

MINUTES OF A WORK SESSION OF THE
INDEPENDENCE CITY COUNCIL
THURSDAY JANUARY 12, 2021–7:00 A.M.
(virtual meeting- all attendees)

1. CALL TO ORDER.

Pursuant to due call and notice thereof, a work session of the Independence City Council was called to order by Mayor Johnson at 7:00 a.m.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

PRESENT: Mayor Johnson, Councilors Betts, Spencer, Grotting, and McCoy

ABSENT: None

STAFF: City Administrator Kaltsas, Assistant to Administrator Horner, City Attorney Vose

VISITORS: WHPS Chief Kroells

4. General Administration:

A. 2021 Council Goals and Objectives.

Kaltsas said Staff is asking Council to consider important or key issues that they would like to see worked on and or addressed in 2021. There is no real preconceived idea with this item, but rather, I would like to have a brief discussion relating to possible projects and or focus areas.

Kaltsas noted one project the City will be working on is digitizing files so all paper resources are easily searchable. Johnson said he may have some files on landfills that may be useful to someone if they were digitized. Betts asked about the Torrens information getting digitized also. Kaltsas said a map could be looked at to determine Torrens properties but it is not that common. Grotting said that landfill information would be good to have filed as well.

B. Police Commission JPA Discussion.

Kaltsas said based on a general discussion held by the Police Commissioners while preparing the 2021 budget, direction was provided to have staff and each City further review the Joint Powers Agreement (JPA).

The WHPS Commission is going to meet in February to begin reviewing the JPA in more detail. A couple of the items discussed by the Commission are as follows:

- Requiring and establishing a 3–5-year budget and capital improvement plan. WHPS currently prepares and adopts a 1-year budget.
- Reviewing the formula and historic data related to the formula. The formula currently averages tax capacity, population and calls for service.
- Review the current cancelation clause and consider establishing a longer-term notification period to provide the department with a more stable forecast (the current cancelation clause in the contract requires no less than 367 days' notice).

Staff is providing a copy of the JPA and has also prepared a quick analysis of the last 14 years of variables used in the formula. Staff/Commissioners would like to provide a brief overview of the discussion and will be looking for additional discussion and direction related to the JPA.

Johnson asked Kroells if there were any other measurements that should be included. Kroells stated he needs stability for his staff. He said a longer contract would be nice so it was not a yearly issue and his staff could feel more secure. Kroells stated now more than ever the police are needed and staffing a force is not always easy. He noted Independence pays for more calls than Maple Plain. 54% of the time is spent in Independence and 46% of the time in Maple Plain but Maple Plain pays less.

Betts said a three-year contract makes sense with a 3.3% increase built in. She said that would be a lot more stable. Spencer asked Kroells if Maple Plain was asking how this should be addressed. Kroells said they have stated that WHPS is too expensive. Spencer said a fixed percentage allocation could be looked at to stabilize the budget. Kroells said it could be considered but both cities would have to agree on the number. Kroells stated the 38M Haven Homes residence and the five new homes in 2020 should up their tax capacity. He also noted the increased calls that will happen with the completion of Haven Homes.

C. Fire Department District/JPA Discussions.

Kaltsas said the cities of Medina, Long Lake and Orono have been discussing the possibility of creating a fire district or similar JPA to provide fire services as a regional service. Medina recently completed a feasibility study relating to how they can provide fire services to the City (see attached study). Based on some of the concepts explored in the study, Medina and Long Lake have continued to explore a regional fire district. Orono, Maple Plain, Hamel, Loretto and Independence have also been invited to attend several recent meetings relating to the fire services district.

Medina has also provided notification to the City of Maple Plain Fire Department that they will not be asking for fire services after 2021 (see attached letter). Staff has attended two meetings with the group to listen to the information being presented for informational purposes. Staff has also met independently with the Loretto and Maple Plain Fire Departments to discuss the possibility of creating a smaller fire district or similar JPA. Following that meeting, I asked AEM to prepare some preliminary information relating to the financial outcomes of combining fire departments (tax implications, capital, operating).

Staff would like to have a discussion relating to current and future fire services for Independence.

Johnson said Loretto had done a study several years ago and he thought it was not to merge with the Hamel Fire Department. Kaltsas said that was correct. He noted Corcoran was a big piece of Loretto and they are committed to Loretto and want to continue contracting with them for the foreseeable future. Maple Plain and Loretto Fire have a cohesive relationship without trying to meld in others.

Betts asked the impact on the Delano Fire Service. Kaltsas said we would eliminate Delano if a JPA district was developed. Calls are small to Delano and they have slower response times than Maple Plain and Loretto. He noted that is due to their location in the City. There have also been some issues with them being in Wright County with dispatch calls, etc.

Kaltsas said a JPA would mean lower capital costs and equipment costs. He noted we have enough firefighters and with the savings could bring on full-time staff.

Betts noted the building needed improvements and wondered if a district would alleviate that need to do the updates. Kaltsas said it could alleviate that as Loretto would build a new site and have the land already to do it. Betts said that would be to Maple Plain's advantage as well.

McCoy said it was well-worth looking at a Fire District. He said the fire stations are well situated the way they are now. Independence should look at this to be viable and he noted the way this is being done currently is not sustainable in the long run.

D. City Hall Construction Update.

o Review and Discussion of Front Entrance

Kaltsas said the City Hall bids included some general front entrance improvements in the base bid. Staff had asked the architect to prepare several additional concepts that could be considered by the City. Three concepts were prepared, and additional investigation was done relating to the possibility of relocating or lowering the existing well head that exists in front of the building. It has been determined that due to the elevation of the well and the minimal ground cover required, lowering the well head is not feasible.

Staff would like feedback relating to the two options and associated costs attached to this report (Concept A and Concept C).

Kroells stated the drive through in concept A was not a good idea and said Concept C would be safer. Betts agreed and said she liked Concept C. Grotting said he liked the plaza feel better than the drive through (Concept C) as long as ADA compliance is in place. Spencer liked the more formal feel of (Concept C) and said it is more attractive.

E. Sewer Rate Increase.

Kaltsas said Staff previously presented and discussed the update to the Sewer Rate Study that was completed in August of 2020 (see attached). The study considered two scenarios for increasing rates and fees to be able to stabilize the sewer fund. In order to move forward with the recommendations of the study, the City will need to adopt an increase to both the quarterly sewer rate and sewer connection fee. Staff is recommending that the City consider increasing the quarterly sewer rate per the study. The proposed quarterly rate increase is consistent with the rate increases considered and approved in the 2017 Sewer Rate Study. The quarterly fee for both sewer users and those that have sewer availability, would be \$242. This represents a 5% increase from 2020 for sewer users and a 21% increase for sewer availability customers (see study below). In addition, it is recommended that the City consider raising the sewer connection fee for new construction. The current fee is \$1,250 and the proposed fee is \$5,150 per unit. Staff is recommending that properties with an existing stub that have not yet connected to the sewer be charged the \$1,250 connection fee. Staff would like to review this information with Council and is seeking direction and further discussion.

Johnson said the connection suggestion was very good and Betts agreed that it is more encouraging.

F. Planning Commission Appointments.

Kaltsas said the City has two seats that are up for reappointment on the Planning Commission. Both existing Commissioners would like to renew their positions. Staff was made aware of another resident that is interested in serving on the Planning Commission. Staff would like to discuss the appointment of Planning Commissioners with Council.

Johnson said there should be notice in the paper of the openings so people may file for it if interested. Betts asked what the attendance records looked like of the Commissioners. Kaltsas said that could be looked at and Horner noted it was fairly consistent. Spencer said historically it had been a challenge to fill these positions as they are volunteer, and it was noted that it could possibly be a flexible number. He said it makes a nice stepping stone to get into City Council or elected office. Johnson said that was a good point and noted Minnetrista has a system of alternates in case someone is absent, and voting may still take place. Kaltsas said Victoria also has an alternate system and those individuals are able to vote when needed.

4. Adjourn

Johnson adjourned the meeting at 8:32 a.m.

Respectfully submitted,

Trish Gronstal, Recording Secretary