie stated she agreed with Scenario 2 and stated she would like Staff to revisit the contract with Hennepin County Assessors Office to try to incorporate cost/increases and possible incorporate rent for the Centennial Building.

Salazar stated he agreed with Scenario 2 and the staffing changes and stated that perhaps 2016 would be a better time to consider funding the Historical Society. Hanus suggested a ramp-up approach may work but that it did not have to be decided tonight.

Adjourn

MOTION by Wegscheid, seconded by Gesch, to adjourn at 9:45 p.m. All voted in favor. Motion carried.

Mayor Mark Hanus

Attest: Catherine Pausche, Clerk