

MINUTES OF A REGULAR MEETING OF
THE INDEPENDENCE CITY COUNCIL
Tuesday, January 17, 2023–6:30 P.M.
City Hall Chambers

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 and Councilors McCoy, Betts, Spencer, and Grotting.

ABSENT: None.

STAFF: City Administrator Kaltsas, Administrative Services Director Simon, and
WHPS Director Kroells.

VISITORS: See Sign-in Sheet.

4. Representative Kristin Robbins (House District 37A) – Annual Legislative Update

I'm new to District 37A and am excited to represent you and our constituents. Please consider me a resource for anything going on at the state. I was pleased to see Chief McCoy there today for Fire Fighters' Day. We can arrange public tours for families. I'm serving on Rules, Taxes, and Higher Ed Committees. I'm furiously introducing bills which I include in my weekly newsletter that goes out every Friday. Please email rep.kristin.robbins@house.mn.gov to receive it or to reach out to me or visit <https://www.house.leg.state.mn.us/members/profile/15504> for text or email updates and more. I was first elected in 2018, so I still feel relatively new. I try to share the perspective of what's surprising to me and what might be new or of interest. Currently, I'm working on bills regarding Hwy 55 Safety Corridor Coalition and had sent a letter of support of the Hwy 55 Corridors of Commerce Application but also separately, based on the advice from staff, we are drafting a bonding bill. So, whether or not we get the Corridors of Commerce Application, we have a Plan B. When I get my jackets back (the version you'd introduced), I'm planning on asking all Hwy 55 Coalition Members to co-author it. Mayor Johnson shared Rep. Klevorn had worked on it last year. Rep Robbins sees Rep. Klevorn almost daily on Higher Ed and will reach out to her, too. Another bill which former Rep. Herta used to carry is the Small Cities Grant program that will help with local small cities that don't receive LGA. It had expired and never became a regular part of the budget, so my bill will revive that. Additionally, I was the first to introduce a bill to fully eliminate tax on Social Security and now many have followed. There are many versions, so we want to push it across the finish line as there is bipartisan support for that. The Governor and some House leadership are not sure about a full repeal. Minnesota is one of the few states which still taxes Social Security, and our intention is to push for full repeal as it is a problem for Seniors on a fixed income. Other bills are for the RND Tax Credit and Dependent Care/ Childcare Care Credit to help families. I will request hearings on all of these. Other personal priorities are the K-3 Literacy Bill to help students who lost grounds during the Covid school shutdowns, and test scores revealed that it wiped out 20 years of Reading and Math gains. We have bipartisan support on this bill. I will be reintroducing a bill to stop social media companies from targeting young people with unsolicited content. After passing with broad bipartisan support in all the House

and Senate Committees yet didn't get off the floor there last year, we are trying again. More updates will be included in my weekly newsletter. Thursday's bills will include one going beyond codifying ROE making abortion legal in statute in Minnesota up until the point of delivery. Another would allow the forecast in state government to build into the baseline budget inflation every year growing government without much legislative oversight. It doesn't seem like the best direction, so I will be looking more into that.

Grotting – \$17 billion? (Yes.) Can you talk a little about that and what the discussions are? It seems like instead of authoring bills maybe authoring repeals of bills. It just seems so crazy to us.

Robbins – I couldn't agree more! February 2023's Surplus Forecasts are expected to be higher than November 2022's \$17.6 billion Surplus, thus I have a lot of tax relief bills. While there is some talk about returning some of the Walz Surplus (one-time checks of about \$1,000 to each household), I personally believe that a more responsible way to return the surplus is through permanent tax cuts because we are clearly overtaxed in Minnesota. We increased the budget by 11% in the last biennium, and we still have \$18 billion surplus! Minnesota is in the top 5 states for high Corporate tax, Personal Income tax, 1 of 6 states that still has Estate tax, and 1 of 11-13 states which still tax Social Security. On every metric, we are out of whack across the country which really hurts our competitiveness. The different bills I'm introducing will give families more money in the long run but also shrink what is available for politicians to spend by discontinuing the double-digit growth of the size of government. (Are you getting any support?) I do think something will happen for Social Security. As much as I'm working hard to get rate reductions, just today I heard the Majority party introduced a 5th tier income tax step on incomes (12% tax rate over \$250k). We would be the highest or the 2nd highest income taxed state in the country. In my view, they are going in the wrong direction and are wanting to spend most of the surplus from the bills they have introduced and new programs or one-time spending. So, we definitely have our work cut out for us!

McCoy – Can you comment on legalization of marijuana?

Robbins- The Majority Party tried to do that last session; it failed in the House and the Senate stopped it. The Majority is the majority in both House and Senate now, so we may not be able to stop it this year. It takes away local control. So, if your city did not want to have a cannabis shop, currently drafted statutes prohibit cities' ordinances from denying that right to operate. Many communities do not want this as we saw with the edibles bill that most cities put a moratorium on. It is very concerning in many areas- the legalization and how they are rolling it out. We plan for more deep discussions on the floor. It's a 70/60-40 majority in the House. I don't know we can stop it.

Grotting – Why would that be the priority of the legislative majority?

Robbins - I door knocked all Fall and across party line, it didn't matter. The concerns I did hear were safe communities, schools, government to work, and affordable life as common-sense priorities mentioned across the board. The public is not nearly divided as the press makes it seem to be. None of those were mentioned as top priorities so far.

Johnson – I emailed you today regarding a letter from the Department of Natural Resources regarding permits.

McCoy – I think many residents also got the letter, too. It sounds like you're going down the Luce Line.

Johnson – They told me that we were a starter, and they are going along the Luce Line Trail. Our family was there before the Luce Line Trail but now want us to pay a \$2k application fee for a permit to drive across the trail.

Robbins – For context, Minnesota will only charge cannabis operators a one-time \$250 lifetime license fee. I will follow-up with you on that.

Johnson – They're wanting us to prove from 160 years ago. I don't know when the trail began.

Betts- The Luce Line Trail paid where it went through those lands. (Johnson- They paid paper.) I was on the original committee before it was passed as a trail through the State. Lots of farmers wanted their land back and claimed that the Luce Line Railroad did not pay them for their property. They were wanting to break up the Luce Line Trail by reclaiming their land. One brought it to court saying they had move the trail to the

person's border because he had proof and didn't get payment. I don't know how they settled that because the trail is still there. The Railroad maybe didn't even legally own parts of it.
Johnson - The legislature gave that authority for DNR to take it over, but this is a current thing happening now. It's good to know others got letters, too.
McCoy - If you own land on both sides of the RR, you have to get across it.
Johnson - Thank you for coming out, Rep. Robbins.

5. ****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 City Council Minutes from the December 20, 2022, Regular City Council Meeting.
- b. Approval of City Council Minutes from the January 6, 2023, Special City Council Meeting.
- c. Approval of Accounts Payable; (Batch #1 - Checks No. 21708-21725 -Approved Dec 20, 2022- and Batch #2 - Checks No. 21726-21728 and Batch #3 - Checks No. 21755-21780).
- d. 4th Quarter Building Permit Report (for information only)

Motion by Betts, seconded by Spencer to approve the Consent Agenda. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

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

Hwy 55 Corridor

7. REPORTS OF BOARDS AND COMMITTEES BY COUNCIL AND STAFF

Grotting attended the following meetings:

- None

Spencer attended the following meetings:

- Special 1/6/2022 Council Meeting to approve checks

McCoy attended the following meetings:

- Fire Commission Meeting 1/9
- Rep. Robbins Fire Services Day at the Capital
- Medina Shared Services 1/4

Betts attended the following meetings:

- Fire Commission Meeting 1/9
- Hwy 12 Coalition Meeting Thursday

Johnson attended the following meetings:

- National League of Cities Energy and Environment Committee (virtual)
- Kermit Detrick's service (Delano)

- Regional Council Mayors meeting
- Maple Plain Fire Dept Meeting
- Chamber of Commerce Mtg
- NW League with new council members
- Hwy 12 Hearing
- Executive Committee Hwy 55 (virtual)
- Hwy 55 Corridor Coalition & MNDot officials (virtual) – a resolution coming

Kaltsas attended the following meetings:

- Parks coming up for youth organizations
- MetCouncil Comp Plan approval

Simon attended the following meetings:

- None

8. West Hennepin Public Safety – Director Gary Kroells: Presentation of the December 2022 Activity Report.

Through December 2022 WHPS has handled 4,579 incident complaints for the year. 169 were in Independence and 87 were in Maple Plain for December. We are a few 100 ICR's less than last year, but keep in mind that for 9 months, we were without 1 full-time officer and are still in that hiring process. We have a lack of applicants locally and statewide. Only 50 new officers coming into the market every semester with 750 officers short in the state of MN.

Highlighting a few cases- Personal Injury Crash off County Road 6 & Co Rd 19: The driver was backing out of his driveway with a large trailer into the lane with oncoming traffic. There were minor injuries, and the driver was cited for failure to drive with due care. Medical on Broadmoor Drive: The officer was able to help a resident who had trouble with their oxygen generator. He determined the improperly sealed humidifier was causing it to leak and resolved the issue. Arrest-Stolen Vehicle Recovered: After an initial traffic stop near Hwy 12 and Halgren Rd, it turned into an eastbound pursuit which ended near Hwy 394 to 101 South ramp with a neighboring agency's assistance who had deployed stop sticks. The driver was transported to the hospital for a blood draw for the DWI and the passenger was transported to the County Jail. Vehicle in the Ditch: 7300 block of Hwy 12. With the new Hwy 12 and old Hwy 92 going South toward Co Rd 6, St. Boni, Lyndale, apparently GPS hasn't caught up with the Hwy 12 corrections yet. Hwy 92 South doesn't go there anymore, and the new road is called Cardinal Way now. Drivers who follow their GPS to turn left end up in the ditch. Those who attended Hwy 12 Coalition Corridor Meeting heard we had 2 of these calls already. The officer found the driver of the vehicle had a suspended driver's license and was cited. A friend came to pick him up and a tow truck had already been called.

See the full report in the meeting's packet.

Johnson – How is the officer hiring process going?

Kroells- Background checks have been completed, and the Sergeants and I are reviewing them now. Then after our decision, we will move to Psychological and Physical Fitness exams, and by tomorrow we will know which direction we are going. The reality is that 100+ cities are looking for officers, and most are looking to hire multiple officers. WHPS is competing against 200-300 jobs available statewide, and that is not counting the 300 that Minneapolis needs or the 250 that our State Patrol need. Of the 700-800 jobs that we are short in MN, Minnesota colleges are only graduating 50 officers per semester.

Johnson – Thank you to your staff for all that they are doing and plus with weather conditions on top of that now, too.

9. Annual City Council Appointments.

a. **RESOLUTION 23-0117-01 - Annual Organizational Appointments.**

Mayor Johnson opened the discussion for appointment assignments.

Grotting – I would like to shed responsibility of LMCC/Lake Minnetonka Cable Commission.

Meetings are Thursday evenings once a quarter. I nominate Spencer.

Spencer – Any issues going on there?

Grotting – Nothing that I am aware of. I am happy to exchange. The more we switch things up and get more experience in different areas.

Spencer – I will take on LMCC and can do Thursday nights. I just can't do things during the day.

Grotting – We are positioned to make significant progress that has nothing to do with LMCC.

Johnson – You have been a good cushion for the City. Can you be the alternate if Brad cannot go?

Grotting - Yes. I am happy to be engaged with the broadband in the City. We're closing in on some new services that are going to surpass anything that the LMCC has provided. We do get an allowance of 1 mile a year from LMCC, and Mark, you and I have discussed this broadband expansion but not that 1 mile allowance. There's no great burden with the position.

Spencer – Joe Baker is willing to continue, and we are grateful for his involvement as there's been a lot of change on that commission.

Motion by McCoy, seconded by Spencer to approve RESOLUTION 23-0117-01 with the LMCC change mentioned. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

Johnson – Regarding the official newspaper: Crow River News is lead one, but somehow the Delano Herald is listed with so little subscribers. With half the City in the Delano School District, I thought more residents would be getting that Delano Herald paper rather than the Crow River News.

Spencer – Part of the Western part of the city has the Delano zip code, so we're missing about 10% of the western community that is not being counted which are largely in the Delano schools.

Simon – They were unable to break it down by Independence residents specifically only by the zip codes, and we have several zip codes in Independence.

Kaltsas – We switched to Crow River News for our primary for legal purposes. It's hard to manage 3 official newspapers with differing deadlines. With holidays, one pushes the deadline back and the other forward. It's easier to keep Crow River News as our official paper and we try to publish in all 3 and do our best but don't want to be caught in a technicality.

Spencer – Is there a way we can post legal notices in papers where it's more appropriate for the particular part of the community, the Planning Commission items, etc. for the Western portion for the Delano Herald?

Kaltsas – We do and did discuss that. The reality is that these numbers keep going down, and we do post everything on our website right away, too. We look at subscriber numbers. With Crow River and Laker Pioneer being the same publisher, those do get published the same. We're getting almost 2,000 residents with those.

- b. **RESOLUTION 23-0117-02** - Approval of Planning Commission Reappointment.
- Reappointment of Planning Commission Member Leith Dumas.

Motion by Grotting, seconded by Spencer to reappoint Leith Dumas to the Planning Commission, RESOLUTION 23-0117-02. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

10. Annual Fee Schedule Adoption.

- a. **RESOLUTION 23-0117-03** - Considering the Annual Update to the City's Fee Schedule.

Minor suggestions –

Kaltsas- Annually we review the Fee Schedule for nexus of proportionality between the fees charged and services provided by the City. We look at what those are and go back year over year for true costs of providing them. The Quarterly Sewer Access Charge, we've done 2 different rate studies, and for many years the City carried and covered the rising costs of sewer without increasing rates. Our Auditors and Financial Consultants identified that we were going to run into a significant issue at some point and that the residents would eventually subsidizing the sewer users. With that we adopted a study in 2015, 2017, and 2020, and were able to hedge that a bit. Last year there was no rate increase, but this year we are recommending adopting a 3% increase- going from \$242 to \$250 Quarterly Sewer Access Charge. Secondly, a Planning & Escrow Fees increase. These rates have been increasing year over year, but we have not raised these fees in about 7 years. We're recognizing the cost for processing various applications has increased as well as having more complicated applications including required wetland processes, etc., and trying to be transparent with fees being charged in the cost of the process. Rather than outright increasing the fee, increasing the hard fee (non-refundable) and decreasing the escrow. instead of overall fee. Applicants would still write the same amount of check, but we're trying to tell them that it's likely they'll only receive \$500 back on a typical standard application rather than \$750 back. We did that with both of those. We seem ok with the total coverage, but we've been dipping more into escrow fee more and more in application, so we're recommending a modest change in that. There was really nothing else we saw in the Fee Schedule. Same fees for MetCouncil's SAC, City's SAC, and other general things like the Building Rental fees stayed the same. We are reviewing the Building Permit Fee Schedule separately that is not adopted and have been operating with a 1997 State Fee Schedule.

Planning fees are still \$2,500. What we do differently, we charge a standard fee upfront. A lot of other cities charge certain fees (\$500, \$750, \$1,000) and 100% of consulting time is billed separately. The problem is that you get to the end of the project, and you have no idea what it cost you through the process. You pay the upfront fee and end up getting a bill for \$2,500. We wrap City fees and base level consulting into project fee, so you know upfront the typical application cost. We've seen over the last 7 years that the prices have just gone up.

Motion by Johnson, seconded by McCoy to approve RESOLUTION 23-0117-03. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

11. Hennepin County Broadband Grant Application: Consider Authorization to Apply for Hennepin County Grant to Use as a Contributing Source for the MN Border-to-Border Grant Application with Midco Broadband to Build Out City.

We were approached by MIDCO to possibly build out a large portion of the City. The MN Border to Border DEED program is a statewide grant that comes out in March. Midco asked if we were open to partnering on a project to build out broadband. One of Hennepin County's eligible broadband grants includes the use of it to offset the MN Border to Border Grant expenditures. We would fill out application by January 31, 2023, without risk or cost other than staff time, and no resolution is necessary. Midco is asking for \$250,000 for the Hennepin County side which would be the City's contribution to the roughly \$3 million buildout of new fiber to home broadband services if we were successful for both Hennepin County and the Border-to-Border grant. It would increase the number residents served by 434 which is the Western area of the City that we've been trying to get served. We'd talked to Mediacom for a long time but haven't come back to get more focus. I think it's a good application and want the Council's approval.

Motion by Grotting, seconded by Betts to approve application for the Midco Broadband City Build Out Grant Application with Hennepin County. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

12. Open/Misc.

Johnson – This is for a resolution that was just handed out and mentioned earlier. The Department of Transportation wants to make sure they have support of the communities, organizations, and businesses. I'm asking the 4 cities (Loretto, Medina, and Corcoran) to send letters, and since it's a corner of Independence and many of our residents travel that road, we should do this. This is dealing with the Corridors of Commerce and there's money available for that too. We're hoping that with the legislation Rep. Robbins was talking about earlier tonight that we can get something done for the Hwy 55 to Co Rd 19 section.

Motion by Johnson, seconded by Spencer to support Corridors of Commerce Funding Request to Resurface Highway 55 from CR 118 to CR 19 with 2-Lane to 4-Lane Expansion. Ayes: Johnson, McCoy, Betts, Spencer, and Grotting. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5.0

13. Adjourn.

Motion by Betts, second by Spencer to adjourn the meeting at 7:30 pm.

Meeting adjourned.

Respectfully Submitted,
Linda Johnson / Recording Secretary