



### **Pheasant Run Assessment**

Engineer Messner introduced the topic as specific to the Pheasant Run Project. He then turned the discussion to focus on the big picture of Hanover. Mayor Kauffman stated he learned that some cities are switching to a fund to cover road costs. Administrator Derus responded the fund makes it easier to budget for future road projects. Engineer Messner stated a fund like that would require a levy on everyone in the city. This is often disliked by residents. Mike Nielson suggested the City should look at a Geographical Information System. This would allow for a map of every property in Hanover. This map would hold information related to that property including various permits and tax information. This system would also allow for a comprehensive plan for street improvements. Nielson predicts it would cost a city the size of Hanover approximately \$20,000. The cost after initial set-up would be staff wages for data entry.

Engineer Messner presented a slideshow to explain how assessments can be placed on property owners. He talked about the different percentages, and also what type of work can be assessed and what cannot. Along with the slideshow, Messner explained how assessments give a sense of ownership of the road to the residents. This can help with the up keep of roads because the residents have something invested in the roads. Mayor Kauffman asked for information regarding costs to residents if an assessment would be placed on them. Messner had put together two scenarios and presented them to Council. After looking at the estimated costs Council felt they would like one additional estimate for comparison. With this information Council would be able to make a decision on what to present to residents during an open house for the Pheasant Run Project.

### **Follow-up on Pay-for-Performance Compensation Plan**

Due to time constraints for two Council members, Mayor Kauffman delayed this topic until after the Public Works Reorganization discussion. Administrator Derus did want to give one statement on this before the Council members had to leave. He stated Hanover's pay ranges have not changed with the New Year. The Lead Public Works employee is qualified to apply for a Heavy Equipment Operator position currently posted in a neighboring town. The job posted would mean less responsibility, but would offer approximately \$3,000 more a year.

### **Public Works Reorganization Plan**

Attorney Squires stated in the interest of Attorney/Client Privilege, this discussion should be held in a closed meeting. Mayor Kauffman closed the meeting at 8:03 p.m.

Council discussed in a closed meeting a Public Works reorganization plan. This plan would achieve cost saving measures by eliminating the Maintenance Worker position. Staff was directed by Council to proceed with the plan. Attorney Squires stated they wanted Council direction in order to move ahead. Attorney Squires and Administrator Derus will have final information to present to Council for their March 5, 2013 regular meeting.

Mayor Kauffman re-opened the meeting at 8:35 p.m.

### **Pay-for-Performance Compensation Plan Continued**

Administrator Derus continued this discussion by stating that other cities offer cost of living increases along with regular pay increases. He stated the Lead Public Works position is stressful compared to a non-lead public works position. He reminded Council that the Lead Public Works employee has been expected to appear at Council Meetings where other cities have the director or Administrator relay information. Mayor Kauffman stated that the salary ranges that were presented to Council in the past do not compare to Hanover based on city population size. Administrator Derus informed Council that they may be sending a message to future employee that Hanover is a stepping stone and the city can be used as a way to gain experience in order to move onto a better job. Council should want to keep quality staff members in the City because of the institutional knowledge they have. New employees would need a training period for initial understanding of the city, then they would use additional time to become further educated about the city. Mayor Kauffman asked if cost of living increases are mandated and if every city does a step program along with cost of living increases. Attorney Squires stated the cost of living increase is not mandated and the city is free to give one or not. Administrator Derus stated cities do the step program for raises and a cost of living increase in order to provide good employees insight to where they will be in the future. Hammerseng stated as the Lead Public Works position sits now it is a revolving door because of the pay range. Warpula shared he feels we as a city should want to keep our quality employees. Hammerseng asked

if the current Lead Public Works employee is upset because of his current wage or the Pay-for-Performance plan. Administrator Derus explained it is a combination of both. Our Pay-for-Performance plan does not match other cities so there is no way to know where he will be in the range each year that he is with the Hanover. He is also unhappy with the fact that as a lead employee he is making less than a position that is lower than him in a pay scale. Hammerseng asked Smythe how she felt because she is affected by this decision too. She responded it is not always about the amount of money. It sometimes does matter on whether you know what your pay will be each year in the future. Mayor Kauffman stated the immediate issue is to complete performance reviews. Until this happens a decision cannot be made about wages.

**Ploetz Strategy**

This item was not discussed.

**2013 Goals and Objectives**

This item was tabled until the March Work Session.

**Adjournment**

**MOTION** to Adjourn by Hammerseng, seconded by Warpula. Motion carried unanimously. Adjourned at 9:37 p.m.

APPROVED BY:

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Chris Kauffman, Mayor

ATTEST:

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Bob Derus, Interim City Administrator