

MINUTES OF A REGULAR MEETING OF THE  
INDEPENDENCE CITY COUNCIL  
TUESDAY, JUNE 4, 2019 –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.

3. ROLL CALL

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

ABSENT: None

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

VISITORS: Anita Volkenant, Chris Knopik (Clifton Larson Allen)

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 May 21, 2019 Regular City Council Meeting.
- b. Approval of City Council Minutes from the April 24, 2019 City Council Workshop.
- c. Approval of Accounts Payable; Checks Numbered 18882-18912

**Motion by McCoy, second by Spencer to approve the Consent Agenda. Ayes: Johnson, Betts, Grotting, McCoy 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

**Grotting attended the following meetings:**

- None

**McCoy attended the following meetings:**

- American Legion Memorial Service at Lewis Cemetery

**Betts attended the following meetings:**

- None

**Johnson attended the following meetings:**

- Haven Homes Advisory Committee Meeting
- Food Shelf Open House

- Orono Scholarship Night
- Metropolitan Waste Committee Policy Meeting
- Senior Community Services Board Meeting
- Community Action Partnership Meeting
- American Legion Memorial Service at Lewis Cemetery
- Orono Senior Reception
- WeCAN Breakfast
- Haven Homes Meeting
- Highway 12/ County Road 92 Workshop with MnDOT
- Maple Plain Park Days

**Horner attended the following meetings:**

- West Hennepin Chamber of Commerce
- Hennepin County Recycling Meeting

**Kaltsas attended the following meetings:**

- Highway 12/ County Road 92 Workshop with MnDOT

7. Presentation of the 2018 Financial Audit – Chris Knopik, Clifton Larson Allen.

- 2018 Draft Financial Audit
- 2018 Audit Presentation

Knopik presented the audit results. He noted expenses tipped up a bit due to the PERA pension increases that come up each year. The general fund revenues reflect property tax increases and decreases in license and permits this year. Expenditures were up related to escrow clean-ups but Knopik noted this was balanced by a decrease in legal fees. Delinquent taxes increased a bit due to the increased tax levy. Reserve funds are at 39%. Sewer funds are coming around with the increased rates.

**Motion by Betts, second by McCoy to accept the 2018 Financial Audit subject to the Maple Plain Fire Department report. Ayes: Johnson, Betts, Grotting, McCoy and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.**

**(Grotting had to leave for a commitment at this point in the meeting).**

8. Review and Consider Approval of Cooperative Agreement Between the City of Independence and the Metropolitan Council Relating to the Loretto Sewer Connection.

- Draft Cooperative Agreement.

Kaltsas said the City has been working with the Metropolitan Council and Loretto relating to their proposed sewer connection to the City's system running along CSAH 11. As has been discussed in the past, the Metropolitan Council is willing to take over the maintenance of the Independence force main that runs from CSAH 11 to the Medina lift station. Metropolitan Council has prepared a draft agreement which provides a detailed breakdown of responsibilities, reimbursement, land acquisition, etc. relating to allowing the Loretto connection. The highlights of this agreement are as follows:

- 1) The City of Independence will allow Loretto to connect their force main to the City's existing 6" force main running along CSAH 19.
- 2) The Metropolitan Council will agree to reimburse the City of Independence for all maintenance, repair and replacement of the existing force main if the cost of the repair or replacement exceeds \$300. The Metropolitan Council will pay a lump sum annual maintenance fee to the City of \$2,740, plus annual inflation (tied to the Consumer Price Index) following the date of Loretto's connection to the system. This fee includes a "reimbursement" to the City of approximately \$25,000 for the purpose of upgrading the two existing pumps to 15 HP pumps in PS 5 (City's existing pump station.)
- 3) The Metropolitan Council will install a new flow meter in the existing manhole located on CSAH 11 and owned by the City. The City will sell the manhole to the Metropolitan Council and provide access to the manhole via a license agreement.
- 4) In exchange for the sale of the manhole structure and easement, the Metropolitan Council will pay a one-time amount of \$25,000 which would be used for I&I projects in the City.

Independence, Medina, Greenfield and Loretto will need to amend the Tri-City Agreement to become the Quad-City Agreement. The agreement will need to stipulate the maximum rate of sewer flow that Loretto can discharge into the City's force main. The City looked at the impact of the Loretto connection into the City's force main as it relates to the potential physical capacity of the line. The proposed rate of flow from Loretto is the equivalent of approximately 100 Residential Equivalent Connections (REC's). This amount represents approximately 1/10<sup>th</sup> of the total 6" force main capacity. The City has approximately 200 connections going into the pipe currently.

The City Council is being asked to consider approving the agreement and authorizing the Mayor and City Administer to execute the Agreement subject to the approval of an updated Quad City Agreement. Should the Quad City Agreement not be approved by the City, the Cooperative Agreement will not be executed. The City Attorney has reviewed the proposed draft agreement.

**Motion by Spencer, second by McCoy to approve the Cooperative Agreement Between the City of Independence and the Metropolitan Council Relating to the Loretto Sewer Connection subject to an updated Quad City Agreement. Ayes: Johnson, Betts, McCoy and Spencer. Nays: None. Absent: Grotting. MOTION DECLARED CARRIED.**

9. Update to Employee Policy Manual – Long Term Medical Savings Account for Employees with 20 Years of Service or More.

- a. **RESOLUTION 19-0604-01.**

Kaltsas said the City's new benefits coordinator identified a possible benefit that the City employees were not currently using. MSRS administers a post-employment health care savings account that allows employees to contribute a portion or all of their sick and vacation payouts to this account upon retirement. In order to be eligible, all employees in an organization must elect to use the same "formula" for contributions and the language must be incorporated into the personnel policy handbook. Given Larry's pending retirement, the City has reviewed the program and believes that this program provides an excellent opportunity for our employees. The proposed language would provide this benefit to employees with at least 20 years of service (the next closest employee to 20 years of service is at 15 years in 2019). It is likely that we will discuss this program with all staff to determine if another threshold (lesser number of years) would be

something that they would like to further explore (likely at a different percentage of contribution). The City can always amend and or update this policy in the future if there is a desire by staff to change the parameters. The program can also be offered in several tiers (years of service thresholds with different percentage contributions). The post-employment health care savings account allows employees to contribute payout funds into the account as a pre-tax contribution and can be used following retirement for eligible health care related expenses. This account is very similar to a regular health care savings account. It should be noted that West Hennepin Public Safety currently utilizes this program for its employees.

**Motion by Betts, second by McCoy to approve RESOLUTION 19-0604-01 which is an update to Employee Policy Manual – Long Term Medical Savings Account for Employees with 20 Years of Service or More. Ayes: Johnson, Betts, McCoy and Spencer. Nays: None. Absent: Grotting. MOTION DECLARED CARRIED.**

10. Adjourn.

**Motion by Spencer, second by McCoy to adjourn the meeting at 7:42 p.m.**

Respectfully Submitted

Trish Gronstal/Recording Secretary