

MOUND CITY COUNCIL MINUTES
August 25, 2015

The City Council of the City of Mound, Hennepin County, Minnesota, met in regular session on Tuesday, August 25, 2015, at 7:00 p.m. in the council chambers of the Centennial Building.

Members present: Mayor Mark Wegscheid, Council Members Heidi Gesch, Ray Salazar, and Kelli Gillispie, Jennifer Peterson

Members absent: none

Others present: Catherine Pausche, Sarah Smith, Eric Hoversten, Ray Hanson, Greg Pederson, Melissa Manderschied, Katie Morford, Jason Holt, John and Mary McKinley, Shirley Hawks, Joe Bruns, Lou Princivalli

Consent agenda: All items listed under the Consent Agenda are considered to be routine in nature by the Council. There will be no separate discussion on these items unless a Council Member or citizen so requests, in which event it will be removed from the Consent Agenda and considered in normal sequence.

1. Open meeting

Mayor Wegscheid called the meeting to order at 7:01 p.m.

2. Pledge of Allegiance

3. Approve agenda

Mayor Wegscheid added agenda item 4.5 Report on Special Meeting Held Monday, August 24, 2015 and noted there was a replacement page (2242) for agenda item #7

MOTION by Salazar, seconded by Gesch, to approve agenda as amended.
All voted in favor. Motion carried.

4. Consent agenda

MOTION by Salazar, seconded by Gesch, to approve the consent agenda.
Upon roll call vote, all voted in favor. Motion carried.

A. Approve payment of claims in the amount of \$228,519.20

B. Approve minutes: Aug 11, 2015 regular meeting

C. RESOLUTION NO. 15-93: RESOLUTION APPROVING 2015 CENTRAL BUSINESS DISTRICT (CBD) PARKING MAINTENANCE ASSESSMENT ROLL TO BE CERTIFIED TO THE COUNTY AUDITOR AT 5% INTEREST - LEVY #19114

D. Approve Pay Request No. 1 and Final from Allied Blacktop Company in the amount of \$24,148.00, for work completed on the 2015 Seal Coat Project, City Project No. PW-15-08

E. RESOLUTION NO. 15-94: RESOLUTION ORDERING PREPARATION OF FEASIBILITY REPORT FOR 2016 STREET, UTILITY AND RETAINING WALL IMPROVEMENT PROJECT, CITY PROJECT NO. PW-16-01

4.5 (added) Report on August 24, 2015 Special Meeting

Mayor Wegscheid stated that the City Council met in special session on Monday, August 24, 2015 to evaluate the performance of City Manager Kandis Hanson. The Council continued

the meeting to Friday, August 28th at 6:30 pm in the conference room of the Centennial Building.

5. Comments and suggestions from citizens present on any item not on the agenda.

Jason Holt, 5114 Jennings Road, distributed copies of his report and expressed concern with ordinance violations not being enforced. Holt said the properties in question are 1653 Eagle Lane and 1652 Dove Lane and he expressed concern with the turnaround time since the first contact with Field Officer Simon. Holt walked through a timeline of events and related pictures, including some to demonstrate maintenance levels of city owned properties and commons.

Mayor Wegscheid thanked Mr. Holt for expressing his concerns and said he would follow-up with Public Works.

Mary McKinley, 5948 Hillcrest Road, said she has a background in chemical dependency and expressed concern for city employees and questioned an all-staff meeting that was held in order for the City Manager to express her issues with a DWI incident. McKinley said employees who have been affected by drunk drivers had to listen and asked that the Council take action to ensure that this kind of meeting does not happen again.

6. Visit by Jeff Johnson, Hennepin County Commissioner

Jeff Johnson said he did not support the 2.5% increase from the 2015 budget because he does not feel the County needs more money. He state he will oppose any budget increase for 2016. Johnson highlighted the opening of the 911 dispatch center as a big accomplishment. Johnson said Child Protection Services have been criticized and the County is taking a close look on how to change the system and culture to increase quality and effectiveness. The 2040 bike budget of \$175M was passed and Johnson did not vote for it because investment in road lanes was not included nor were maintenance funds.

Gillispie asked about the plans to consolidate the watershed districts that Johnson had spoke of the last time he addressed the Council. Johnson said there was a lot of push back against that idea, some fair and some territorial. He said he is alone on the board in supporting change. Johnson said there are efforts by the Senate to get the conversation started. Gesch thanked Johnson for being consistent in protecting the tax payer dollars, often as the minority. Wegscheid and Salazar concurred.

7. Catherine Pausche, Director of Finance and Administration, requesting action on a Resolution Approving a Memorandum of Agreement between the City of Mound and Westonka Public Schools, ISD#277

Pausche said this is an extension of an agreement that was approved last year and that the City used to provide the service so has been asked to support it financially. Pausche noted pedestrian safety is an obligation of the City and the City has a long history of partnering with the School District to ensure student safety.

Requested Action:

1. MOTION by Salazar, seconded by Gillispie, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 15-95: RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF MOUND AND WESTONKA PUBLIC SCHOOLS, ISD#277

8. Kelli Gillispie, Council Member, requesting discussion on Rental Registration Code

Gillispie said she would like the City to consider a form of rental registration for rental properties in the City. The registration would allow the City to have the contact information of landlords in the interest of public safety and for administrative purposes such as Utility Billing. Manderschied stated that rental registration gives the city knowledge of rentals for public safety, nuisance, planning and zoning purposes and is the minimum oversight a city can require, just above no oversight. Peterson asked if this would include vacation homes and Gillispie responded yes. Salazar said he likes the idea but questions how to enforce. Wegscheid said that rental inspections are not being considered. Gesch said she would only like minimal info to be obtained and is not sure why the City needs to know who the renter is. Gillispie said it is just for informational purposes. Gesch stated she does not want government to get bigger and does not want a fee. Peterson asked for research to be done to see what other cities are doing as well.

Wegscheid asked if the Council would like to add this to the October 21st budget workshop and all agreed.

9. 2016 Preliminary Budget and Levy Discussion and Approvals

A. Budget discussion items

1. Accepting credit cards at City Hall

Pausche reviewed the three options that were presented in the packet, including the pros and cons, and noted payment by credit card was being proposed for some fees but not utility fees as there are other payment arrangements available for utilities. Salazar asked if there should be a cap on the amount that could be charged and Pausche said she will evaluate that further based on the three possible scenarios and report back to the Council.

2. City Council/Promotions expenditure requests

Pausche stated four organizations have come forward in the past year asking for funds and gave her assessment as to what the City was currently funding and what potential resources were available for other uses. Pausche summarized that the City is the major funder of the Gillespie Center and that the City provides in-kind donations in many cases that other cities do not. Pausche emphasized it is important to partner with other cities and organizations to ensure services are available though this has to be balanced with property tax and utility rates and other priorities and demands. Discussion ensued and comments from council members were taken. Mayor Wegscheid said his request for a more formalized process was to determine if there is a true financial need based on the actual financials and would not want the application to be seen as creating an invitation to apply. Salazar emphasized there has to be a benefit to the city and that he believes in government providing the basic services of police, water and streets, and that funding should come from fundraising from other sources. Mayor Wegscheid noted that some of the contributions were seed money and were meant to sunset. Gesch stated she doesn't like the word 'grant' and that she is not in favor of redistributing tax money to other organizations.

B. Action on Resolution Approving Changes to the Debt Service Levy Schedules

Pausche described the assumptions made when bonding for street improvement projects, including the amount of special assessments. Pausche said the actual amount assessed and the amounts prepaid vary from project to project which impacts the amount that is levied and this resolution is to adjust the special levy amounts accordingly.

Requested Action:

MOTION by Salazar, seconded by Gillispie, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 15-96: RESOLUTION AUTHORIZING CHANGES TO DEBT SERVICE LEVY SCHEDULES AND TO APPROPRIATE FUNDS IN THE DEBT SERVICE FUND FOR BOND SERIES 2008B, 2012A, 2013A, 2014B, 2015A

C. Action on Resolution Approving a Levy not to Exceed \$197,008 for the purpose of Defraying the Cost of Operation, Pursuant to the Provisions of MSA 469, or the Housing and Redevelopment Authority of and for the City of Mound for the Year 2016

Pausche reviewed the HRA levy amount the past few years and noted that it is tied to tax capacity, which diminished significantly from 2009 to 2014. Pausche noted the levy pays for the debt service on the transit center and the maintenance of the transit district. Refunding the transit center bonds created savings, but the maintenance fund needs to be replenished after operating at a deficit the last several years.

Requested Action:

MOTION by Salazar, seconded by Gillispie, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 15-97: RESOLUTION APPROVING A LEVY NOT TO EXCEED \$197,008 FOR THE PURPOSE OF DEFRAYING THE COST OF OPERATION, PURSUANT TO THE PROVISIONS OF MSA 469, OF THE HOUSING AND REDEVELOPMENT AUTHORITY OF AND FOR THE CITY OF MOUND FOR THE YEAR 2016

D. Action on Resolution Approving the 2016 Preliminary General Fund Budget in the amount of \$5,368,219; Setting the Preliminary Levy at \$5,649,172; and, Approving the Preliminary Overall Budget for 2016

Pausche noted the main objective of the Council's decision is being comfortable with setting the ceiling for the preliminary levies as these amounts cannot be increased when the final levies are approved. Pausche stated a more in-depth review of the individual budgets, including capital plans and utility rates, will occur at the October 21st budget workshop, but that the department supervisors were present to answer any questions. Pausche noted the proposed General Fund levy increase is 3%, total levy increase is 1.89%, and the city tax rate is projected to decrease to 50.42%. In addition, the 4.5% General Fund expenditure increase is being driven by increases for the comprehensive plan review (+\$10K), elections (+\$10K), capital expenditures (+\$115K) and an increase in building inspections (+\$25K) that is offset by an increase in permit revenue. Pausche reviewed the history of the General Fund budget and levy increases and noted the average annual expenditure increase was 0.61% from 2009 to 2016.

Mayor Wegscheid reiterated that the overall final budget is not being approved but rather the benchmark is being set. Pausche noted these are the amounts used to prepare the estimated property tax statements in November and that the final budget and levy will be approved in December.

Requested Action:

MOTION by Salazar, seconded by Peterson, to approve the following resolution. All voted in favor. Motion carried.

RESOLUTION NO. 15-98: RESOLUTION APPROVING THE 2016 PRELIMINARY GENERAL FUND BUDGET IN THE AMOUNT OF \$5,368,219; SETTING THE PRELIMINARY LEVY AT \$5,649,172; AND APPROVING THE PRELIMINARY OVERALL BUDGET FOR 2016

- E. Mayor Wegscheid announcing: The 2016 Final Budget and Levy discussions and decisions will take place at the Dec 8, 2015 Regular Meeting, at 7:00 pm, in the Council Chambers. Public comments will be taken at this meeting. Comments or questions on the 2016 Budget and Levy can be directed to the Finance Director at 952-472-0633.**

10. Kandis Hanson, City Manager, requesting marketing and communications liaison

Mayor Wegscheid said recent discussions have taken place about improving marketing and communications, including the website. Wegscheid stated council members serve on many committees and it is an opportunity for more input and involvement. Wegscheid asked for volunteers and Gesch and Peterson said they would like to. Salazar, Gillispie and Wegscheid agreed.

11. Information/Miscellaneous

A. Comments/reports from Council Members/City Manager
Gillispie said the first Taste of Tonka will be held on Saturday, September 19th from 5pm to 11pm in the Harbor District and is sponsored by Westonka Community and Commerce. Event tickets are \$100 for VIP and \$20 for General Admission and entertainment will be provided by Keith Anderson and Hitchville. More information is available on the website at www.tasteoftonka.com.

- B. Minutes: Planning Commission - July 7, 2015
- C. Reports: Bolton & Menk - June 30 YTD
Finance - Conference & Training: June 30 YTD
- D. Correspondence:

12. Adjourn

MOTION by Gesch, seconded by Salazar, to adjourn at 8:13 p.m. All voted in favor. Motion carried.

Mayor Mark Wegscheid

Attest: Catherine Pausche, Clerk