

**CITY OF HANOVER  
CITY COUNCIL WORK SESSION  
JUNE 17, 2014 – OFFICIAL MINUTES**

**Call to Order**

Mayor Kauffman called the Regular City Council Work Session Meeting of Tuesday, June 17, 2014 to order at 6:02 p.m. Present were Mayor Chris Kauffman, Councilors Wendy Pinor, John Vajda, Doug Hammerseng, and Ken Warpula. Also present were City Administrator Annita Smythe, Administrative Assistant Brian Hagen, Public Works Supervisor Scott Vogel, City Engineer Justin Messner, and City Planner Cindy Nash. Guests present included Andrew Grice from KDV, Ned Sorley from UBS Financial Services, and other Hanover residents.

**Approval of Agenda**

**MOTION** by Pinor to approve the agenda as presented, seconded by Hammerseng. **Motion carried unanimously.**

**Consent Agenda**

Warpula asked why a job description is being approved for the Administrator. Smythe stated she was hired under the job descriptions for her previous positions, and the previous administrator's job description does not take into account the additional accounting and clerk duties she currently is responsible for. Smythe further explained that this job description better represents her duties from the three different positions she has held with Hanover. **MOTION** by Warpula to approve the following consent agenda, seconded by Pinor.

**a. Approve Minutes of June 3, 2014 Regular City Council Meeting**

**b. Approve Claims as Presented:**

➤ Claims	\$ 66,669.94
➤ Payroll	\$ 5,912.28
➤ P/R taxes & Exp	\$ 2,352.68
➤ Other Claims	<u>\$ 1,366.08</u>
➤ Total Claims	<u>\$ 76,300.98</u>

**c. Res No 06-17-14-49 – Appointing 2014 Election Judges**

**d. Res No 06-17-14-50 – Accepting Community Partnership Grant**

**e. Res No 06-17-14-51 – Approving City Administrator Job Description**

**f. Res No 06-17-14-52 – Approving Hire of Probationary Firefighter**

**Motion carried unanimously.**

**Proposed change to Zoning Ordinance to Allow Chickens**

Smythe informed Council of a complaint against a property who owns chickens. Staff investigated the complaint and found the property does not meet the minimum requirements to have chickens. Smythe stated the owners are present to address the Council on a potential text amendment to the ordinance. The Bunting's stated they were not aware they could not have chickens. They did state that their chickens are free range, but would not be against keeping them in a coop. The Bunting's encouraged Council to amend the ordinances to allow chickens on smaller lots than the ordinances currently allow. Council members noted that there are other residents that would like to have chickens. Nash noted that

other cities she works with allow chickens on smaller lots than Hanover, even in metro areas, as residents have expressed interest in pursuing more organic food options. Council directed staff to put together a draft ordinance for the Planning Commission's consideration.

#### **Presentation of 2013 Audited Financial Statements – Andrew Grice, KDV Ltd.**

Grice was present to review KDV's findings on the independent audit of Hanover's 2013 financial statements. Grice explained KDV's role and what is expected of them. He further stated that Hanover's extra revenue was largely due to an increase in building permits, fire aid payments, and an insurance claim. Grice stated an increase in expenditures mirrored the reasons for excess revenue. He stated there were more expenses for public safety, which includes building inspection services. Grice concluded that Hanover is in good financial standing and received a clean audit opinion. He provided full audit reports for review at City Hall.

#### **Investment Overview – Ned Sorely, UBS Financial Services**

Sorely was present to explain to Council how Hanover's money is invested. He stated that Hanover's money is limited on where it can be invested by state statute. The limitations are put on all municipalities. He further explained the mechanism used to ladder investment maturities so that there are both shorter and longer term investments. As an investment matures, the strategy is to reinvest with an option that fits the next open gap in the investment ladder. The City also has in place an investment policy, which guides the investment process.

#### **Res No 06-17-14-53 – Restricting Parking Along CSAH 19 in Hennepin County**

Messner explained this is required by Hennepin County before they will release the final plans of the Lake Independence Regional Trail. A portion of County Road 19 is already marked no parking, this would extend the no parking for the length of the trail.

**MOTION** by Vajda to approve Res No 06-17-14-53, seconded by Warpula. **Motion carried unanimously.**

#### **CIP Cash Flow**

Smythe presented a model of how Hanover could fund the current CIP. It was explained how much money is projected to be spent for different projects, and when any reimbursement is expected to come back to Hanover. Smythe summarized the cash flow by explaining that both the Pavement Management CIP and a future Public Works facility could not be funded in the short term utilizing only current cash flows without significantly dipping into current investment reserves. Smythe recommended that Council use existing funds to cash flow as much of the Pavement Management CIP as possible each year, and to consider other alternatives for a Public Works facility, such as issuing bonds. The City has a handful of existing bonds that will be paid off over the next several years, so there could be additional funding available that would not require large levy increases.

#### **Storm Water Management Discussion**

Residents of Hanover were present to address a storm water easement area in their rear yard. They stated that it is a large area with large rocks around a culvert. The area tends to hold water versus drain after large rain falls. Messner stated the residents are correct on the matter that there is a large drainage and utility easement area in the rear yard. Messner further stated that the area is functioning, however, it

is aging and this type of drainage system requires maintenance over time to remove silt that settles near the opening of the culvert. Vogel informed Council that this is not the only area that needs maintenance because the City has not historically had a storm water maintenance plan. Many of these areas were created with new development, and did not exist 15 years ago. Staffing and equipment have not increased as development occurred, so Public Works is looking for Council direction on the preferred path to address these needs, whether internal or contracting out the work. Council directed Vogel to set a priority of what storm water areas need immediate maintenance and either rent equipment to complete the projects, or hire a company to complete the projects. In addition, staff should put together a proposal of some different options and costs for the longer term maintenance for Council's future consideration.

**Adjournment**

**MOTION** by Pinor to adjourn at 8:32 p.m., seconded by Warpula. **Motion carried unanimously.**

APPROVED BY:

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Chris Kauffman, Mayor

ATTEST:

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Annita Smythe, City Administrator