

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, APRIL 28, 2009 – 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, Gyllenblad, Wallace (arrived at 8 p.m.) and Wenck.

STAFF: Administrator-Clerk Hirsch, Building Official/Code Enforcement Office Satek, Attorney Vose, Assessor Jensen, Auditor Gaffy.

VISITORS: Charles Leck, LuAnn Brenno, Chris Cady, Kathie & Ed Pluth, Lynda Franklin, Harry Pool.

4. CONSENT AGENDA.

Approve:

- Council Minutes – April 14, 2009.
- Minnetonka Community Education's request to use part of the City for a bike-a-thon on Aug. 1, 2009.

Motion by Betts, second by Wenck, to approve the consent agenda. All present voted aye. MOTION DECLARED CARRIED.

Johnson removed allowing the Polo Fields to be used for a sporting Frisbee tournament on May 9 and 10, 2009 and Ordinance 2009-04, Restricting parking on a City road, Turner Road, north side.

Allowing the Polo Fields to be used for a sporting Frisbee tournament on May 9 and 10, 2009.

Brenno, resident, stated she lives by the Polo Fields. She noted the Council had approved a permit for the last Frisbee tournament, which included information from the applicants that they would not park on the street. She said during the tournament, people parked on both sides of Turner Road and she asked the Council to remind the applicants not to allow parking on the street.

Ordinance 2009-04, Restricting parking on a City road, Turner Road, north side.

Johnson asked if it was necessary to include the entire portion of Turner Road within section 27.

Hirsch responded she spoke with West Hennepin Public Safety and they had recommended restricting parking through section 27.

Johnson expressed a concern about the length of the parking restriction along Turner Road.

Betts, Hirsch and Johnson discussed the location of the parking restriction. Hirsch noted the road will be posted with “no parking” signs if the ordinance is approved.

Vose stated if the Council adopts the ordinance and passes the Frisbee tournament permit, then anyone parking on the north side of Turner Road during the tournament could be ticketed.

Johnson stated he was concerned that the City wouldn’t be able to get “no parking” signs posted on Turner Road in time for the tournament.

Gyllenblad suggested using temporary signs for the tournament.

Vose stated temporary signs would be effective in the event that permanent signs are not available in time for the tournament.

Motion by Wenck, second by Gyllenblad, to allow the Polo Fields to be used for a sporting Frisbee tournament on May 9 and 10, 2009, with the condition that no parking be allowed on the north side of Turner Road and to approve Ordinance 2009-04, Restricting parking on a City road, Turner Road, north side. All present voted aye. MOTION DECLARED CARRIED.

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

Gyllenblad made an apology for his outburst of anger at the previous meeting and for swearing. He said he would not apologize for the reason for his outburst.

Nothing was added to the agenda.

6. REPORTS OF BOARDS & COMMITTEES BY COUNCIL AND STAFF

- Gyllenblad: Telephone call regarding gravel on Hitsman Lane.
- Wenck: Telephone call regarding gravel on Hitsman Lane, Lake Minnetonka Communications Commission meeting, Sensible Lane Use conference.
- Betts: Sensible Land Use conference, WeCan prayer breakfast, Police Academy graduation.
- Mayor: Telephone call regarding gravel on Hitsman Lane, Land Use Advisory Committee meeting, Metro Cities annual meeting, Police Academy graduation, Energy, Environment and Natural Resources Committee meeting, WeCan prayer breakfast, Active Living meeting with County Commissioners, State of the County address, Community Action Partnership of Suburban Hennepin board meeting and board training meeting, Terrace Apartments meeting, Hennepin County Environmental Services open house, Orono School Board meeting, Senior Community Services executive committee meeting.
- Hirsch: League of Minnesota Cities Safety and Loss Control Workshop.

7. WEST HENNEPIN PUBLIC SAFETY DIRECTOR RAY MCCOY – JANUARY, FEBRUARY AND MARCH 2009 ACTIVITY REPORTS.

McCoy discussed the January February and March 2009 quarterly reports with the Council.

McCoy also stated he is requesting approval from the City to enter into an I.T. agreement with Hennepin County for software that was purchased with four other cities. He stated the cost of the agreement would be approximately \$87 per year. He noted the agreement had been included in the budget.

Motion by Wenck, second by Betts, to approve the Hennepin County I.T. agreement. All present voted aye. MOTION DECLARED CARRIED.

McCoy also noted he included in the packets information from the March Police Commission meeting regarding the 2009 budget. He added the Commission is working to reduce the budget by \$100,000 in 2010. He noted the preliminary figures from the WHPS audit show the Department is approximately \$66,000 under budget, which could be use to offset the 2009 or 2010 budgets. He added the Commission authorized WHPS to apply for a COPS grant.

8. KARA GAFFY, KDV, 2008 AUDIT REPORT.

Gaffy stated the City received the highest opinion possible from KDV regarding its financial position. She noted there were a couple of findings in the management letter, including lack of segregation duties, public purpose expenditures, a bond the City holds dropped to a BBB+ rating.

Gaffy discussed the City's revenues and fund balances over the past five years. Gaffy stated the City currently has a 51 percent fund balance and the Office of the State Auditor requires a 50 percent fund balance. Gaffy suggested the City should develop a fund balance policy. Gaffy stated the revenue budget came in 2 percent higher than what was budgeted. She noted the City's receives 89 percent of its revenue from property taxes and no longer receives Local Government Aid. She stated the charges for services are down.

Gaffy stated expenses came in \$191,000 under budget due to conservative budgeting and not needing to use contingency funds. She noted the City's expenditures have been consistent, with public safety being the largest portion of the budget at about 52 percent. Gaffy stated the general fund expenses increased by 7 percent during 2008 due in part for planning and contract fees and slight increases in public safety and fire contracts. Gaffy stated the sewer accounts had operating losses and net income losses. She noted that if depreciation was not included as an expense, the sewer accounts would have operating income.

Johnson noted that eventually the City will be able to assess to property owners the cost of the Lindgren Lane sewer pipe.

Betts asked if it would be possible to compare the 2007 audit findings to the 2008 audit findings.

Gaffy stated that is possible.

Johnson noted small organizations have a hard time separating all the accounting duties, as noted in the segregation of duties comment.

Betts asked if the City should have a conflict of interest policy.

Gaffy stated the City could use the State Statues to write its own conflict of interest policy. She noted KDV tests conflict of interest during the audit and could provide the City with its documents to help staff draft a policy.

Johnson asked for information about a possible City wellness plan.

Gaffy responded there are many different examples of how cities create wellness plans.

Wenck stated he would like a staff response to the items that need improvement. Administrator Hirsch had one prepared. Wenck asked it to be included in the packets for the next Council meeting.

Johnson suggested waiting to approve the audit until the Council had received a staff response.

9. PHIL JENSEN, HENNEPIN COUNTY ASSESSOR'S OFFICE, PRE-REVIEW FOR THE BOARD OF REVIEW.

Jensen discussed the techniques he used to assess each property's value. He explained that several legislative changes altered the way the valuations were done. He discussed various rules regarding the classification of agricultural land. He noted the assessing office also reviewed building permit work. Jensen discussed the sales ratio for the properties in Independence. He noted that he reduced the values of several classes of properties, including residential lakeshore on Lakes Sarah and Independence, which saw land value drop 22 percent. Jensen stated agricultural land received a 3.2 percent reduction in value. Jensen said overall, the value of the City dropped 8.7 percent. He noted that in his analysis, he did not use foreclosures, but did use short sales and transfer sales.

Johnson asked how many foreclosed homes were sold during the timeframe used by the assessors.

Jensen responded he thought it was about a half a dozen properties.

Jensen stated the Board of Review would be held at 6 p.m. on Tuesday, May 12 at Independence City Hall. He noted the 2010 assessments may be even more challenging than the 2009 assessments. He also said that, overall, people have understood the assessing process.

Johnson asked if the Limited Market Value was still affecting properties in Independence.

Jensen explained the Limited Market Value will be ending at the end of 2009.

10. APPROVAL TO HAVE THE CITY HALL AND COMMUNITY CENTER ROOM REFINISHED.

Hirsch explained the roof needs to be replaced because it is leaking and is 17 years old. She stated the City requested quotes. She added there were three quotes, one of which was \$3,000 higher than the other two quotes, which were very close in cost.

Wenck noted that he would like to use All Star because it's a local company, but had a question about the insulation.

Satek explained the difference between the two quotes was that All Star planned to use the insulation currently in the roof and just replace the damaged insulation at \$4.85 per square foot, while Aldo's quote includes replacing the insulation.

Johnson asked if the insulation is damaged in one spot, would the contractor then need to replace all of the insulation on the roof.

Satek responded the contractor could replace the insulation in just the area where there is damage.

Johnson asked if staff had checked references on either company.

Hirsch and Satek responded that both companies have solid reputations.

Motion by Wenck, second by Gyllenblad, to approve to have the City Hall and Community Center roof refinished and to award the project to Aldo, Inc. based on the pricing included in its submitted quote. All present voted aye. MOTION DECLARED CARRIED.

12. OPEN/MISC.

Nothing was added to the agenda.

13. ADJOURN.

Motion by Betts, second by Wenck, to adjourn the City Council meeting at 8:45 p.m. All present voted aye. MOTION DECLARED CARRIED.

Respectfully submitted by Christina Scipioni,
Recording Secretary