

**CITY OF HANOVER
CITY COUNCIL WORK SESSION
SEPTEMBER 15, 2015 – OFFICIAL MINUTES**

Call to Order

Mayor Kauffman called the Regular City Council Work Session Meeting of Tuesday, September 15, 2015 to order at 6:00 p.m. Present were Mayor Chris Kauffman, Councilors Doug Hammerseng and Ken Warpula. Councilor Jim Zajicek arrived at 6:20 p.m. Councilor Vajda was absent. Also present were City Administrator Brian Hagen, Accountant/Deputy Clerk Elizabeth Lindrud, Public Works Supervisor Scott Vogel and City Engineer Justin Messner. Guest present was Pat Athmann.

Approval of Agenda

Hagen asked to move Messner's report after item 4 on the agenda.

MOTION by Warpula to approve amended agenda, seconded by Hammerseng. **Motion carried unanimously. Vajda and Zajicek absent.**

Consent Agenda

MOTION by Hammerseng to approve consent agenda, seconded by Warpula.

a. Approve Minutes of September 1, 2015 City Council Meeting

b. Approve Claims as Presented:

➤ Claims	\$ 33,663.28
➤ Payroll	\$ 7,161.19
➤ P/R taxes & Exp	\$ 2,835.37
➤ Other Claims	<u>\$ 2,701.79</u>
➤ Total Claims	<u>\$ 46,361.63</u>

Motion carried unanimously. Vajda and Zajicek absent.

Res No 09-15-15-61 – Receiving and Awarding Re-Bid for Historic Bridge Project

Messner stated that bids were opened on September 10, 2015. Three contractors that participated in the original bid submitted re-bids. All the contractors attend the pre-bid meeting as required. There were two alternates within the bid, alternate one was to remove and stockpile the bridge decking on City property. Alternate two was to remove the decking and dispose of the material. The costs between the two alternatives were the same for two of the contractors and alternative one was more expensive on the third contractor. Messner's recommendation was to award to the low bidder, LS Black Constructors, Inc., at \$139,242.00.

Kauffman asked Hagen where the funds would come from since the project was over the original estimate. Hagen stated that funds could be used from the park dedication fees, as the bridge is part of the park trail system. If there is a lack of funding resources in the park dedication fees, then the funds would be drawn from general capital.

MOTION by Kauffman to approve Res No 09-15-15-16 and award the bid to LS Black Constructors using alternate two, seconded by Warpula. **Motion carried unanimously. Vajda and Zajicek absent.**

Messner's Report

- Beebe Lake trail – the contractor completed the fog sealing, but still needs to paint the striping. The state will inspect to sign off so that final payment can be made.
- CASH 19 trail – The contractor agrees that the seeding is not acceptable and has not paid their current subcontractor, a different subcontractor has been hired to reseed in the next week. They will also remove rocks and smooth out the grading.
- Messner will make the request for the 50% reimbursement from Three Rivers Park District with the final 100% payment to follow once the seeding is finished.

Jim Zajicek arrived at 6:20

Res No 09-15-15-62 – Approving 2016 Preliminary Budget & Tax Levy

Hagen stated that the City was able to levy an additional \$100,000 without raising the city portion of the tax rate for the residents; this is due to an increase in Hanover's tax capacity. Council was pleased to be able to capture additional money without increasing its' portion of the tax rate. There was discussion around the excess funds from the EDA budget, it was explained that those excess funds are put into the business incentive fund the following year, similar to how the City puts surplus general funds into capital funds.

MOTION by Warpula to approve Res No 09-15-15-62, seconded by Hammerseng. **Motion carried unanimously. Vajda was absent.**

Salary Ranges

Hagen explained this is has been an ongoing discussion item. This was brought to Council in order to set an expectation for both Council and Staff on where Hanover is going to compare to similar cities. After conducting a salary survey of cities near Hanover and of cities with comparable populations, it was determined Hanover falls in the lower half for both minimum and maximum salary ranges. Mayor Kauffman noted that the Maintenance Worker position is the only position at or near the top of the range. Therefore, Kauffman felt this position is the only immediate concern. Council agreed that the other positions have an ability to grow within the range over the next two years before the next salary study is set to occur. It was suggested to increase the Maintenance Worker maximum salary range to an amount where if the current employee receives an exceeds expectations review the next two years, they will be at the max amount at that time. Hammerseng suggested setting the maximum range at \$51,000. Hagen stated he would bring a resolution to Council at the October 6, 2015 meeting.

Council Salary

Hagen stated that a review of Council Salary was suggested since it has not been addressed for several years. Hagen further noted that salary increases would not take effect until the year after the next election. Council reviewed the handout of comparable cities. Mayor and Council Salaries for Hanover were at the bottom for council and second to bottom for mayor. Council felt no need for an adjustment.

Personnel Policy

Hagen stated there was one change to the personnel policy he is recommending. The suggested change is to have new employees accrue their first year of vacation after successful completion of their probationary period. Additionally, because employees are not allowed to use vacation during the probationary period, the first year of vacation amount would be set at 40 hours, with the following year receiving the full 80 hours, and so on according to the accrual schedule.

Kauffman had some recommended changes. He would like the section discussing a new employees training period to reflect similar language to probationary period. He further there to be more explicit terminology around the language in the termination section for the probationary period. He would also like any job offers or pay increases to come to Council to review before they are offered to job candidates or staff. The rest of Council agreed with the suggestions from Kauffman and Hagen.

Kaufmann also stated that when he inquired with other cities, from the cities that responded, he found that most Public Works Supervisors were exempt and asked for feedback from Vogel. Vogel stated he did feel the scale should be adjusted if a switch is made from non-exempt to exempt.

The meeting was closed at 7:35 p.m.

Closed Session – City Administrator Six Month Review

Council held discussion on the 360 degree six month review of City Administrator Hagen. A summary of conclusions will be provided at the next meeting.

The regular meeting was reopened at 7:58 p.m.

Reports

Hagen:

- Jim Stewart would like to partner with the City in purchasing some fill material to be used for the building he plans to construct on half of the 10 acres the City owns on 5th St. The material he has an opportunity to purchase is good compactable material and is at a lower cost than if you were to purchase it outright. Council suggested we begin the process of splitting the parcel and transferring ownership to Stewart. The Council was also curious as to how much the fill would cost. Hagen stated Stewart did not provide that information, but that he would ask for details related to cost.
- The 4th Quarter Newsletter is available for Council review. The intent is to mail the newsletter to residents prior to the end of the month. Council suggested adding information in to educate residents on not dumping grass and leaves in storm water ponds. Other information that should be included is Trailblazer Transit information and Truth in Taxation meeting information.
- Hagen stated the Truth in Taxation meeting will be held December 1, 2015. This provides the public the opportunity to learn about how their tax dollars are used.

Warpula:

- Would like council members and staff to consider options to help with the downtown area parking.
- Reminded Council that Chief Malewicki continues to suggest public works staff be able to attend daytime fire calls.

Adjournment

MOTION by Warpula to adjourn at 8:34 p.m., seconded by Hammerseng. **Motion carried unanimously.**
Vajda absent.

APPROVED BY:

Chris Kauffman, Mayor

ATTEST:

Brian Hagen, City Administrator