

Worksession
September 29, 2014
Municipal Center

- Call to Order The Champlin City Council met in Worksession and was called to order by Mayor ArMand Nelson at 6:00 p.m.
- Roll Call Present were Mayor ArMand Nelson and Councilmembers Kara Terry, Eric Johnson, Ryan Karasek, and Bruce Miller.
- Absent: none.
- Staff Present: City Administrator Bret Heitkamp, City Clerk Roberta Colotti, and Finance Director June Johnston..
- Approval of Agenda
(September 29, 2014)
Motion Motion by Councilmember Karasek and seconded by Councilmember Miller to approve the agenda for the September 29, 2014 Worksession as presented. Voting in favor were Mayor Nelson, Councilmembers Terry, Karasek, Johnson, and Miller. Voting against: none. Motion carried.
- 2015 General Fund
Operating Budget The City Administrator reported that at the September 2nd Worksession the City Council provided consensus approval to certifying the preliminary levy for the 2015 Operating Budget at 3.41%. The Council also directed staff to present alternatives associated with potentially reducing the final levy. In addition the City Council requested that staff re-categorize the 2015 budget assumptions.
- The City Administrator presented a set of eight options for increased revenue/reduced expenses associated with the 2015 operating budget. He also presented a report with the 2015 budget assumptions re-categorized as requested.

Council Consensus

Regarding the eight options for increased revenue/reduced expenses for 2015 the City Council reached the following consensus:

1. Metro Cities Association of Metropolitan Municipalities Membership at a cost of \$7,872 – Discontinue.
2. North Metro Mayors Association Membership at a cost of \$11,000 – Maintain.
3. Reinstate Revenue Reduction for Traffic Enforcement Program with \$20,000 in revenue generated - Not to Reinstate.
4. Re-implement parameters of Vacant Building Registration Program with \$10,000 in possible revenue generated – Implement half of the proposed increase in fees.
5. Emerald Ash Borer Management Program at a cost of \$10,000 – Maintain.
6. Postpone Outside Budget Requests from Department Heads:
 - a. Digitize Building Department Files (2nd half of 2014 project) at a cost of \$13,000 – Move to 2014 budget under Council Contingency fund.
 - b. Code Enforcement Tracking Software at a cost of \$7,000 – Move to 2014 budget under Council Contingency fund.
 - c. Police Department Investigative Sgt. (Testing/Uniform) at a cost of \$8,000 – Maintain.
7. City Council travel and training at a cost of \$2,000 – Maintain.
8. Increase Rental Licensing fees with potential revenue of \$10,000 – Requested information on 2015 fees and potential impact on the community.

The City Administrator stated that with the changes listed the levy would be reduced by \$32,872 or from 3.41% to 2.99%. He stated that this change will work in concert with the tax capacity change presented by Hennepin County in relation to the decertification of a TIF District resulting in the average

homeowner seeing a tax increase for 2015 of \$10 vs. the \$28 that was presented at the time the preliminary levy was adopted.

Capital Improvement Plan
(CIP)

The City Administrator stated that on October 8th the City Council will be reviewing the 2015 Budget including the Capital Improvement Plan (CIP) with the Department Heads. He requested the Council walk through the CIP and identify any areas they would like more information.

The City Administrator presented the planned Parks and Recreation Department budget discussion as an example for the Council's consideration. He stated that the Engineering, Public Works, Police and others would be similarly presented. He gave the example of the Fire Department equipment increase from 2015 to 2016 of \$1.2 million as being tied to the planned purchase of a ladder truck.

Councilmember Miller questioned if the Joint Fire Board has explored options to purchase equipment jointly with other departments.

The City Administrator stated that when the City of Champlin assumed the financial duties for the Fire Department, from the City of Anoka, it was determined that the Capital Improvement Fund was underfunded. As part of the Fire Boards review process staff has cataloged all Fire Department equipment. The Fire Department was given direction to identify where we can share equipment with other departments. One example of a potential type of equipment that can be shared is the two boats requested for river rescues.

Councilmember Johnson asked if the furniture budget was carried over if not spent.

The Finance Director stated that any unspent funds were returned to the General Fund balance.

The City Administrator highlighted the Police Department CIP identifying that the plan calls for the replacement of three squad cars in addition to weapons systems improvements.

Councilmember Johnson questioned the campus security piece of the CIP.

The City Administrator stated that campus security includes planned training in the Council Chambers, door improvements and camera system upgrades.

Councilmember Miller stated that he has additional question on the weapons line item that he will present to the Police Chief on October 8th.

The City Administrator highlighted the Public Works Department CIP. He noted that the City Hall generator is planned for improvement based on future requirements from the MPCA.

Mayor Nelson questioned the rust protection portion of the CIP.

The City Administrator stated that is to touch up older equipment designed to be retained as part of the fleet in the future.

Councilmember Miller questioned the sign replacement CIP.

The City Administrator stated that is to cover the cost of replacing street signs in a section of town each year along with improving traffic control signs and meeting reflection marking requirements.

The City Administrator highlighted the Engineering Department CIP including the identified street projects.

The Finance Director pointed out that Engineering projects often involve other funding sources in addition to the CIP budgeted amount.

Councilmember Karasek stated that in speaking with a number of the residents within the planned Mississippi View Estates utility and road improvement project area, a majority of residents stated they were not in favor of the project, the next level of people stated they did not feel strongly either way

about the project and the smallest percentage of people said they were strongly in favor of the project.

The City Administrator stated that to date the City Council has heard predominately from those that favor the project. He stated that a number of the residents need the planned improvements or to make capital investments in their home systems.

Mayor Nelson asked staff to prepare a report on the number of residents in the project area that have wells and septic systems.

Councilmember Miller stated that this CIP project is worth reviewing given the proposed City costs. However, he also cautioned that the City should study the future costs as part of its project review.

Councilmember Johnson noted that the project also involves land acquisition which further supports the need to review it in detail.

Mayor Nelson suggested the Council review the option of moving forward with the reconstruction of South Diamond Lake Road, even if the utility project is not completed.

The City Administrator highlighted the Park Reserve Fund CIP for the Council's consideration.

Councilmember Karasek asked why there were not any drinking fountains in the remodeled Andrews Park.

The City Administrator stated that prior to the remodeling project the park did have two fountains including one that was donated by the Lions. However, these were subject to repeated vandalism.

Mayor Nelson noted that the CIP focuses on picnic shelters, recreation program buildings and parking lot paving. He questioned if the City was seeing an increased demand for the use of recreation program buildings or if we were building structures that would not be supported by community use.

The City Administrator stated that there is demand for the recreation program buildings and that the City has shifted from offering programing across several smaller parks to focusing programing at the larger community parks in each ward.

The City Administrator noted that the City needs partners such as the CDAA. He stated that CDAA is looking to focus on Andrews Park field #5 vs. the Elm Creek Athletic Complex (JRAC).

Councilmember Miller stated that in presenting the 2015 CIP on October 8th he would like staff to focus on the reasons for the requested numbers over focusing on just presenting the numbers themselves.

The City Administrator stated that the expenses outlined in the CIP will also be brought before the Council for formal action prior to being spent and significant project details will be presented at that time.

Councilmember Johnson stated that it would be useful if the Parks and Recreation Commission could prepare a needs assessment and explanation as part of their review of the CIP.

Councilmember Karasek stated that the residents of the Mill Pond Gables, senior living complex, have asked for additional senior recreation programing options.

The City Administrator stated that the City currently offers three to five programs per month for seniors. He reviewed some of the obstacles to senior program offerings. He stated that staff can prepare a detailed listing of current program offerings for the Council's review.

Councilmember Johnson requested additional information on the land acquisition funds for the parks.

The City Administrator stated that a parcel of land has a planned sale in the near future. The land runs along the Elm Creek and fits within the City's trail program.

The City Administrator presented the Master Plan for Chandler Park which includes \$2.8+ million in improvements. He noted that the stop sign along West River Road that the City is currently receiving comments about is part of this plan.

Mayor Nelson stated that he has received complaints that a large number of tickets have been issued at this stop sign. He requested information on the number of tickets that had been issued for failing to stop at this stop sign.

The City Administrator confirmed that no citations had been issued for running the stop sign to date.

Councilmember Karasek stated that currently the City of Champlin does not have a city center for people to gather. The planned Mississippi Crossings project could provide that space.

Mayor Nelson stated that of the CIP budgets the most discretionary budget is the Parks Department.

The City Administrator summarized the Council's actions this evening as reducing the 2015 budget from a 3.41% to 2.99% increase and the tax impact on an average value home from \$28 to \$10. He stated that the Council will again consider the budget on October 8th and that the Final Budget and Levy will be set on December 8th.

Councilmember Terry reiterated that the steps taken tonight do not mean the Council is done reviewing the budget.

Adjournment

The Champlin City Council adjourned the Worksession at 7:35 p.m.

ArMand Nelson, Mayor

Attest:

Roberta Colotti, CMC, City Clerk