

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, SEPTEMBER 15, 2020 –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. PLEDGE OF ALLEGIANCE.

Mayor Johnson led the group in the Pledge of Allegiance.

2. ROLL CALL

PRESENT: Mayor Johnson, Councilors Betts, Spencer, McCoy (virtual) and Grotting (virtual)

ABSENT: City Attorney Vose

STAFF: City Administrator Kaltsas, Assistant to Administrator Horner

VISITORS: Gretchen Piper

3. ****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 September 1, 2020 Regular City Council Meeting.
- b. Approval of Accounts Payable; Checks Numbered 19878-19893.
- c. Large Assembly Permit for 2636 Independence Rd. - Event to be Held on Saturday, September 19th, 2020.

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

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

5. REPORTS OF BOARDS AND COMMITTEES BY COUNCIL AND STAFF

Spencer attended the following meetings:

- Highway 12 Safety Coalition
- City Council Workshop
- Shoreland Restoration Meeting

Grotting attended the following meetings:

- City Council Workshop

McCoy attended the following meetings:

- None

Betts attended the following meetings:

- City Council Workshop
- West Hennepin Chamber of Commerce Meeting
- Highway 12 Safety Coalition Meeting

Johnson attended the following meetings:

- Met with Ag Commissioner (Zoom)
- City Council Workshop
- West Hennepin Chamber of Commerce Meeting
- Bid Opening for City Hall renovations
- Regional Council of Mayors Meeting (Zoom)
- Email from resident about erosion issues (forward to Staff)
- Phone Call from Census taker

Horner attended the following meetings:

- Met with BKV architects
- City Council Workshop

Kaltsas attended the following meetings:

6. Gretchen Piper – Running for State Senate.

Piper introduced herself as a Senate candidate for District 33. She grew up in the area and currently lives in Wayzata. She wants to get past the partisan gridlock and looks forward to promoting important values in the Senate. Piper stressed the importance of healthcare for all and addressed the current challenges with Covid19. She spoke to environmental issues and how important funding is for that. Piper thanked the Council for the service to the community.

7. West Hennepin Public Safety – Director Gary Kroells: Presentation of the August 2020 Activity Report.

Kroells stated as of August 31, 2020 there were a total of 3,546 incidents year-to-date in the community. He said in August there were 276 incidents in Independence and 170 incidents in Maple Plain. Kroells highlighted some cases.

for a complete report see the City Council packet

8. Consider Approval of the 2020 Preliminary Budget and Tax Levy:

- RESOLUTION NO. 20-0915-01** – Establishing the General and Debt Service Preliminary Tax Levy and Setting a Date for the 2020 Truth in Taxation Meeting for December 1, 2020.
- RESOLUTION NO. 20-0915-02** – Establishing the Pioneer Sarah Creek Watershed Management Commission Preliminary Tax Levy.

Kaltsas said Staff and Council have had several meetings to discuss and revise the preliminary budget and corresponding tax levy for 2021. Council is being asked to consider and provide direction relating to the preliminary budget goals. For the past three years, Council has directed staff to prepare a budget using a

flat tax rate of ~40% with no increase in rate. Abdo, Eick & Meyers and staff have prepared a draft preliminary budget which reflects an overall increase of 9.48% or \$292,697.00. A large percentage of the total increase (\$135,000) is a transfer out into the general fund. The draft budget and associated budget memo provide additional information relating to the budget.

Several highlights of the draft preliminary budget are as follows

o The budget includes initial public safety increases prepared by all public safety entities. The City has received estimated budgets from all three Fire Departments. West Hennepin Public Safety has received approval from the Police Commission on their preliminary budget.

Maple Plain Fire: **\$250,684.00**

Delano Fire: **\$64,806.41**

Loretto Fire: **\$93,605.48**

WHPS: **\$1,182,630.00**

o The City has PW capital equipment cash balance of approximately \$27,218. Several minor adjustments have been made to the capital plan to keep the cash flow in the positive. Staff has changed the purchase of a new single axel truck to a tandem axel and pushed back the purchase until 2026 from 2025. The City's capital equipment plan projects how the City will be able to fund capital equipment purchases moving forward using a flat budget number of \$60,000 per year (see capital equipment plan). For 2021, the City anticipates purchasing a new 1-ton pickup truck as shown in the capital plan. Once again, the capital improvement plan for City Hall shows no significant expenditures as a result of the current improvement projects.

o The budget reflects a 2% cost of living increase and no increase to benefit amounts per employee. It should be noted that health insurance costs are estimated to be increasing by 8%.

o The City has a capital road improvement plan that includes seal coating and gravel road tiling. In order to fund the plan, the City needs to budget approximately \$100,000 to \$125,000 per year. The budget reflects an increased place holder for 2021 of \$100,000 (\$50,000 in seal coating and \$50,000 in tiling). Note that the City has determined that in practice, it would focus all funds in both line items towards either seal coating or tiling in alternating years to achieve an economy of scale.

The City Council will have the opportunity to further refine the budget prior to the requisite December 2020 adoption. At this time, the City is considering the adoption of the preliminary budget and tax levy which establishes the maximum tax levy for taxes payable in 2021. The preliminary levy is required to be set prior to September 30, 2020. The City can adopt a final levy that is less than the preliminary but cannot increase the final levy set in December from the adopted preliminary levy. The City Council is being asked to consider approval of **RESOLUTION 20-0915-01** and **RESOLUTION 20- 0915-02** approving the preliminary levies and budget for 2021.

Motion by Spencer, second by McCoy to approve RESOLUTION 20-0915-01 -Establishing the General and Debt Service Preliminary Tax Levy and Setting a Date for the 2020 Truth in Taxation Meeting for December 1, 2020. Ayes: Johnson, Betts, Grotting, McCoy and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED.

Motion by Spencer, second by Betts to approve RESOLUTION NO. 20-0915-02 – Establishing the Pioneer Sarah Creek Watershed Management Commission Preliminary Tax Levy. Ayes: Johnson, Betts, Grotting, McCoy and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED.

9. Award City Hall/WHPS Renovation and Update Contract:

- a. **RESOLUTION NO. 20-0915-03** – Awarding the City Hall renovation project contract to the low bidder.

Kaltsas said some needed renovations for City Hall which include mechanicals and cosmetic changes were put out for bid. The City received 11 bids with 3 below budget. 6 add alternates which aren't essential but may want to incorporate. Kaltsas recommended awarding to low bidder-Rochon. He said construction should be able to start this year.

Motion by McCoy, second by Spencer to approve RESOLUTION NO. 20-0915-03 – Awarding the City Hall renovation project contract to the Rochon Corporation. Ayes: Johnson, Betts, Grotting, McCoy and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED.

10. OPEN/MISC.

11. ADJOURN.

Motion by Betts, second by Grotting to adjourn at 7:30 p.m. Ayes: Johnson, Betts, Grotting, McCoy and Spencer. Nays: None. Absent: None. Abstain. None. MOTION DECLARED CARRIED.

Respectfully Submitted,
Trish Gronstal/ Recording Secretary