

MINUTES OF A REGULAR MEETING OF THE
INDEPENDENCE CITY COUNCIL TUESDAY,
APRIL 23, 2013 – 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, Councilors Betts, Fisher, Wenck, and Spencer

ABSENT: None

STAFF: City Administrator Hirsch, Bob Vose

VISITORS: John Utley, Jerry Wise, and Todd Boelter

4. PUBLIC HEARING - JOHN UTLEY, KENNEDY & GRAVEN – LEGENDS OF HAZELTINE

- Approval of the Housing Program for a multifamily housing development “The Legends at Hazeltine, LLC
- Approval of the Cooperation Agreement between the Cities of Independence and Chaska Bond Purchase Agreement (Conduit) Discussion and Approval, Resolution No. 13-0423-02

John Utley, explained what the bonds were and what they meant. He stated the bonds are Conduit Revenue Bonds; which means proceeds from the sale of the bonds are loaned to a private party, Ridgeview Medical Center and Intergenerational Living and Health Care Inc. These companies joined together to create a limited liability corporation. The bonds are payable by this private party. He stated these types of bonds do not have an impact on the City’s ratings.

Utley stated the reason why the City is involved is because the City can take advantage of the tax benefit with this type of bond. He stated the facility would be located in Chaska. Utley stated the reason why Independence would be involved with bonds for the City of Chaska is because Chaska does not want to exceed their bank qualified bond capacity for this year. He explained the barrower is now looking for other cities to issue the Conduit Revenue Bonds. He stated the barrower is willing to pay a fee to the City of Independence for \$105,000 in return for issuing the bonds in late May or early June.

Wenck inquired about the bond amount. Utley confirmed it was 10 million.

Johnson stated the City had done this for a project a few years ago in Brooklyn Park, and it was very successful.

Spencer inquired about how the funds received can be spent or if they would they be targeted. Hirsch stated they would be designated to the Park Fund.

Utely stated that if approved tonight this would be for a preliminary resolution. He would then return to for the next Council meeting on May 14th for the final resolution approval.

Close Public Hearing

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

No further discussion by the Councilors

Motion by Spencer, seconded by Betts, to approve Preliminary Resolution No. 13-0423-02 for the Legends of Hazeltine. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

5. DENNIS HOOGEVEEN, LARSON/ALLEN – 2012 AUDIT REPORT

Dennis Hoogeveen stated he met with the staff last week and had a long discussion. Hoogeveen stated he would run through the PowerPoint to discuss some of the high points.

Hoogeveen discussed the following activity over the last three years:

- Cash and Investment were very consistent
- Expenses fairly consistent
- Diligent in maintaining a level amount of spending
- Expendable net assets slight decline at roughly 60%

He stated the City had very solid financial outcomes and results

Hoogeveen stated the following changes from 2011 to 2012

- Charges for services were up
- Permits and licensing increased
- Property taxes revenue down

Hoogeveen explained the expenditures were very under control. He noted:

- General Government Expenses were up.
- Taxes Receivable were down slightly
- Levy Collection is high

Hoogeveen stated:

- Revenues have been consistently higher than the expenditures for the last seven (7) years.
- Unassigned Fund Balance was at a good percentage of 54%
- The sewer fund has a net operating a loss, but should be changing next year with Vinland's connection to the sewer.

Hoogeveen reported for the Minnesota Compliance Audit, there were no legal compliance exceptions to report.

Hoogeveen further discussed the new GASB audit rules.

Hoogeveen summed it up by stating the City showed very solid financial outcomes.

Johnson stated he was pleased to see the report and happy things went smoothly. He and Hoogeveen thanked the finance team for all their hard work.

Motion by Betts, second by Wenck to accept the financial report. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

6. CONSENT AGENDA.

a. 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.

- Approval of City Council minutes from April 9, 2013
- Approval of the Board of Review minutes from April 9, 2013
- Approval of the 1st Quarter Report provided by ABDO; and
- Approval of Resolution No.13-0423-01, transferring funds from 2 of the 300 Fund accounts to the 602 (Sewer Fund) and the 801 (Public Works Building Capital Fund) respectively. These initial projects are now completed, and
- Approval for the City to go out for RFP's regarding Recycling for the next three years (2014 – 2016)

Motion by Wenck, second by Fisher to approve the Consent Agenda items. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

- A motion to rescind Resolution No. 13-0212-04 regarding transfer of funds due to duplication of requests for the same thing in Resolution No. 12-0410-01.

Motion by Betts, second by Fisher to approve the Consent Agenda Resolution No. 13-0212-04 transferring funds. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

- Approval of Proclamation recognizing the Service of Sgt. Todd Boelter and proclaiming April 30, 2013 "Sgt Todd Boelter Day"

Motion by Betts, second by Fisher to approve the Consent Proclamation of Sgt Todd Boelter. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Johnson read aloud the Proclamation and presented it to Sergeant to Todd Boelter.

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

- Discuss policy matter from Minnehaha Creek

8. REPORTS OF BOARDS & COMMITTEES BY COUNCIL AND STAFF

Spencer attended the following meetings:

- Met with Anoka and Hennepin County Conservation Representatives About Grants
- Lake Sarah Improvement Association Spring Meeting
- City Special Work Session

Wenck attended the following meetings:

- City Special Work Session
- Executive Meeting for the Lake Minnetonka Communications Commission

Fisher attended the following meetings:

- City Special Work Session

Betts attended the following meetings:

- City Special Work Session

Johnson attended the following meetings:

- NW League of Municipalities Meeting
- Program Committee for Senior Community Services – Attended 3 programs
- Two Fundraisers for organizations that cover the City of Independence
- Community Action Partnership for Suburban Hennepin County Finance Meeting
- Auditor Meeting with Spencer & Hoogeveen
- Greater Lakes Country Food Bank Meeting
- 80th Birthday Party for Bill Coleman
- Discussion with Brian Novak regarding the National League of Cities, Environment and Natural Resources Committee
- Senior Community Service Finance Meeting

Hirsch attended the following meetings:

- Eagle Scout Meeting to discuss presentation at Clean Water Resource Fair
- Meeting with Simplifile a recording service with Hennepin County
- Pre-audit Meeting Review
- Meeting with Jerry Wise regarding the Clean Water Resource Fair

9. JERRY WISE, PIONEER-SARAH CREEK WATERSHED COMMISSION LIAISON – UPDATE OF ONGOING PROJECTS AND MEETINGS OF THE COMMISSION.

Wise stated they were waiting on the cities to figure out financing for the Lake Sarah Outlet Project as well as the Merz settlement. He discussed the sub-watershed retrofit analysis.

Wise stated monitoring has started on Dance Hall Creek for Lake Sarah. Johnson asked where the monitoring is taking place. Wise stated Three River's Park District would be monitoring it in three locations, but didn't know exactly where they would be doing it.

Wise stated Pioneer-Sarah Creek Watershed Commission had approved donating \$100 for the Eagle Scout to create the rain garden.

Wise stated the Third Generation Plan is going well, and it is right on target. The TAC (Technical Advisory Committee) met for the first time last Thursday. He stated he was very impressed with Dan Koch's input, and stated he did a great job.

Wise stated the seminar for the Third Generation Plan Open House will take place at 3 p.m. at the Clean Water Resource Fair. He stated another seminar at 1 p.m. is aimed at Councilors and City Officials for Clean Water Funding. He stated they do expect a good crowd for both seminars.

10. BRAD SPENCER, WATERSHED ITEMS OF DISCUSSION

- Agreement between Anoka Conservation District, Hennepin /county Conservation District, and the City of Independence for City of Independence – Lake Sarah and Independence Lakes Sub-watershed Retrofit Analysis
- Hakanson/Anderson – proposal for TMDL Implementation Targeting Study
- Excerpted from page 4 Lake Sarah TMDL August 2011
- 3rd Generation Plan and WRAPP, and legend

Spencer stated this is a proposal to commence a sub-watershed analysis looking for projects to manage storm water in Lake Sarah and Lake Independence. He stated they were looking to find specific projects to get funding that would help the City meet its obligations and reduce the waste-load allocations. The study they settle upon would cost approximately \$25,375. The Anoka Conservation District staff would do an on the ground specific study modeling the potential reductions in loads. He stated they would be submitting a list to the City of doable projects that would be the most cost beneficial. He stated with this list the City could apply for grants. Through the Hennepin Conservation District the City has been allocated \$18,000 with the Clean Water Land and Legacy Funding for a portion of the cost of this study. The Pioneer-Sarah Creek Watershed would contribute 10% of the City's match or contribute \$985.

Spencer stated the study has been approved by both the Hennepin and Anoka Conservation District. He stated the funding is ready to go upon the Cities signatures. Johnson stated the City's share of the funding has already been allocated with levies for the Watershed District Funds.

Spencer stated the Third Generation Plan is less specific and has a different focus. This study is strictly for the City of Independence.

Motion by Wenck, second by Spencer to approve TMDL Implementation Targeting Study. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

11. MISC./OPEN

Wenck Minnehaha Creek has also been working on their TMDL. What they are seeking is a proposed policy. They do not need a TMDL credit and are posing to give them to the Cities. Wenck suggested Hirsch should respond back to Minnehaha Creek stating we like the policy and support it. Hirsch asked about the due date; which is May 7th.

Motion by Wenck, seconded by Betts, to respond to Minnehaha Creek Watershed District showing our support for this policy if our Water Resources Consultants agree. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

12. ADJOURN.

Motion by Wenck, second by Spencer to adjourn the City Council meeting at 8:30 p.m. Ayes: Johnson, Betts, Fisher, Wenck, and Spencer. Nays: None. Absent: None. MOTION DECLARED CARRIED.

Respectfully submitted,

Jolene Nelson, Recording Secretary