

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, JANUARY 2, 2018 –6:30 P.M.

1. CALL TO ORDER.

Pursuant to due call and notice thereof, a regular meeting of the Independence City Council was called to order by Mayor Johnson at 6:30 p.m.

2. PLEDGE OF ALLEGIANCE.

Mayor Johnson led the group in the Pledge of Allegiance.

3. ROLL CALL

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

ABSENT: City Attorney Vose

STAFF: City Administrator Kaltsas, City Administrative Assistant Horner, City Attorney David Anderson

VISITORS: Brian Vlach, Joe Baker, Scott Walsh, Bob Volkenant, Sarah Borchers

4. ****Consent Agenda****

All items listed under Consent Agenda are considered to be routine by Council and will be acted on by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Agenda and will be considered separately.

- a. Approval of the City Council minutes from the December 05, 2017 Truth in Taxation Meeting.
- b. Approval of City Council minutes from the December 05, 2017 Regular City Council Meeting.
- c. Approval of Accounts Payable; Checks Numbered 17621 & 17623-17674 & 17675-17703. Check # 17622 is a 2nd check to National League of Cities; the first one was voided due to LMC losing check.
- d. Approve Mayor and Council Members to attend the LMC's Experienced Leaders Conference January 26-27, 2018.
- e. Approval of Mayor's Attendance at the National League of Cities Congressional Cities Conference March 10-14, 2018.
- f. Approval to not waive the monetary limits on Tort Liability established by MN Statues, to the extent of the limits of liability coverage obtained from the LMCIT.
- g. Approve date of Local Board of Appeal and Equalization Meeting for April 03, 2018 at 6:00 PM.
- h. Approval of Planning Commission Appointments of Carl Phillips and Steve Thompson to New Three (3) Year Terms.
- i. Approve Agriculture Preserve Enrollment Application for Gerald Fredin.

Motion by Spencer, second by McCoy to approve the Consent Agenda items. Ayes: Johnson, McCoy, Betts, Grotting and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

5. SET AGENDA – ANYONE NOT ON THE AGENDA CAN BE PLACED UNDER OPEN/MISC.

6. REPORTS OF BOARDS AND COMMITTEES BY COUNCIL AND STAFF

Spencer attended the following meetings:

- None to report

Grotting attended the following meetings:

- None to report

McCoy attended the following meetings:

- West Hennepin Public Safety Reserves “View Santa” Event

Betts attended the following meetings:

- West Hennepin Chamber of Commerce Potluck

Johnson attended the following meetings:

- Regional Council of Mayors Meeting
- National League of Cities Conference Call
- Loretto Holiday Train
- Orono School Board Meeting
- West Hennepin Chamber of Commerce Potluck
- Northwest League Of Municipalities Meeting
- American Legion Christmas Party
- Highway 55 Quarter Coalition Meeting
- Senior Community Services Finance Committee Meeting
- Community Action Partnership for Hennepin County Finance Meeting
- Community Action Partnership Hennepin County Board Meeting
- Met with Public Works Director Ende

Horner attended the following meetings:

- Met with Bemmels and Five Technologies
- Conference Call with ABDO about payroll system

Kaltsas attended the following meetings:

7. SARAH BORCHERS FROM ORONO SCHOOL BOARD TO UPDATE COUNCIL ON CURRENT SCHOOL INITIATIVES.

Borchers outlined the new Activities Center under construction at Orono Schools. She noted this new construction was approved in November 2016. Borchers said community members and students would be able to utilize the facility. The center will be three levels and include a lobby, walking arena and weight room. Borchers said they will be hiring a Facilities Manager in the next few months. She said the Activity Center will be available to seniors to use for free as promised to voters.

Johnson asked if the management position was hired by the School Administration or through the Community Education Department. Borchers said the hiring would be done through the School District. Borchers said it

appears there will be enough in the budget to cover the addition of a plaza for the outside stadium that would include a concessions area. Borchers noted videos and PowerPoints of the project are available on the Orono website.

8. JOE BAKER, KRISTA BARTA, JIM KUJAWA, BRIAN VLACH TO PRESENT CURRENT PIONEER SARAH CREEK WATERSHED MANAGEMENT COMMISSION INITIATIVES.

Baker thanked the Council and Mayor for the continued support of the watershed through 2017. He said the budget was decreased this year as they were able to save some money on administrative costs. Baker said it was a functional and productive year for the watershed. Baker said Barta has worked diligently on the state-wide buffer initiative and the good news is that all of the applicable residents within the City of Independence are compliant and did not require extensions.

Baker introduced Vlach from Three Rivers Park District and said the watershed could not ask for a better partner. Vlach stated he works with Lake Sarah and Lake Independence on TMDL. He also works on implementing water quality improvement projects. Vlach spoke specifically about the Lake Independence TMDL project noting it was the first of its kind done in Minnesota. He said there was a need to bring the TMDL down by 1,081 lbs. /year. Lake Independence had excessive nutrients, mainly phosphorous per a 2002 study. Vlach said the different municipalities that contribute the TMDL have specific amounts they are allowed each year. The City of Independence is responsible for reducing 535 pounds, the City of Medina is 284 pounds and the City of Loretto is 53 pounds. The City of Independence took the initiative to contract with Hennepin County and the Anoka Conservation District to do a watershed assessment and identify hot spots. The project was funded by the Clean Water Fund and addressed Lake Sarah and Lake Independence. The study identified the Baker Campground Ravine as a significant contributor to the load into Lake Independence. Total acres of watershed are 80 acres and the amount in Independence is about 29 acres. A Joint Powers Agreement executed in February 2016 between Medina, Independence, Watershed Management Commission and Three Rivers Park District implemented phase one of the Baker Park Campground Ravine Stabilization Project. A feasibility study was done to determine the scope of work necessary to correct the problem. The study showed 2,200 feet of severe erosion resulting in 277 pounds of phosphorous and 300 tons of sediment going into Lake Independence from this location. The project included rounded fieldstone and rip rap to stabilize the channel area and reduce. Vlach said these projects would cover about 15% of the TMDL. The estimated cost of the project is \$525,000. He noted a Clean Water grant has been applied for in the amount of \$416,000 and Hennepin County Opportunity Grant in the amount of \$59,000 which is contingent on receiving the Clean Water Fund Grant. Vlach noted the idea is slow the water down in a step-wise fashion to reduce velocity and erosion through the channel. The estimated project life is 30 years. Vlach said they did secure the Clean Water Grant in the amount of \$416,000 and they expect to receive the Hennepin County Opportunity Grant as well. He said the remaining balance would be divided among the four partners making each contribution \$10,500/ each. Vlach said the Lake Independence Citizens Association is also contributing \$2500. Vlach noted the Joint Powers study was crucial to obtaining the Clean Water grant. Vlach noted the next step is to complete a work plan which is due March 12th. He said there will be another Joint Powers Agreement needed for Phase II of the project and he would need the City's assistance on that. Vlach said they hope to be at the bidding phase of the project for a contractor by August with construction starting sometime in October or November.

Grotting asked how the bidding processed worked. Vlach said there will be a public notice and a formal bid process. Johnson asked about the grant through Hennepin County and Vlach noted that was a grant through environmental services. Johnson asked why Maple Plain was not included in this process. Vlach said that the Maple Plain contributing watershed was less than acre and they were never named in the TMDL as a

responsible party. Johnson asked if the ravine was checked regularly that was filled by Budd Street years ago. Baker said it was doing well.

Grotting asked about holding pond as part of the project. Vlach said that was identified in the scope of work but the amount of phosphorous that would have to be removed proved to be too expensive.

Baker addressed another grant opportunity through Hennepin County directed towards combating the invasive species threatening our lakes. He introduced Walsh who is interested in asking the City of Independence to be the administrator of this grant project. Baker said the grant opportunity would not be available for long. Walsh is looking at a CD3 Waterless Cleaning Station for Lake Sarah. It empowers boaters to stop invasive species with user operated waterless cleaning equipment. Betts asked if there was a limitation on boat size. Baker said it could cover any size boat that would be on Lake Sarah. Betts asked if there was a charge to the boat owner to use the unit. Baker said that was a great question and at this point an open question. Johnson asked if this would typically be used when exiting a lake. Baker said the hope would be that they would use it if they are coming from a lake with invasive species before they go into Lake Sarah. Spencer was curious about the noise factor of the unit. Vlach said the noise was equivalent to a shop vac and the blower is powered by a generator. Walsh noted there is a cell phone within the unit so it can be monitored as to how much use it is getting, when it needs to be pumped, etc. Spencer said he thought people would bypass it if there was a long line to use it. Walsh thought something on a smaller scale would be more appropriate for Lake Sarah.

Grotting asked if the grant was specific to this particular tool or anything that addresses the spread of AIS. Kaltsas said there were questions that needed to be answered addressing noise and cost especially. He said it was not a big risk to be named as an applicant for the grant as long as it is worded subject to understanding all the aspects and also what the contribution of the LSIA will look like.

Motion by McCoy, second by Spencer to authorize Staff to proceed with grant application if deemed appropriate after further investigation. Ayes: Johnson, McCoy, Betts and Spencer. Nays: Grotting. Absent: None. MOTION DECLARED CARRIED.

9. CONSIDER AUTOMATED PAY OPTIONS:

- a. Direct Withdrawal Sewer Payments
- b. Credit Card Pay Options for Some City Fees

Kaltsas said the City did extensive research along with our financial provider to find the best option available for automated payments. PSN Solutions and MuniPay have the best integration capabilities with cities financial software. He noted those companies would be able to receive the payments and report directly back to our new system software. Kaltsas said most cities authorize an automated withdrawal for sewer payments while very few offer a credit card payment option. Staff would recommend PSN as the better option to accept the automatic withdrawal and the recommendation would also be not to accept the credit card option.

The second option is to take credit card payments for permits and other services. It would provide a higher level of service to the residents. The cost is 2.65-2.75% per transaction with most cities passing the fee to the end user. The fee schedule could be adjusted to account for this or it could be a per transaction charge. Staff recommendation would be to have a terminal available at City Hall. Kaltsas noted we are starting out the year with new financial software so it would make sense to take a look at these services as well. Spencer asked what a POS device would cost the city and would that be a one-time fee. Kaltsas said it would be a one-time cost and it is around \$200.

Grotting asked how many residents use bill pay at this time. Horner said it was about 1/3 of the residents. Kaltsas said he thought there would be a high demand for this option. Spencer noted the processing fee would be passed to the end-user not the maintenance fee.

Motion by Betts, second by Grotting to approve sewer payments through PSN with the customer absorbing the fee. Ayes: Johnson, McCoy, Betts, Grotting and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Motion by Spencer, second by McCoy to approve credit card payments through PSN with specifics to be developed by Staff and a final motion determined at the next Council Meeting. Ayes: Johnson, McCoy, Betts, Grotting and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

10. ANNUAL CITY COUNCIL APPOINTMENTS.

Motion by Grotting, second by Betts to keep scheduled appointments with the option to change or substitute as needed. Ayes: Johnson, McCoy, Betts, Grotting and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

11. OPEN/MISC.

12. ADJOURN.

Motion by Spencer, second by Grotting to adjourn at 8:24 p.m. Ayes: Spencer, Johnson, Grotting, McCoy and Betts. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Respectfully Submitted,

Trish Bemmels/ Recording Secretary