

MINUTES OF A WORK SESSION OF THE
INDEPENDENCE CITY COUNCIL
WEDSDAY, SEPTEMBER 6, 2023 – 7:00 AM.
(City Hall Community Room)

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. ROLL CALL

PRESENT: Mayor Johnson, Councilors Spencer, Betts, McCoy and Grotting (arrived after consent agenda)

ABSENT: None

STAFF: City Administrator Kaltsas, Administrative Services Director Simon, Public Works Supervisor Bode

VISITORS: WHPS Chief Kroells, Sergeant Denneson

3. Pledge of Allegiance

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 City Council Minutes from the July 27, 2023, City Council Workshop.
- b. Approval of Accounts Payable (Batch # 1; Checks Numbered 22195-22207)

Motion by Spencer, seconded by Betts to approve the Consent Agenda. Ayes: Johnson, Betts, McCoy and Spencer. Nays: None. Absent: Grotting. Abstain. None. MOTION DECLARED CARRIED. 4-0

5. Set Agenda – Anyone Not on the Agenda can be Placed Under Open/Misc.

6. 2024 Draft Budget Discussion

- a. City Budget and General Tax Levy
- b. WHPS Budget
- c. Fire Budgets

Kaltsas explained that the city is trying to reduce our overall tax rate from 33% down to 31%. He said the city is showing a reduction year over year. Fire was dialed in a little differently than previous years. There is a reduction in full Delano budge from last year since the city will be ending their contract with Delano Fire Dept and will increase the budget with West Suburban Fire and Maple Plain Fire Dept by \$15-20k. These are two pieces we need to lock down.

Johnson asked about a small cities fund.

Kaltsas said we don't include it as a revenue source, but if we for sure will get it, then we can.

Johnson said he thought it was going to be around \$60k.

Kaltsas talked about the recycling contract. Curbside was way outside of budget, but Waste Management was very reasonable. It is for a 3 year contract however, WM doesn't think they can match our Friday pickups.

Kaltsas also discussed that there is a capital equipment one-time increase from \$75k to \$113k and COL increase by 3%. Health insurance is going up by over 8%.

Kaltsas explained that there is \$25k in soft cost to do some work on Pioneer Park and the City wants to go after a grant this Fall for the park. There is also a placeholder of \$15k for legal fees. He has a meeting with the criminal city attorney to talk through some of the costs to go after some nuisance properties. Election numbers have gone way up next year due to two elections and a lot more staffing which impacts cost of food and wages. He explained that it costs \$25-30k to do an election so this does not include that. He said he shows an increase in pay as well. The road improvement plan went from \$52k to \$60k for each item.

Johnson pointed out that there is nothing down for a couple of years for maintenance on buildings. He recommended adding a little each year.

Kaltsas agreed. He said he wants to do a capital plan for siding, flooring, painting and go through to set up a longer range and how to fund that.

Steve McDonald from ABDO explained that there was an overall increase is about \$209k. The total levy with debt in there is still going down even with the tax rate. Hennepin County average was about 7%. A few years ago our target was 40% and with the valuation increases it now 31.5%.

Kaltsas explained that the city has had an increase in our general revenue and an increase in licenses and permits due to the new developments in the city. The city is at \$425k and the budget was only at \$265k. He said he doesn't see this slowing down until the developments are completed. He said that he wants to work on tweaking the budget a little bit more with Steve McDonald. There is a 1.5 ton truck in PW that he wants to put in the budget because the city put a lot of money in it. There isn't as much time left in it as it seems like.

Betts asked if all the striping is done on the roads such as Becker and Providence.

Kaltsas said Providence was opposed to having striping.

Betts said it is very difficult to see for some people and she sees how it's a safety issue. Historically we had it striped for the biking and walking path. She said she is concerned with how it could affect them with having a wider road and a speed limit higher. Once that isn't striped, the road is wider and if falls under a different standard. It was striped when the development happened.

Kroells said there hasn't been any issues with those roads in the past.

7. Fire District Update

Kaltsas talked about his meeting with West Suburban and Maple Plain Fire. There was discussion about the district. Jeff Leuer talked us through what it might look like to join that district. There are a lot of moving pieces. HC was able to provide estimated market value for the split showing the two pieces without Delano. They will get us numbers and what that will cost Independence and Maple Plain. We will then have a better idea of what that will look like for Independence residents and what that would be equivalent to if it was taxing district versus a contracted amount. ABDO has done some preliminary work on that and have them run the cost of fire today vs. fire in a district model. MP would like to have a joint workshop meeting with both councils to talk about where fire services are at.

8. Consider Authorization to Complete Paving of City Hall/WHPS Garage Parking Lot.

- a. The City has bid out paving the area in front of the WHPS garage in accordance with the overall site plan. The City received three (3) bids and would like to award the contract to the lowest bidder.

Kaltsas said the city has been searching for bids to finish the asphalt in our parking lot. He was thinking that the cost would go down last fall but that's not the case. The city received 3 bids. We thought it was \$15-20k, but its almost double that. It is the last thing we have to finish off the parking lot. We talked about this island – let's rip it out. The drainage can be cleaded up and pave around the new gaerage. There is some standing water in some areas during rain events. The city asked DMJ to bid additional work for drainage for and additional \$7,980. The city will take it out of our street reconstruction or covid ARPA money that is left over. This is a full 5" pavement.

Motion by McCoy, seconded by Grotting to approve the bid to DMJ for the base bid plus additional work of \$7,980. Ayes: Johnson, Betts, McCoy, Grotting and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

a. Adjourn

Motion by Betts, seconded by Grotting to adjourn. Ayes: Johnson, Betts, McCoy Grotting and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED. 5-0

The Workshop adjourned at 8:17 a.m.

Respectfully Submitted,
Amber Simon/ Recording Secretary