

Minutes of the Proceedings of the City Council of the City of Champlin in the County of Hennepin and the State of Minnesota
Pursuant to Due Call and Notice Thereof

Worksession
February 22, 2010
Municipal Center

Call to Order The Champlin City Council met in a Worksession and was called to order by Mayor Mark Uglem at 5:45 p.m.

Roll Call Present were Mayor Mark Uglem, Councilmembers Eric Johnson, Julia Whalen, ArMand Nelson and Greg Payer.

Absent: none.

City Staff Attending: City Administrator Bret Heitkamp, City Clerk Roberta Colotti, Parks Facilities Manager Dan Masloski and City Attorney Darrell Jensen.

Approval of Agenda Motion by Councilmember Johnson and seconded by Councilmember Whalen to approve the agenda for the January 25, 2010 Worksession as presented. Voting in favor: Mayor Uglem, Councilmembers Payer, Nelson, Johnson and Whalen. Voting against: none, whereupon said motion passed this 25th day of January, 2010.

Andrews Park Concept
Master Plan

The Parks Facilities Manager reported that as part of the 2010 CIP budget, the City Council allocated funds to prepare an amended Master Plan for Andrews Park. The Parks Facilities Manger presented the concept Master Plan as designed by Hoisington Koegler Group, Landscape Design and Land Planners.

The Parks Facilities Manager stated that Andrews Park is Champlin's largest community park, housing various CDAA sports programs, Rebels traveling soccer program, adult softball leagues, and recreation programs; in addition to hosting many walkers/joggers and families using the playground. Andrews Park and the Ice Forum are the two biggest resources the City has that have a large economic impact on the community, in hosting many night games, weekend tournaments and everyday activities. Its value continues to be a great investment for the residents.

The Parks Facilities Manager reported that the project is eligible for a Hennepin County Youth Sports Grant, which has a deadline of March 29th.

The Parks Facilities Manager stated that staff has developed a five-year plan that would phase elements in to complete the Park Master Plan, beginning in 2010 and lasting through 2014. He stated that the estimated total cost of the phased Andrews Park Improvement Project is \$2,052,600. The Parks Facilities Manager reported that \$190,000 is allocated in the 2010 budget for improvements to Andrews Park.

The Parks Facilities Manager presented several site drawings of the future improvements and reviewed the five phases of the project. The project planning centered on improving the three non-functioning buildings that could be better utilized, providing needed 30-foot fencing along some of the softball fields and providing shade protection. In addition the plan identifies ways to provide additional parking, provide trail access to the softball fields, provide a multi-purpose picnic shelter and recreation space, relocate the basketball court, identifies future design of a signature entryway/access to the park, renovate a building that could house recreation programs and summer community space. In addition to these key park improvements the concept Mater Plan includes a potential "Splash Pad" water feature that would complement these new improvements.

Mayor Uglem asked if there had been any concerns expressed by the residents regarding parking issues.

The Parks Facilities Manager stated at this time the discussion regarding the proposed Master Plan had been mostly in-house and as a result no comments had been received.

Councilmember Whalen noted that in the proposed plan there were options for screening of the parking areas at the time of construction. She asked if the City could prepare the sites in advance with this screening so there would be less transition time.

The Parks Facilities Manager said that the screening for the parking lot improvement could be done in advance.

Councilmember Whalen suggested that the sign-in for the ball tournaments be moved to the back side to encourage parking at the other end of the park, in order to more evenly distribute cars throughout the park.

The Parks Facilities Manager stated that staff is looking at installing signage to direct different users to different lots within the park. In addition the Recreation Supervisor will be working with the teams to direct them to alternative parking areas.

The City Administrator requested that the Parks Facilities Manager review the public information meeting schedule.

The Parks Facilities Manager stated that at the March 8th City Council meeting the Council will be presented with a resolution authorizing the City to apply for the Hennepin County Youth Sports Grant. Between now and March 28th staff will meet with the CDAA/Rebels Soccer and other possible interested parties to review the Master Plan and its financing.

The Parks Facilities Manager stated that after the March 8th Council meeting a date will be selected for the public informational meeting. Notice will be sent to neighboring properties and will be placed in the next Parks and Recreation newsletter or City newsletter, depending on the timing of the meeting.

Councilmember Johnson stated that the Master Plan looks good, however, he has a concern that by bringing in 80-100 people with the rental of the proposed picnic shelter combined with the high use of the splash pad on a nice day and the traffic created by a ball tournament, that the park would have too much activity. He was further concerned that this might clash with the expectations of a corporate user of the picnic shelters of some exclusivity by way of their site rental.

The Parks Facilities Manager stated that those renting the picnic shelter have certain areas; however, others are public areas. They do have a maximum number of people allowed with a rental of the shelter.

Councilmember Johnson asked if the Parks Facilities Manager's intention was to rent out the shelter to certain sized groups when there was a ball tournament.

The Parks Facilities Manager stated that at this time the City takes its shelter rentals off-line when there is a big tournament or City event in the parks.

Councilmember Johnson asked if the proposed restrooms would alleviate the need for port-a-potties.

The Parks Facilities Manager stated that is the plan.

Councilmember Whalen asked if the restrooms would be open 24 hours a day, seven days a week and questioned the operations of the park.

The Parks Facilities Manager stated that the splash pad would need to be cleaned and prepared on a daily basis and there would be some weekend night-time responsibilities as well.

Councilmember Whalen stated that in the staff report it references citizen survey results as favoring a water feature, however, it was a swimming pool in particular that was identified in the survey.

Councilmember Whalen noted that there is a sand area near the proposed splash pad area. She asked if sand from the kids moving back and forth would be a problem.

The Parks Facilities Manager stated that the transfer of sand from kids moving between sites would not be a problem, however, if a bucket of sand was dumped into the splash pad area that could create a problem, but the manufacture has a preventative solution available.

Councilmember Whalen stated that in regard to the proposed entry feature signage that the name should simply be “Champlin” as it is our park.

The City Administrator stated that in addition to the signage, the entryway feature could be designed to include a coach/player or parent/child statute, similar to the police and fire protector statutes that are outside the Public Safety building.

Councilmember Nelson asked where the splash pad equipment would be stored during the winter.

The Parks Facilities Manager stated that the equipment would be stored at public works. While we plan to disassemble our equipment each season, it is possible to leave it in place. The City of Robbinsdale, shrink wraps its equipment for the winter.

Councilmember Whalen asked the number of hours the splash pad would be in operation.

The Parks Facilities Manager reported that the splash pad works on a system, whereby water does not flow unless it is turned on by a user and then only stays on for a short time period before needing to be re-started.

Councilmember Whalen asked if the water would always be available.

The Parks Facilities Manager stated that staff can program the times of operation. The hours will be posted on the rules sign.

Councilmember Payer stated that he believes this is a good plan overall and that it comes down to the cost of implementation.

Councilmember Johnson asked if the \$240,000 price quote in the Master Plan for the splash pad was for a fully loaded or limited facility.

The Parks Facilities Manager stated that was the fully loaded version. He added that the City could budget for the full design over several years, by installing only certain pieces each year.

Councilmember Nelson asked what the water and sewer costs would be for the splash pad operation.

The Parks Facilities Manager stated that the total operating costs for the splash pad were estimated at \$10,320.00 and the total estimated revenue from the park is \$11,220.00. Resulting in a self operating program. Of this total the water cost is estimated at \$4,336.42 and the sewer cost is estimated at \$2,399.00. He noted that the City could send the water down the storm sewer instead of the sanitary sewer and save that cost.

Mayor Uglem stated that he was concerned about the access from the parking area to the picnic shelter, which is designed to require the user to walk either around or through the splash pad area. He stated that if someone is hauling food, that design is pretty poor. In the future if we offer concession sales from the picnic shelter there would be the need for delivery people to access the building more directly.

Mayor Uglem stated the proposed concession stand area needs to meet code and future expectations of the users.

Mayor Uglem stated that he understands the plan will increase the number of restrooms, however, he is not confident there are enough or that they are orientated correctly. He provided the example of the distance between the splash pad and the nearest restroom as being too far for families to walk. He suggested adding a restroom close by the splash pad area.

The Parks Facilities Manager said that the park Master Plan is a five year phased plan.

Mayor Uglem asked if staff was flexible on the phasing of the plan, based on available revenue.

The Parks Facilities Manager stated that implementation of the phases was flexible, based on financing.

Councilmember Whalen stated that as a representative of a ward that does not back up to Andrews Park, she wanted to ensure that this plan did not supersede the plans for other parks and she questioned if improvements were still being planned for other parks. She said that residents would see it as a push back if their park areas were not completed as planned in the CIP in order to fund the Andrews Park Master Plan.

The Parks Facilities Manager stated that the City still needed to maintain its commitment to the other parks in the City and he reviewed the upcoming projects identified in the CIP.

Council Consensus

Approval of the concept Master Plan and phased time table, as presented. Authorize staff to move forward with the public informational meeting scheduling, community group meetings and grant application as presented. Direct staff to develop a revised pro forma for the Park Master Plan revenues and expenditures.

NMMA Cooperative
Purchasing Program

The City Administrator presented the Joint Powers Agreement (JPA) with the North Metro Mayors Association (NMMA), as revised and proposed.

Mayor Uglem stated that the biggest factor is that the agreement does not require Champlin to participate in any program, which does not benefit us. So, there is very little downside to the revised JPA. He stated that several other cities have approved the revisions to the JPA already.

Mayor Uglem stated that included in the packet is a letter from him defining his role with the NMMA Central Purchasing group.

Mayor Uglem stated that the Central Purchasing group hopes to move forward with an office supply deal, in March 2010, which should save the members considerable money.

Mayor Uglem stated that the current JPA document is 20 years old and this is the first time it has been amended.

Councilmember Nelson questioned the structure of the administrative fee being proposed in the Cooperative Purchasing Program (CPP).

Mayor Uglem stated that the administrative fee was structured based on the City of Coon Rapids fee which is charged for seal coating. He stated that, while the actual amounts are listed in the January 25, 2010 report the Council received, the amount is roughly 1%.

Councilmember Nelson confirmed that the administrative fee is what would be paid to Joseph Strauss through his proposed LLC.

Mayor Uglem said that the City of Minneapolis is going to put the JPA on their future agenda. He stated that it will be a lot of work for someone to sell the CPP to cities and other entities that are eligible to join.

Councilmember Payer asked if the 1% administrative fee was based on dividends or sales.

Mayor Uglem stated that the administrative fee was approximately 1% or less of the dividends.

The City Administrator stated that under one condition of the proposed agreement, NMMA receives a dividend from the vendor and the City would in turn receive a dividend from the NMMA.

Councilmember Johnson clarified, that basically this program is a rebate from the vendors.

Mayor Uglem stated that an example of this would be a stationary company that pays a 4-5% dividend based on volume, which would be a real savings to the City. He added that there would be an administrative fee as part of this dividend amount. He noted that there is a Central Purchasing Management Committee of the NMMA which will make recommendations regarding the dividend amount and management fees.

Councilmember Nelson asked if the program was proposed to start now or at the end of the year.

The City Administrator stated that the program was proposed to start now and that we are expecting to see between 18% and 52% cost savings. We would be paid out the dividend amount at year end.

Councilmember Payer asked why the NMMA decided to form an LLC with Joseph Strauss to oversee the management of the CPP.

Mayor Uglem indicated that the NMMA members that are identified to form the LLC are the membership's lobbyists.

Councilmember Payer stated that he does not have a problem with the JPA, but does have a concern with a perceived conflict of interest, regarding the Mayors involvement in the CPP. He stated that Mr. Strauss is creating an LLC based on his involvement with the NMMA. He asked if the Council and other cities were not concerned with this conflict simply because we are one step removed from it as a member organization. He stated that even so, he does care and he does not think this is right.

Mayor Uglem stated that he would like Councilmember Payer's vote on the approval of the JPA, but he does not see how the NMMA can move forward with the purchasing program without a management team in place to oversee the CPP administrative duties. He noted that it is difficult to get cities to change their buying habits. He stated that the League of Minnesota Cities (LMC) and the State are both looking at creating joint purchasing programs, because this is a way for agencies to save money.

Councilmember Nelson asked if the NMMA sought bids for the management services contract. He added that doing so is a matter of ethics.

Mayor Uglem stated that the NMMA did not solicit bids for the management service contract.

Councilmember Nelson asked how the NMMA could say the administrative fee was low when they did not have other price quotes to compare it to.

Mayor Uglem stated that the administrative fee was established by the six member City Administrator management committee and they based the fees on the City of Coon Rapids model, which is considered to be low in the market.

Councilmember Whalen stated that the NMMA is made up of city members. She asked how they could approve a management contract without securing quotes or bids.

The City Attorney said that state law does not require joint powers agreement entities to solicit bids as is required for cities.

Councilmember Nelson stated that he understands that the law may not require that bids be solicited, however, it is still part of the due diligence process.

Councilmember Whalen asked if the administrative fees and dividends were set to last forever.

Mayor Uglem stated that the future of the arrangement would be up to the NMMA.

Mayor Uglem stated that it is possible the NMMA purchasing program could merge with other cooperatives in the future. He added that if Minneapolis joins the cooperative its strength would increase.

The City Administrator stated that the NMMA purchasing cooperative allows for more than just cities to join, for example the area hospitals are also corporate members.

Councilmember Johnson stated that he does not have as much of a concern about the management agreement as other councilmembers do. He stated that the main issue for consideration tonight is does the City want to say yes to the new JPA rules. The reason he is not as concerned about the management fees having been established by committee, is the City retains the right to make a purchase through an

alternate direct vendor or consortium even after signing this agreement. He stated that in a way we are bidding out the management fees each time we make a purchase and select a consortium or vendor based on the total cost.

Councilmember Johnson stated that in order to start a purchasing consortium of cities and other public agencies you need members on the management committee that understand cities. As a result the formation of a management committee made up of members of the NMMA ties to the experience of the membership.

Councilmember Whalen stated that she agrees and disagrees with elements of the arguments being made. She noted that in private business when a salesperson does well their income increases based on the volume of sales but it is typically then reduced percentage wise. She suggested that the administrative fees and dividends be monitored to make sure that they stay on track in the future, based on sales volume.

Councilmember Whalen asked if there is a benefit to joining now, for example would there be a set-up fee in the future for new members.

The City Administrator stated that he did not know if there was a benefit to being a first member or if there would be future application fees.

Mayor Uglem stated the NMMA is pushing for a future membership joiner fee. He stated that it is anticipated by the NMMA that in the future the revenues from the purchasing program could fund our membership fees.

Councilmember Payer said that nothing indicates if the administrative fee is taken before or after the dividend amount is determined. He added that if it was before, then that might consume the entire dividend amount.

Mayor Uglem stated that the administrative fee is taken after the dividend is established.

Councilmember Payer stated that under that arrangement, the management company would not make any money.

Mayor Uglem stated that it is not a money maker, which is another reason for the NMMA to exist.

The City Administrator suggested that the administrative fee and dividend structure report be distributed to the Council at a future meeting.

Councilmember Payer stated that he had requested the Mayor to provide an affidavit defining his role with the North Metro Mayors Central Purchasing group. However, the Mayor only provided a letter. He asked why the affidavit was not provided.

Mayor Uglem stated that the letter was recommended by the City Attorney.

The City Attorney stated that he did not see a difference between a letter and an affidavit.

Council Consensus

It was the consensus of the council to pull the action item related to this approval from the Consent agenda and to make the approval of the amended JPA with NMMA contingent on clarification of the administrative fees and dividend distribution. (Councilmember Payer opposed.)

Adjourn

The Champlin City Council adjourned the Worksession at 7:00 p.m.

Mark W. Uglem, Mayor

Attest:

Roberta Colotti, CMC, City Clerk