

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, MARCH 9, 2010 – 7:30 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 7:30 p.m.

2. PLEDGE OF ALLEGIANCE.

Mayor Johnson led the group in the Pledge of Allegiance.

3. ROLL CALL.

PRESENT: Mayor Johnson, Council Members Betts, Spencer, Wallace and Wenck.

STAFF: Clerk-Administrator Hirsch, Attorney Vose and Public Works Director Koch.

VISITORS: Chris Cady, James Meehan, Hennepin County Assessor Phil Jensen, Diane Bridge, Ian Hohlocks, LuAnn Brenno, Robert & Jan Gardner, Lynda Franklin, Lance Gyllenblad.

4. CONSENT AGENDA.

Approve:

- Council Minutes – February 9, 2010.
- Accounts payable for March 2010.
- Fourth quarter, year-end report – ABDO.
- 2010 Pay Equity Report (correct version).
- Sixth Annual Liberty Triathlon
- Agricultural Preserve application for Charles and Ann Leck, 15 Copeland Road (PID No. 31-118-24- 41-0003 and 31-118-24-41-0004).
- Direct staff “per legal compliance findings on Audit dates 12-31-2007, the City will no longer expend money for flowers and plaques to employees for illness or retirements from City funds.”

Motion by Betts, second by Wenck, to approve the consent agenda with a correction to a typo in the minutes. Ayes: Betts, Spencer, Johnson, Wallace and Wenck. Nays: none. MOTION DECLARED CARRIED.

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

Wenck requested that the Council receive monthly budget statements that show budgeted and actual expenses.

Hirsch responded budget information could be included in the Council packets.

6. REPORTS OF BOARDS & COMMITTEES BY COUNCIL AND STAFF

- Spencer: Pioneer-Sarah Creek Watershed Management Commission meeting, Highway 12 Detour meeting, Planning Commission meeting.
- Wenck: Nothing to report.
- Wallace: Nothing to report.
- Betts: Chamber of Commerce meeting, Metro Cities shared services meeting, Sensible Land Use meeting.
- Mayor: Northwest League meeting, Orono Healthy Communities, West Hennepin Drug Task Force annual meeting, Senior Community Services Finance Committee meeting, Transportation for America conference call, Community Action Partnership of Suburban Hennepin Finance Committee, Community Action Partnership of Suburban Hennepin Nominating Committee meeting, Lake Minnetonka Communications Commission television interview, Chamber of Commerce meeting, Land Use Advisory Committee meeting, Community Talent Contest with Rockford, Delano and Orono schools, Metro Cities shared services meeting, Senior Community Services Executive Committee meeting, Sensible Land Use Meeting, Community Action Partnership of Suburban Hennepin Board meeting, Active Living Hennepin Communities meeting, Regional Association of Mayors meeting, Orono School Board meeting. Johnson also reminded community members to complete the Census.
- Hirsch: Hirsch clarified questions Council Members had regarding the Pay Equity Report. She stated it is a state-mandated report that the City is penalized daily if it is not submitted. Delano Fire Commission meeting, met with Shane Nelson, Hakanson Anderson, to discuss the City's MS4 report, 2009 Audit, met with MN/DOT regarding railroad bridge construction project, met with an AFLAC representative, met with Becky Wozney from Hakanson Anderson, LuAnn Brenno and Leslie Utley to discuss equestrian trail, Met with Minnesota State Retirement System representative regarding benefit options, received training on the new office copier.

7. APPOINTMENTS OF PLANNING AND PARKS COMMISSIONERS.

Johnson stated the City received two applications for the Planning Commission from Robert Gardner and Thomas Palmquist.

Hirsch stated she received a call from Palmquist and he said he did not know Gardner had reapplied and suggested that Gardner should be reappointed. Hirsch encouraged Palmquist to apply next year and will ask him if he is interested in serving on the Parks Commission.

Johnson stated he appreciated Gardner's experience and background knowledge.

Motion by Wenck, second by Spencer, to appoint Lisa Phillips and Leroy Kowalke to the Parks Commission and Robert Gardner to the Planning Commission. Ayes: Betts, Johnson, Spencer, Wallace and Wenck. Nays: none. MOTION DECLARED CARRIED.

8. PHIL JENSEN, PREVIEW OF THE BOARD OF REVIEW.

Jensen stated the Board of Review meeting is scheduled for 6 p.m. on Tuesday, April 13. He stated auditors are required to follow standards set by the Minnesota Department of Revenue. Assessors have to

use a sales period of Oct. 1, 2008 to Sept. 30, 2009 for determining the 2010 assessment. Typically, there are about 55 sales during that period; however, for the 2010 assessment there were 28 sales: four were of bare land and 18 were of foreclosed or short-sale properties. The Department of Revenue precludes assessors from using foreclosure sales in their assessment calculations, which limits the amount of comparable sales for the assessors to use. Assessors do realize that foreclosed properties affect market conditions for all homes. For the 2009 assessments, lakeshore property values were decreased about 20 percent and regular real estate values decreased about 8 percent, for an overall decrease of about 10 percent.

Johnson noted that agricultural land values increased in the 2009 assessment.

Jensen stated for the 2010 assessment there would be no change for the agricultural property valuations. For residential properties, there were reductions of about 8.3 percent and 8.8 percent for lakeshore in the 2010 assessment. There were reductions of about 10.8 percent for commercial properties and 16.5 percent for industrial. Agricultural property values decreased about 8.4 percent. For the valuations, assessors are required to view 20 percent of the properties each year. Hennepin County is using new technology to assist with the valuations.

Johnson asked if the issue with Green Acres had been resolved.

Jensen responded the Department of Revenue issued a directive for assessors to review all Green Acres properties to confirm they were classified correctly. He stated the county would be scheduling a meeting for property owners regarding changes to the Green Acres rules once the legislature had made policy decisions. There are 348 parcels in Independence that are Agricultural Preserve or Green Acres properties.

Johnson asked if there were any comments on the Council's 2009 decision to change the amount of property included with the house portion of assessments.

Jensen responded he had not received any negative comments and he had continued assessing properties in the same manner. He noted the assessor's office is working through legislative changes and proposed changes to valuations.

Johnson asked how horse stables were classified.

Jensen responded that Washington County changed its property classification for agricultural properties, but not Hennepin County. In addition, he checked with horse stable owners to determine that their properties were classified correctly based on the activities they were conducting. Jensen noted that no changes were made.

Jensen stated he asked the incoming Hennepin County Assessor what he thought the market would do next year and received a response that the best case scenario would be if the market stays the same. In many cities, the market continues to drop. Since Oct. 1, 2009, there has been one sale in Independence.

Wallace asked if the sale was vacant land.

Jensen responded the sale was a residential property and was not a foreclosure.

Jensen stated that of the 1,469 properties in Independence 17 increased in value.

Jensen stated the minimum qualification for a board of review is to have one member who is certified. There is a training session being held at 6 p.m. on March 24 at St. Louis Park City Hall.

Wenck noted there is a March 30 training session in Owatonna.

Betts requested that the County notify council members when their certifications are close to expiring.

Jensen stated the valuation notices will most likely be mailed out March 9 or 10. He recommended property members call him if they have questions. He stated the County Board of Review would meet on June 14.

9. APPROVING RESOLUTION NO. 10-0309-01 RECEIVING FEASIBILITY REPORT AND CALLING HEARING ON IMPROVEMENT ON LINDGREN LANE/EAST SIDE OF INDEPENDENCE ROAD NORTH OF LINDGREN LANE.

Johnson noted the Council had received the feasibility report in their packets. He stated that staff should be aggressively looking for grants for the project.

Koch stated it is important for the Council to take action on the resolution in order to complete the project during the 2010 construction season.

Brenno, resident, asked if the Met Council approval had been received.

Johnson responded the Met Council has agreed with the project.

Motion by Wenck, second by Betts, to approve Resolution No. 10-0309-01 receiving feasibility report and calling a hearing on improvement on Lindgren Lane/East side of Independence Road north of Lindgren Lane. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

Wenck asked if public hearing notices would be sent out.

Hirsch responded the notices have already been prepared.

Johnson asked if the notices are sent out by certified mail.

Hirsch responded the letters are sent by general mail.

Vose stated the statute requires the City to mail the notices to the taxpayer listed on County records. He added hand delivery is another possibility.

Johnson expressed concerns that hand delivery could lead to lost notices.

Vose noted that there could be problems if the City sends out letters via certified mail and a homeowner does not sign for it. He recommended mailing the letters by general mail.

Hirsch stated the City keeps a record of where the notices are sent.

Wallace asked who would be notified.

Hirsch stated the City would notify all property owners near the project.

10. SENIOR CITIZEN TRANSPORTATION TO DELANO SENIOR CENTER.

Johnson stated because of a new Met Council rule, as of March, 1 resident were left without transportation to Delano. Years ago, Met Council asked Senior Community Services to develop a transportation plan for its clients. About two years ago, the Met Council faulted Senior Community Services for crossing the county line and required them to repay about \$40,000. Afterward, the Met Council took over the service and the quality level was diminished and the rides were more expensive. Johnson stated he spoke with County Commissioner Jeff Johnson's staff about the matter and Maple Plain Mayor Sweeney would be attending a meeting at Met Council on March 17. In addition, Johnson is trying to contact Met Council Member Sheerer about the problem. He noted that Independence has provided funding in the past for the Delano Senior Center's remodeling projects. The Council has a letter to their county representative to Met Council's committee in their packets for approval.

Hirsch stated Delano Senior Center Coordinator Gail Sinkel told her at least 30 seniors have been affected by the rule change.

Johnson noted the Delano Senior Center is the only center in the area that provides a lunch program.

Diane Bridge, resident, spoke to represent her mother who utilized the Delano Senior Center services and the transit service. She stated her mother was not notified about the service change and so she sat for an hour with her coat on, waiting for the bus. Bridge stated the Met Council will no longer go outside of its service area and has refused to make a half-mile exception for the Delano Senior Center. She added Met Council's solution to the problem is to have seniors transfer buses at a church on County Line Road. She expressed concerns about coordination between the buses and the welfare of her mother if she has to wait in a parking lot for a bus to pick her up. Bridge stated she had looked at other senior center options for her mother, but the Delano Senior Center is the only program that provides a hot meal program.

Wallace noted the Met Council seems able to dictate where Independence constructs sewers, but cannot seem to provide services to Independence residents. In addition, the Met Council taxes Independence residents.

Wenck asked if the County or Met Council is responsible for the change.

Johnson responded the Met Council was responsible for the change, but the letter will be sent to Hennepin County because their staff represents Independence on a Met Council committee. Johnson also noted that the County stated the transit service provider would be notifying clients of the change, but that did not happen.

Wenck suggested writing a letter to Met Council Chair Bell requesting action on the issue.

Motion by Wenck, second by Betts, to direct staff to send the proposed letter to Robb Luckow at Hennepin County and to direct Attorney Vose to send a letter to Met Council Chair Bell, Met Council Member Scheerer and a carbon copy to County Commissioner Jeff Johnson. Ayes: Betts, Johnson, Spencer, Wallace, Wenck. Nays: none. MOTION DECLARED CARRIED.

11. PERSONAL USE OF CITY VEHICLES.

Johnson stated Wenck requested this be added to the agenda.

Wenck stated the City spent \$500 on gas in two months for the Building Official's vehicle, which the Building Official uses to drive to and from home.

Johnson stated the Building Official has to reimburse the City for the expense.

Wenck stated he does not believe employees should be able to take work vehicles home.

Hirsch stated the City is reimbursed at the IRS Standard Mileage Rate.

Wenck stated the City should still not be allowing personal use of its vehicles.

Johnson suggested putting the issue on the agenda for another meeting.

Betts asked if the employee handbook addresses vehicle use.

Hirsch responded the handbook does not address the issue.

Johnson suggested discussing the issue at a work session.

12. CARD ACCESS SYSTEM.

Wenck asked if the City spent \$8,000 on its security system in 2009.

Hirsch responded the current discussion is about the card access for the City Hall, West Hennepin Police Department and Maple Plain Fire Department. The current system had been used by another company before the City purchased it and it is so old staff can't buy parts for it anymore or make any new access cards. She noted that some police officers and firefighters do not have card access. The agencies requested bids from three different companies and recommend purchasing a system from Identia System.

Bridges, resident, suggested checking with her employer, Data Card, in Minnetonka for a quote. She noted they create access systems for companies all over the country.

Wallace suggested discussing the issue at a work session and bringing for a vote at an upcoming meeting. He stated \$30,000 is a lot of money to spend.

Betts asked what the life expectancy for the system would be.

Hirsch stated the life expectancy would be about 15 years. She noted the card readers on each door would need to be replaced.

13. SET UP A COUNCIL WORK SESSION.

The Council decided to hold a work session at 7 a.m. on Tuesday, March 23.

14. OPEN/MISC.

Nothing was added to the agenda.

15. ADJOURN.

Motion by Betts, second by Wenck, to adjourn the City Council meeting at 8:55 p.m. Ayes: Betts, Johnson, Spencer, Wallace and Wenck. Nays: none. MOTION DECLARED CARRIED.

Respectfully submitted by Christina Scipioni, Recording Secretary