

**CITY OF HANOVER
CITY COUNCIL MEETING
MARCH 3, 2015 – OFFICIAL MINUTES**

Call to Order/Pledge of Allegiance:

Mayor Chris Kauffman called the Regular Council Meeting of Tuesday, March 3, 2015 to order at 7:00 p.m. Present were Mayor Kauffman, Councilors Doug Hammerseng and Jim Zajicek. Also present were City Administrator Brian Hagen and City Engineer Justin Messner. Members absent were Councilors John Vajda and Ken Warpula. Guests included Shane Burns, Linda Eckard, Scott Wallace and other residents.

Approval of Agenda:

City Administrator Brian Hagen noted that item 7b regarding approving a contract for actuary services for the Fire Department was no longer needed. Hagen spoke with a representative from the company who currently holds all of the City's bonds, and that person stated that bond interest rates will not be effected by not completing this requirement. Hagen presented a revised agenda which replaced item 7b with an amendment to the agreement for funding the County 19 Trail between Hanover and Three Rivers Park District.

MOTION by Hammerseng to approve the amended agenda, seconded by Zajicek. **Motion carried unanimously.**

Consent Agenda:

Hagen stated that he added detail to the Joint City Council/EDA Meeting minutes at the request of an EDA member. The request was for more detail on the 2015 goals for the EDA.

Hammerseng asked to have the Regular City Council minutes amended to reflect the potential for the 10 Acres to be used as ball fields singly in addition to the option of jointly with the Public Works building.

MOTION by Hammerseng to approve the amended consent agenda, seconded by Zajicek.

a. Approve Amended Minutes of February 17, 2015 City Council Work Session Meeting

b. Approve Amended Minutes of February 19, 2015 Joint City Council/EDA Meeting

c. Approve Claims as Presented:

➤ Claims	\$ 28,759.18
➤ Payroll	\$ 6,382.43
➤ P/R taxes & Exp	\$ 2,385.80
➤ Other Claims	<u>\$ 1,213.59</u>
➤ Total Claims	<u>\$ 38,741.00</u>

d. Res No 03-03-15-06 – Approving Renewal of Consumption and Display Permit

Motion carried unanimously.

Citizen's Forum:

Hanover Lions: Shane Burns

The Hanover Lions Club would like the Council to allow the Lions to donate a drinking fountain in the shape of a lion in Settlers Park. The fountain costs \$5,000 and the Lions would like the City to help in establishing a water source to the fountain. Burns asked if there were any permits that could be waived. It was determined that the only permit needed was from the Department of Health for drinking fountain and that it was \$150. If the fountain is successful in Settlers Park, the Lions would consider donating another one at Cardinal Circle Park.

Another project the Lions would like to accomplish is to provide a pyramid of recycled tires at the Cardinal Circle Park as an additional playground option. Lion Linda explained that this project would also include community involvement.

Mayor Kauffman stated Council would be accepting of these projects. He further suggested the Lions meet with the Park Board to determine details and other ways the City could be of assistance with the project.

Scott Wallace

Thank you to Scott and Jason in Public Works for clearing the trails. The neighborhood residents are using the trail regularly and really appreciate having the trails cleared.

Mr. Wallace expressed concern about potential open meeting law violations. Wallace feels that the special meeting held on December 18, 2014 violated open meeting law requirements due to an improper notice of the meeting. Wallace further feels a violation was made when negotiations of a job offer was held in a private setting.

Hagen explained that it is not out of the ordinary for a subcommittee to be formed in order to discuss job offer negotiations. While salary and wages are public knowledge, the negotiations are typically conducted in private. Wallace said that according to the League of Minnesota Cities (LMC), that was not allowable. There are seven reasons for a meeting to be closed. Mayor Kauffman stated that the City would like to consult the Attorney on these allegations.

Wallace further emphasized that business conduct by the Council should be fully available to the public. Wallace requested that meeting notices be more specific. He further stated that he does not believe all information provide to the Council is being offered to the public.

Public Hearings:

None

Unfinished Business:

10 Acres Tree Clearing

Hagen stated that multiple quotes were received in the past to clear cut the 10 acres. Tree Top Service was the low quote so staff contacted the company to determine if the quote was still valid. The quote of \$2880 per acre to cut trees and remove stumps still stands. Council felt that until more specific plans for the parcel are in place the trees should not be cleared.

Another citizen stated that some people value trees and the benefits trees provide. They would like to see as few trees cleared as possible.

MOTION by Hammerseng to table the discussion of clearing the 10 Acres, seconded by Zajicek.
Motion carried unanimously.

Res No 03-03-15-09 – Awarding Hennepin County 19 Trail Bid

City Engineer Justin Messner informed Council that Hennepin County plans to award the project to the lowest responsible bidder. The contract would be awarded to Landwehr for \$877,258.11. Messner further presented a breakdown of funding based on the low construction bid and costs related to permitting, land acquisition, and engineering:

City of Hanover	\$295,000
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Three Rivers Park	\$425,000
Hennepin County	\$200,000
Federal Grant	\$216,000
Total Cost of Project	\$1.13 million

The City of Hanover's cost from what was originally anticipated would be an additional \$39,500. Hammerseng asked what has the City contributed to date. Messner replied \$200,000 which has gone towards plans, permits, wetland credits, easements, etc. Messner stated that the additional \$95,000 moving forward includes \$60,500 was for the survey, observation and administration of the project and then the \$39,500 to cover a portion of the shortfall in construction costs.

A citizen expressed frustration with the project costs. Messner explained the project's cost again and how when federal funding is received, additional requirements accompany the project which requires additional staff time.

MOTION by Kauffman to approve Res No 03-03-15-08, seconded by Hammerseng. **Motion carried unanimously.**

New Business:

Res No 03-03-15-07 – Supporting Changes to the FRA Investment Policy.

Hagen explained that the FRA approved changes on the investment policy in an attempt to make a better return on investment. They voted to increase 5% in common stocks and 5% less in common bonds. While the common stocks are more aggressive than the bonds. The motion is in front of Council for support with the understanding if there ever was a shortfall, the City would make up the difference. They also moved their money to the State and the State is now handling the investments. They will be receiving quarterly reports and would be able to adjust them as needed.

There was further discussion about how often the FRA will look at the investments and make changes. Hagen stated that the board meets quarterly and quarterly reports will be provided to the board. As for changes to the policy, the board could make changes at any time. They understand that the City Council needs to support these changes, they also understand that the investment money is also money used to pay firefighter pensions.

MOTION by Hammerseng to approve Res No 03-03-15-07, seconded Zajicek. **Motion carried unanimously.**

Res No 03-03-15-08 – Approving Amendment to the Cooperative Agreement Between Hanover and Three Rivers Park District for the Funding of the Lake Independence Regional Trail

Hagen explained the three amendments to the trail agreement: the increased cost participation; allowing for early reimbursement at 50% completion of the project for 50% of the funding; and Three Rivers approving who completes the construction observation. Three Rivers has already stated they would be comfortable with WSB completing this portion of the project.

MOTION to accept Res No 03-03-15-09 by Zajicek, seconded by Hammerseng. **Motion carried unanimously.**

2015 Crack Filling and Spray Injection Patching Quote

Hagen explained that the quote in front of Council would provide equipment to complete patching work around catch basins and other problem areas like potholes. This patching technique was demonstrated to Public Works last fall and the material has held up well to the abuse of snow plowing. Additionally, this

quote would complete crack filling needs to the streets. The quote is for approximately 70,000 linear feet. We do not know specifically what that will cover, but the worst cracks will receive the most focus. The cost was not budgeted this year, however, the public works department had a surplus of approximately \$50,000 last year to offset this cost.

MOTION to accept the quote by Zajicek, seconded by Kauffman. **Motion carried unanimously.**

Staff Retention

Mayor Kauffman stated that the Council received a lot of information within the last few days and have not had time to fully digest it. Hagen responded that it was meant to initiate the discussion and to be used in future discussions. Hagen provided a list of adjacent cities and pay comparisons for the public works positions. Kauffman would like to add more cities to the list provided and focus on cities comparable in population to Hanover.

Hagen requested direction on immediate staff retention and secondly, what cities Hanover should be compared to. Hagen stated that the immediate concern is that there are two positions available in neighboring cities which are of interest to some Hanover employees. Council members expressed concern as they did not want to lose employees, yet still do what is fair to the City and the employees. Council consensus was to consider potential salary changes to current wages and to consider overall salary range adjustments. They further directed Hagen to share that information with current staff.

Reports

Justin Messner – Hennepin County is projected to award the trail bid in the coming days. Project start is anticipated to begin shortly after road restrictions are lifted.

Brian Hagen –

- The Local Board of Appeals meeting is set for April 7, 2015. We are required to have one Councilor qualified to conduct the meeting, but it is good to have a backup. A catch up course is being offered to anyone who is interested. Information was included in the FYI.
- The City received official notice from the MPCA that we will need to meet MS4 requirements. WSB plans to argue the finding based on Hanover's population. Further information will be presented at a future meeting.

Jim Zajicek - The Park Board is looking into a band shell and Brian Reitzner is designing the band shell. The Athletic Association was invited to the last meeting, but did not attend. The Park Board is reaching out to them again to continue to build the relationship.

Doug Hammerseng: The Planning Commission has chosen Stan Kolasa as chair and Jim Schendel as vice chair. The Planning Commission spent time hearing a gentleman who is requesting a second address for business reasons. The board also discussed an ordinance on having a second driveway. Feedback on the driveway ordinance was given to the Planner and the Planning Commission will discuss the changes one more time before sending it to Council for approval.

Mayor Kauffman: The Wright County EDP will hold a trap shooting even in May. The Mayor further stated he volunteered to help organize the event.

Adjournment:

MOTION by Hammerseng to adjourn at 8:40 pm, seconded by Zajicek. **Motion carried unanimously.**

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator