

August 27, 2013

A Work Session meeting of the City Council was held on the above date. Mayor Simonson called the meeting to order at 6:30 p.m. The following were present: Mayor Randall Simonson, Council members Dan Lee, Jim Schneider, Sally Swanson, and Chris Ness. Staff present: City Administrator Kristina Handt, Maintenance Superintendent Tim Kieffer, and Treasurer Colleen Firkus. Fire Chief Mike Hinz was also in attendance.

### **APPROVAL OF THE AGENDA**

**Ness, seconded by Lee, moved to approve the agenda. The motion carried 5-0.**

### **FIRE DEPARTMENT CALL RESPONSE REQUIREMENTS**

The City Council and Fire Chief Hinz discussed adding a minimum number of calls requirement to retain active membership in the Fire Department. A sampling of other communities' requirements was reviewed. Mayor Simonson, with the consent of Fire Chief Hinz, requested staff to prepare a policy to create a minimum call requirement of 25% annually and keep the current requirement of attendance at 50% of training meetings.

### **FIRE DEPARTMENT COMPENSATION**

Fire Chief Hinz recommended making no changes to the Fire Department compensation as it was just approved last year. New members were recruited with this schedule. Administrator Handt suggested removing the Probationary Level of \$10 and having everyone start at the \$11 Basic Fire Fighter level. Council member Swanson asked why Scandia's fire department budget is higher than Lindstrom's budget, and does Lindstrom go out on the same kind of calls? Administrator Handt suggested the number of calls would have to be compared. Fire Chief Hinz said calls are defined at different levels, but Scandia sends out someone on all calls as the information they receive from the dispatcher often does not match the actual situation they encounter. Council asked staff to compare call type and rates with the surrounding communities of Lindstrom, Chisago, Stillwater, Mahtomedi, Taylors Falls and Shafer. Council decided to make no changes to the compensation for the Fire Department when Council member Ness asked why the City would give probationary members a \$1.00 raise when they are trying to save money.

### **2014 BUDGET**

#### **Holiday Party**

Administrator Handt reported legal council's opinion that State law does not authorize a City to spend public funds for an annual holiday party. However, the City could change its *Employee Recognition Policy* to define the types of expenditures that would meet the policy's objectives of increasing morale and motivation, encouraging loyalty and long-term retention, and to celebrate the service of employees and citizens for their public service. The city could add *Other Recognition Programs to recognize the importance of public service of all residents, City Staff and the City Council*. However, the event would have to be open to the public for expenses to be paid by the City. If only certain individuals are being recognized, then the City may not pay for spouses or third parties to attend. Council asked staff to draft a new policy that allows a once a year catered party at which spouses and guests would pay for their meals.

### Fire Department Dinners

The City Attorney also determined that the fire department's monthly dinner meet the public purpose requirement. The monthly meetings serve a legitimate governmental function and the dinner is ancillary to the actual purpose of the meeting.

### Public Works Staffing

At the previous budget meeting, Public Works Director Kieffer proposed one new full-time maintenance worker for 2014 and eliminating the part-time seasonal summer road maintenance position. A comparison of Scandia's amount of employees per mile of road to other cities in the area showed Scandia's Public Works is understaffed. Council member Schneider is opposed to adding new staff. Council members Lee and Swanson agreed that the Public Works is understaffed for the amount of roads and the sewer systems to be maintained. Council member Ness was undecided. Staff was asked to bring back a cost-benefit analysis.

Kieffer presented a cost analysis for tree trimming comparing using city staff versus contracting out the work. Current cost per hour using a contractor, his equipment, and two city staff members is \$216.00. Proposed cost per hour using three city staff members, city equipment and renting a chipper was \$155.25. Additional cost can be saved in the long-term if a chipper was purchased, and city staff time saved if not waiting for a contractor to be available. Last year the City spent \$8,100 to accomplish one mile of tree trimming using two tree service companies and city staff.

In addition to the staff cost analysis, data from the City Engineer outlined all the roads paved or added in the last 24 years that need maintenance, drainage, ditching and culvert maintenance, as well as sewer systems added to the City's responsibilities. The aging infrastructure of the City requires more maintenance than can be accomplished at current staff levels.

Council member Lee suggested tree trimming work is too dangerous for city staff and should be done by a professional contractor. Mayor Simonson asked how other cities and counties accomplish their tree trimming if it is too dangerous for their staff. Mr. Tom Helke, Helke's Tree Service, suggested he could move faster without city staff. Administrator Handt asked if he contracted with other cities to do all their trimming. Mr. Helke said he does the tree trimming for Stillwater, May and Marine. Mr. Helke said he did a lot more trimming work for the City in the past, but with the City cutting their budget it got behind in their tree maintenance, so if the City kept the \$8,000 per year in their budget for trimming, they wouldn't get behind. Mr. Helke suggested that if city staff did all their own tree trimming, they wouldn't have time to get their other work done. Handt stated tree trimming is done in the winter. Helke stated you can't do trimming with three feet of snow in the ditch. Kieffer assured Lee that the Public Works has the equipment to do the work and the staff is trained to use the equipment safely, as required by OSHA. Kieffer plans to do more clear cutting, while Helke does limbing. Kieffer said if they are not plowing, they will be trimming and Helke may not be available. It is more difficult to trim when snow is in the ditch, but it can be done and will be done because it needs to be done. Kieffer stated he has done this in the past; take one road and in one year and make it a new road by clear cutting the trees, doing the ditching, clearing the culverts, and sloping the road – all done in-house. Kieffer said it is his job and goal is to set the City up for success and to provide the Council with information and recommendations on how to most cost effectively take care of

its infrastructure. He wants the Council to decide if they want to move forward and be pro-active, saving the city money in the long run, or keep the status quo and fall farther and farther behind.

Council member Swanson suggested this discussion isn't about just trimming trees, but about everything in this city. Helke offered to give an estimate for a particular road or project so the City can compare the expense to that of hiring another guy. Schneider does not want to spend any more money on staff or equipment as it just leads to more expense in training staff and in maintaining and replacing equipment. Handt stated the staff is not looking for more money or more work to do; they are looking for ways to get the work done that is expected. Swanson said the Council agreed on a direction three years ago that included maintaining the roads and catching up on the work and now it is going back and forth on whether or not to buy a truck, or hire more staff, and is wondering if this Council really wants to move forward, which costs something, or just maintain the status quo. Schneider suggested it can't all be done at once and concentrate on just one thing, like roads. Mayor Simonson then asked how all the other infrastructure was to be taken care of along with taking on the septic systems. He said the Council hired Kieffer to bring the city up to par where it needs to be and he has proven his effectiveness on getting things done cost effectively with Melanie Trail. Schneider agreed there are not enough guys to do some things, but the City only has so much money to accomplish all these things, so the city may have to cut back on tree trimming and bigger road patching projects once it takes on the sewers. Kieffer agreed for the city to be maintained and be self-sufficient it takes money, guys and equipment to get all the work done, but it is cheaper than subcontracting out all the work. Swanson pointed out the little town of Marine has two full-time workers and Scandia is 10 times bigger than Marine. Council member Ness indicated he was tired of hearing how great things were in the old days, but stuff was not getting done. Ness sees the need, but the City has spent a lot of money and should maybe slow down on spending and prioritize. Schneider said he would like to see that we have plenty of guys and equipment to do everything, but he doesn't feel the City can afford it. Kieffer said the City has to start somewhere and there is no increase in the levy that the staff prepared, even with a new employee. Ness asked Helke to provide an estimate. Handt pointed out it was more than limbing, but clearing the ditch and the whole right-of-way. Council asked Kieffer to provide Helke with a list of areas than need trimming for estimates. Swanson said she understood both sides and is undecided. Council agreed that Kieffer is doing a great job with what he has been provided. Kieffer restated he can do more - with no increase in the levy. Mayor Simonson closed the discussion by reminding the Council that if they decide to go with the status quo, then they need to show support for the staff when people complain that things are not getting done, when services are not at a level to meet expectations.

#### Farmers Market

Staff provided minutes from Park Committee and Council meetings where the Farmers Market was discussed, as requested at the last work session. Staff also asked for clarification from the City Council of appropriate roles, duties, responsibilities and authority for the PRC, staff, Council Members and vendors if the City were to remain involved in the farmers market. Swanson stated that the PRC does not have the authority to discontinue city involvement in the Farmers Market, that it is up to the Council. The City Council agreed that the City will discontinue financial support of the Farmers Market.

EDA Requested Levy

The EDA Board has requested a \$5,000 levy for EDA purposes and a \$5,000 levy for HRA purposes. The reason for splitting the levy is that the levy for HRA purposes is that funds must be segregated and accounted for separately. The funds would be used for contractual services such as legal, engineering, planning and other professional services. If the additional \$10,000 is added to the budget, the levy would increase .49%. Ness asked that \$10,000 be cut from the budget to fund this. Schneider concurred as he thought the EDA was established to be available if needed in the future. Handt gave an example of how the EDA would work by providing up-front development work like feasibility a plan that would then attract a developer to a particular parcel. Swanson offered to bring more information to the next meeting.

ADJOURNMENT

**Ness, seconded by Schneider, moved to adjourn. The motion carried 5-0.**

The meeting adjourned at 8:40 p.m.

Respectfully submitted,

Colleen Firkus  
*Treasurer*