

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL
TUESDAY, JANUARY 10, 2012 – 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 AND OATH OF OFFICE – BRAD FISHER, NORM WENCK, MARVIN JOHNSON

PRESENT: Mayor Johnson and Councilmembers Betts, Fisher, Spencer and Wenck

ABSENT: None

STAFF: Clerk-Administrator Hirsch, City Attorney Vose

VISITORS: Nora Carey, LuAnn Brenno, Kathy Pluth

Hirsch gave the oath of office to Mayor Johnson and Councilmembers Fisher and Wenck.

4. CONSENT AGENDA.

Approve:

- Approval of Truth in Taxation Minutes–December 13, 2011
- Approval of City Council minutes from December 13, 2011
- Approval of Accounts Payable for January, 2012
- Approval to set the Board of Review for Tuesday, April 10, 2012 at 6:00 p.m.
- Approval of Resolution No. 12-0110-03 to continue the agreement to use the County's electronic proprietary database. Agreement No. A12189
- Approval of the release of the Bond for Allied Blacktop, from the seal coat project in 2011.
- Approval of Resolution No. 12-0110-01 approving the publishing of Ordinance No. 2011-09 replacing portions of Sections 510.05,530.01 and 530.05 regarding Accessory Dwelling Units and Definitions by Summary
- Approval of Resolution No. 12-0110-02 approving the publishing of Ordinance No. 2011-14 replacing Xcel Electric (Northern States Power Company) old Ordinance No. 2006-07 by Summary.
- Approval of the Agricultural Preserve request from Doug and Susan Heyvaert of 880 Kuntz Drive.

Wenck stated that he would be absent from the April 10, 2012 Council meeting. Johnson stated they would need to make sure a quorum is present.

Motion by Betts, seconded by Wenck, to approve the consent agenda. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

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

Spencer added the Highway 55 project.

Hirsch added cancellation of the January 24, 2012 City Council Meeting.

Nora Carey, 4985 Broadmoor Drive, would like to speak.

6. REPORTS OF BOARDS & COMMITTEES BY COUNCIL AND STAFF

- Spencer: Pioneer-Sarah Creek Watershed Management Commission Meeting, Loretto and Hamel Fire Department Meeting
Betts: Police Commission Meeting
Johnson: Northwest League Meeting, Finance Meeting for Senior Community Services, Loretto and Hamel Fire Department Meeting, Highway 55 Corridor Coalition Meeting, Quarterly Active Living Meeting, Police Commission Meeting, Conference of Mayors, Orono School Board
Hirsch: Police Commission Meeting, Insurance Meetings, Meeting with Medina staff, city engineer, and city planner regarding Vinland Center sewer hookup

7. JEFF LEUER, CHIEF OF THE LORETTO FIRE DEPARTMENT – REQUESTING APPROVAL OF THE REVISED CONTRACT FOR FIRE PROTECTION WITH THE CITY OF INDEPENDENCE.

Spencer stated he had talked to Chief Leuer. The Chief reported that in September they had cancelled the existing agreement with the City that used a percentage factor formula to calculate each cities cost with the intention of substituting it with the contract. Some cities then asked them to postpone implementing a new formula until the Loretto and Hamel Fire Department merger discussion was finalized. Spencer stated the amount for 2012 will be the same as 2011.

Johnson had a question on the language regarding reimbursement from the city for rental or lease of specialized equipment to provide fire protection in a specialized instance. He inquired if there has ever been an instance where this was the case. Hirsch stated they have not been billed for something like that in the past. Johnson stated that it does mention collection of expenses from the homeowner or insurance company but if it is not paid by them, it would go to the City. Wenck was not sure if this was new language in the contract. Vose stated the language is in the old agreement.

Motion by Spencer, seconded by Betts, to approve the contract. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

8. APPROVAL TO TAKE OVER THE PAYMENT FOR THE UTILITY LIGHT LOCATED AT THE INTERSECTIONS OF COUNTY ROAD 110 AND FAIRWAY RIDGE DR.

Johnson stated he did not know the residents were paying for the light. Betts asked if the City had asked for the light to be placed there. Hirsch replied it was a request from the residents. Betts asked why the City would be responsible. Johnson asked if there was any response from other neighbors. Hirsch stated one had called but was unable to attend the meeting tonight.

Johnson stated all the homes on County Rd 110 are in Minnetrista except the first house which has been paying for the street light.

Wenck felt they should not take over the payment. There are many other intersections in the city and if they do one they would have to do them all. Spencer stated the intersection was wide, open and has turn lanes. There are other intersections along the road that do not have lights. He agreed with Wenck.

Motion by Betts, seconded by Spencer, to deny the request. Ayes: Betts, Fisher, Johnson, Spencer and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

9. VINLAND NATIONAL CENTER – REQUEST TO DO A CONDUIT FOR THEM AS WE HAVE IN THE PAST WITH TWO OTHER NON-PROFIT FACILITIES. THE REQUEST IS FOR \$3.75 M, OF WHICH THE CITY WOULD RECEIVE A PERCENTAGE OF IN REVENUE. IN THE PAST THE REVENUE HAS BEEN APPLIED TO THE PARK FUND.

Johnson stated the State Law allows conduit financing for non-profits. He stated that Hirsch is looking for approval to move forward with the request. He asked what kind of money they would be receiving. Hirsch stated it would be between \$10,000-18,000. Wenck asked if there is a down side to moving forward with the request. Hirsch replied there was not. Vose stated that bond council would attend the meeting and he did not think they City would come close to the \$10 million cap.

Motion by Wenck, seconded by Johnson, to move forward with the request. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

10. FIRST OF THE YEAR APPOINTMENTS

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| Assessor | Hennepin County |
| Official Depository | Bank of Maple Plain, Northland Securities, League of Minnesota Cities, Ehlers Associates |
| Assistant Weed Inspector | Bruce Satek |

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| Association of Metro Municipalities | Mayor Johnson |
| Attorney, Civil | Kennedy and Graven |
| Attorney, Criminal | Carson and Clelland |
| Auditor | Larson Allen |
| Civil Defense Director | Ray McCoy |
| Data Compliance Officer | Toni Hirsch |
| Dangerous Dog Mitigation | Mayor Johnson, Council Members Betts, Spencer, Fisher, Wenck |
| Dog Pound | Crossroads Animal Shelter |
| Engineer | BDM |
| Fire Department Advisory Board | Maple Plain – Mayor Johnson, Council Members Betts, Wenck (alternate), Toni Hirsch Delano – Mayor Johnson, Council Members Fisher, Spencer (alternate), Toni Hirsch |
| Fire Marshall | Bruce Satek |
| Highway 55 Coalition | Mayor Johnson, Council Member Betts (alternate) |
| HRA | Mayor Johnson, Council Members Betts, Spencer, Fisher, Wenck |
| Lake Minnetonka Communications Commission | Council Member Wenck, Rob Sheeley |
| Minnehaha Watershed | Mayor Johnson, Council Member Spencer |
| Northwest League of Municipalities | Mayor Johnson, Council Members Betts, Spencer, Fisher, Wenck |
| Newspaper | Pioneer & Delano Eagle |
| Planner | Terramark |
| Planning Commission Liaison | Council Members Spencer, Wenck (alternate) |
| Pioneer Sarah Watershed Commission | Jim Smith and Council Member Spencer (alternate) |
| Water Resources Staff | Hakanson-Anderson |
| West Hennepin Police Commission | Mayor Johnson, Council Member Betts, Council Members Spencer, Fisher and Wenck (alternates) |

Johnson asked that staff follow up with the resident assigned to the Lake Minnetonka Communications Commission. Fisher stated he would be willing to fill former Councilmember Wallace's appointments.

Motion by Betts, seconded by Wenck, to approve the appointments. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Johnson stated they will be getting a dividend back from the League of Minnesota Cities Trust for Workers Compensation Insurance. He also said they will be getting another dividend check for Property and Casualty Insurance later in the year.

11. HIGHWAY 55 RESOLUTION

Spencer reported it began with a request by the President of the Lake Sarah Improvement Association when they found out about the Highway 55 overlay project from Medina to Rockford. Spencer stated that both Lake Independence and Lake Sarah Watershed Districts have right of way on Highway 55. The Association is asking for a resolution for MnDot to use best management practices as it undertakes its resurfacing project in order to them to meet their allotted phosphorous loading limits.

Johnson stated it is good timing for the resolution.

Motion by Spencer, seconded by Betts, to adopt resolution number 12-0110-04. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

12. CANCEL JAN. 24, 2012 CITY COUNCIL MEETING DUE TO LACK OF ITEMS

Johnson asked if there were any Planning Commission items. Hirsch stated the meeting had been cancelled because the legal notice was not published due to computer issues at the paper. She stated the items have been moved to the February Planning Commission meeting. Johnson stated a similar thing happened for the Orono School District.

Motion by Wenck, seconded by Spencer, to cancel the January 24, 2012 City Council meeting. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

13. NORA CAREY, 4985 BROADMOOR DRIVE

Nora Carey, 4985 Broadmoor Drive, stated that she was at the Truth in Taxation meeting. She stated that the taxes in for properties near her home in Orono are quite of bit lower. She has taken quite a bit of time to do some research. She stated that Independence is pretty high on their tax rate compared with neighboring cities and asked the Council if they are comfortable with that.

Carey reported the Humphrey Institute had conducted a survey and concluded a large amount of cities will be in financial trouble by 2015. Johnson stated that those reports are dealing with cities that receive local government aid and how they will cope without the aid payments.

Johnson said his desire is to look at the long range outlook for the city. He stated they have paid off a couple of bonds for building of the public works and city hall buildings. He stated capital expenses such as road will be constant expense year after year. Carey stated her concern is with the operational expenses. She pointed out fire and police services. Johnson stated the conversation about police

services was had about three years. Carey would like to see a task force developed with different elements of the community to figure out what the community needs.

Carey wanted to talk about performance measurement standards and asked why Independence was not participating. Johnson stated this was on their agenda in 2011 and in the final discussion it was determined the staff time to comply with those standards and reporting requirements were considerably greater than the amount of funds they would have received. Betts stated it also required looking at merging communities services and that had already done.

Spencer stated the city has cut the tax rate to its citizens and its budget to the citizens for four consecutive years, so it has been cut one third from the top. Carey felt that wasn't a good measurement. Spencer stated Independence is a very large city in terms of size but is poorly populated in a density perspective. He stated that the choice is either to severely cut services or have a higher tax rate to maintain a rural community with competitive services. He stated the discussion regarding police services brought that to light and he felt the majority of the people he heard from did not want to make that cut in services. He stated that is something the people have to decide.

LuAnn Brenno stated that she has attended city council and planning commission meetings for the last twelve years and she suggested that Carey attend the budget discussion meetings and participate. She stated that she likes the services in Independence. She has seen Council over the course of the last five or six years look very seriously at the budget and make serious cuts to the budget. Carey felt there are structural issues that need to be addressed and that needs to begin before the budget meetings. She inquired when an employee benefits and insurance package analysis was done. Hirsch stated they do compare to the surrounding cities and Johnson added that the Metro Cities also looks at that. Johnson stated employees haven't received a pay increase in four years and Hirsch stated that benefits have not increased in at least seven years and they switched companies a few years ago to receive even cheaper premiums.

Carey felt the website is lacking. She would like to see the budget online with the opportunity to invite resident feedback. She would like it to be more user friendly and provide more community involvement. Council stated that they do not pay anyone to consult on the website. Staff can maintain it but they do not have the resources to redevelop the website.

Johnson suggested to Carey that she use the Metro Cities website when doing her research as they include only the seven county metro area rather than the whole state.

12. ADJOURN

Motion made by Wenck, seconded by Betts, to adjourn the meeting at 8:15 p.m. Ayes: Betts, Fisher, Johnson, Spencer, and Wenck. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Respectfully submitted,

Kimberly A. Olson, Recording Secretary