

Worksession
October 8, 2015
Municipal Center

- Call to Order The Champlin City Council met in Worksession and was called to order by Mayor ArMand Nelson at 5:30 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, Finance Director June Johnston, Assistant Finance Director Reidun Zollicoffer Community Development Director John Cox, City Engineer Tim Hanson, Parks Facilities Manager Charlie Lehn, Public Works Superintendent Chris Rachner and Police Chief Dave Kolb.
- Approval of Agenda
(October 8, 2015)
Motion Motion by Councilmember Johnson and seconded by Councilmember Miller to approve the agenda for the October 8, 2015 Worksession as presented. Voting in favor were Mayor Nelson, Councilmembers Terry, Karasek, Johnson, and Miller. Voting against: none. Motion carried.
- 2016 General Fund
Operating Budget The City Administrator presented the 2016 proposed operating budget and 2016-2025 proposed Capital Improvement Plan (CIP). He reported that each department would be presenting their 2016 budget in detail.
- The Council reviewed the proposed pass through of costs associated with the Metropolitan Council sewer fees and Hennepin County refuse disposal fees.
- Mayor Nelson led a discussion on the revenue and expenditure line items as presented.
- The Council requested that staff schedule an additional budget Worksession between this evening and the scheduled December 14th Budget Public Hearing date. They requested additional detail to analyze the department trends, such as a report on the budgeted amount compared to actual amount for the past three to five years with detail on transferred amounts.
- Councilmember Miller stated that by the year 2020 we will be spending \$30.5 million and he questioned how we were going to be able to fully support that cost. He stated that each year the City spends more, even though the budget is balanced each year, it is a concern that it keeps increasing.
- Mayor Nelson stated that the question of the future budget comes down to what the residents want for service levels. The budget and Financial Management Plan (FMP) are built around that answer.
- Councilmember Terry pointed out that when reviewing the City's budget it is important to recognize that staffing is the biggest cost.
- The Finance Director reviewed the 2% COLA increase proposed for 2016 and the impact it has on each department budget based on the existing salary scales within each department.
- Parks & Public Works:**
Presented by Public Work Supervisor Chris Rachner and Parks Facilities Manager Charlie Lehn
- The City Council reviewed the Facility Use Policy impact on revenue. It was noted that we are now covering costs through charges under the policy.
- The Council discussed CDAA maintenance fees. They reviewed the donation amounts received to date for recreation facilities from local organizations. It was noted that Reynolds Park was completed

primarily using donated funds. It was identified that Dayton residents participate in our recreation programs and their population is growing so it will be important for them to build facilities to accommodate their new population.

The Council reviewed the revenues and expenditures associated with the Andrews Park splash pad. It was noted that we were able to reduce water consumption by 25% in 2015.

The Council reviewed the agreement with Willy McCoy's to provide full service concession services this year at Andrews Park. This was a successful program for the City. The Public Works Supervisor confirmed that the investment in the Police Department Park Patrol was valuable and contributed to the success of this year's program.

The City Administrator stated that Willy McCoy's is interested in expanding concession services at Northland Park. This item will be presented to the Park and Recreation Commission for their review.

Councilmember Johnson requested that any agreement for Northland Park be separated from Andrew's Park for ease of administration should one contract not perform as well as the other.

The City Council reviewed the Ice Forum Operations including revenues and expenditures, LifeTime Fitness contribution and Mighty Ducks Grant program.

The City Administrator stated that in the past the Council has discussed the sale of the lots at 117th Avenue near Andrews Park which was originally considered as a site for a future fire station. It has been identified that the infrastructure feasibility study needed to prepare the lots for sale would cost approximately \$10,000. A revised cost estimate would be secured if the Council is interested in pursuing this work.

The City Administrator stated that there is also property along French Lake Road that was platted for four additional lots but not developed. With the future street reconstruction project the lots could be re-considered for sale.

Council Consensus

To direct staff to move forward with securing a current price for the infrastructure feasibility study for the sale of the lots at 117th Avenue and to move forward with the analysis of the sale of the lots along French Lake Road.

The City has been approached by a sign company interested in installing an electronic billboard along Hwy. 169. They are proposing to pay the City \$50,000/year or more for the placement of the sign and will provide for community advertising.

Council Consensus

It was the consensus of the Council to direct staff to continue working with the sign company and to return with any formal proposals.

The City has discussed the option of a roll-up payment program on utility bills for special project funding such as park development. Unlike an opt-out program customers would not have to take any action if they did not want to participate.

Council Consensus

It was the consensus of the Council to direct staff to continue their review of this program and to report back at a future meeting.

The City Administrator commended staff for fully funding, through sponsorships and other means, the 2015 Father Hennepin Festival.

It was reported that the 2015 Winter Recreation Boucher is going to be electronic and while that saves on printing and mailing costs it reduces the sponsorship revenue thereby reducing/eliminating cost savings. In 2016 a mix of print and electronic issues are planned.

Building rental revenue from special events at the Ice Forum are limited by the availability of the building during off-season times. However, the City did host a couple of events this year.

It was presented that the Recreation Department continues to offer programming to Champlin's senior population. With Applewood Pointe and possible other senior facilities being constructed in Champlin the Council may need to consider the option of adding a programming bus in the future.

The Public Works Superintendent reviewed the 2015 Farmers Market operations, noting that the number of vendors has remained stable and that the current event time allows for the maximum vendor participation.

The Public Works Superintendent stated that he is requesting additional staffing in 2016 for landscaping maintenance staff as they are maxed out. Pavement patching numbers are up again this year as well.

The Public Works Superintendent stated that Emerald Ash Borer has been identified in the City of Plymouth. Staff is working on a plan which he anticipates being presented to the Council for approval next summer.

The Public Works Superintendent stated that they re-evaluate every piece of equipment that is authorized for purchase per the CIP prior to actual purchase to make sure that the item is fully in need of replacement and cannot be repaired for an additional year. They will hold off on purchases if practical.

Engineering & Water Treatment Plant:

Presented by City Engineer Tim Hanson

The City Engineer stated that in 2013 the City started using Water Treatment Plant #2. He presented a chart showing the revenues and expenditures for the water operations. Items such as chemical cost/amount used, rainfall and others impact the operating costs and the demand for water.

The 2016 Mill and Overlay projects including Weidema Estates, Shores Lane and Sunny Banks Farm and the Street Rehabilitation project for Champlin River Park were reviewed. The Brittney Drive street condition was examined.

The Depue/South Diamond Lake Road/Mississippi View Estates project funding was discussed.

The City Administrator stated that the carp barrier project proposal will be coming before the City Council at a future meeting.

Community Development:

Presented by Community Development Director John Cox

The Community Development Director stated that in 2014, the hours of two building inspection employees were cut back from 40 to 32 hours. As building activity picks up in the coming year with approved projects, the departments reduced hours may result in greater response times for building inspection calls, plan reviews and permit issuances. He will be monitoring permit and plan review times next year and may be requesting expanded inspection staff hours to deal with workload.

The Community Development Director presented a staffing comparison chart for the Community Development Department (Planning/Economic Development, Building Inspection, Code Enforcement and Clerical). The chart showed Champlin at 5.5 FTE and the other cities ranged from 7 FTE to 14 FTE.

The Community Development Director presented a report listing the development projects under construction/in consideration along with their expected financial contributions/tax impact to the City.

It was noted that the water fountains located in the Mill Pond and in ponds abutting the highway corridor are nearing the end of their useful life and should be budgeted for replacement or planned for removal next year.

The Community Development Director reviewed the Economic Development Authority (EDA) budget and levy for 2016.

The Community Development Director reported that the Tax Increment Financing (TIF) District created in 2002 for costs associated with the Champlin Shores will need to be reconsidered following the pending sale of the Mill Pond Gables. Staff will bring a report back to the EDA Board for their consideration following the sale of the Gables.

The sale of the Mill Pond Gables will provide for the full payoff of the project's bonds and contribute \$1 million to our development fund. The sale will also untether funds dedicated to the property's replacement program.

Police:

Presented by Police Chief Dave Kolb

The Police Chief presented information on the department's core services and measurable items. He reviewed response time, traffic safety and investigations. He reviewed the patrol staffing levels in relation to current and projected call numbers. The Police Chief stated that the traffic safety effort is scheduled to remain the same in 2016.

The Police Chief stated that October 2015 the new Investigative Sergeant position comes online and that will impact the 2016 budget as it will be a 12-month position next year. Another staffing change currently taking place is a change from an 8 to 11 hour staggered shift with supervision.

The Police Chief stated that a big piece of supervising the investigative department is reviewing and prioritizing cases. He will also be looking to the Investigative Sergeant to prepare data analysis that will be available for review next year.

The Police Chief stated that an expanded duty for the Investigative Sergeant is to serve as the liaison to the domestic advocacy group Home Free. He reviewed the history of the domestic violence advocacy program including the elimination of funding in prior years due to budget concerns; the free services given by another service in the absence of an official program and the return of the service to Home Free at no charge with a current request to re-institute funding. He stated that the 2016 budget proposes a partial funding through the City and partial funding through fundraising by the Crime Prevention Fund organization. He stated that statistics and data on the services provided by Home Free are one item that needs to be improved and will be requested in the future. He stated that a contract or letter of understanding will contain these requirements.

The Police Chief reviewed the Community Policing and Livable Housing efforts. He stated that they will be part of the Place of Last Drink (POLD) program which tracks information on the place where an intoxicated person was last sold. This program allows comparison across the state of liquor license holders.

The Police Chief stated that the CIP is status quo with the exception of records management efforts increasing in 2016.

The Police Chief stated that when reviewing cost per resident for police service it is important to identify the differences in services, such as Brooklyn Park having a higher cost per resident but a higher number of commercial establishments. Other cities having a lower cost but having more support from the County, or Anoka having a state hospital.

The Police Chief stated that they did not get the state legislation they wanted regarding privacy for body camera data. That combined with some other factors has led to the determination that they will not implement body cameras in 2016.

The Police Chief clarified that the line item for DARE is actually a broad category including the School Liaison Officer and other costs. He stated that they reviewed alternative programs to DARE and have determined that there would not be a cost savings to changing programs, given the need to re-order

supplies for any new program.

The Police Chief reviewed the bike patrol program including the need to purchase new bikes in 2016. He stated that by budgeting for overtime for this patrol the department is able to ensure that the program will be available even as schedules change.

Finance/IT:

Presented by Finance Director June Johnston

The Finance Director stated that the \$15,000 identified for IT consultant services will be used for project based work to be outsourced as determined by the IT Director. She stated that currently the City employs a exempt IT Director and non-exempt IT Specialist. She stated that the current IT Director is working 60-70 hours a week. The workload includes, but is not limited to: GIS, Telephones, Police Forensics, Finance Systems (AS-400), and the replacement and rebuilding of PC's.

Mayor Nelson stated that one method for funding IT work associated with capital projects is to identify that work in the CIP.

Mayor Nelson suggested the option of sharing phone service with another city as something to consider for the future.

The Finance Director stated that she intends to retire the end of 2016/start of 2017. Under the proposed transition plan she would work part-time for the City after retirement in accordance with PERA regulations. She will be restricted to working less than 1,044 hours per year and as a result is proposing a 20 hours per week schedule. An annual contract is required under the regulations.

Administration/Government Services/Mayor and Council/Legal/Technology Fund:

Presented by City Administrator Bret Heitkamp, City Clerk Roberta Colotti and Finance Director June Johnston

The City Clerk presented information on the 2016 Presidential Election including Hennepin County's proposal to purchase and pay for electronic poll books and development of an online Election Judge training program.

The Council reviewed the value of the cooperative purchasing program, noting that the City's participation is limited to office supplies and field marking paint at this time.

The City Administrator stated that the League of Minnesota Cities had a 5% increase for 2016 which is part of the Mayor & Council budget. He stated that the North Metro Mayor's Association is also part of this budget and is an expense that the City may wish to re-evaluate in the future.

The City Administrator reviewed the CIP items for building security contained within the budget.

Councilmember Miller re-addressed the fundamental issue of an ever increasing budget.

Councilmember Johnson stated that since he joined the Council he has seen cuts in department and capital budgets. Now he is seeing housing values rise again and the City's ability to fully fund services return. He has not received calls requesting cuts. He sees this as a time to re-implement and do things we haven't been able to do in the recent past.

Councilmember Karasek stated that he would like seek out alternative revenue sources.

The City Administrator stated that there has been less than a 1% increase since 2008 for materials, goods and services. Infrastructure is 23% of the budget. The number of employees has decreased in that time as well.

The Council discussed the need to provide public information on the City's budget including the cost for roads, streets and utilities.

The City Administrator confirmed that another Worksession will be scheduled prior to the December 14th Public Hearing date.

Adjournment

The Champlin City Council adjourned the Worksession at 9:30 p.m.

ArMand Nelson, Mayor

Attest:

Roberta Colotti, CMC, City Clerk