

CITY OF NEW HOPE
4401 XYLON AVENUE NORTH
NEW HOPE, MINNESOTA 55428

City Council Minutes
Work Session Meeting

February 22, 2011
Conference Room

CALL TO ORDER The New Hope City Council met in work session pursuant to due call and notice thereof; Mayor Hemken called the meeting to order at 6:31p.m.

ROLL CALL

Council present: Kathi Hemken, Mayor
John Elder, Council Member
Andy Hoffe, Council Member
Eric Lammle, Council Member
Daniel Stauner, Council Member

Staff present: Paul Coone, Operations Manager
Curtis Jacobsen, Director of Community Development
Rich Johnson, Human Resources Manager
Valerie Leone, City Clerk
Gary Link, Director of Police
Shawn Markham, City Contractor/Forester
Jason Quisberg, City Engineer

EMERALD ASH BORER PROGRAM
Item 11.1 Mayor Hemken introduced for discussion item 11.1, Discussion of New Hope's tree replacement policy for 2011 and an update for the City Council on the progress made with the goals of the Emerald Ash Borer program.

Mr. Shawn Markham, city forester/contract manager, reviewed highlights of the Emerald Ash Borer program:

- Emerald Ash Borer Management Plan was adopted by the New Hope City Council on July 26, 2010
- Inventory of all trees on boulevards and trees on public lands was completed in 2010 (species, location with GPS coordinates, size and tree condition)
- The 2011 forestry budget contains \$100,000 for continuation of the program
- Staff is preparing ordinance changes to add Emerald Ash to the invasive species tree list
- During 2010 234 ash trees were removed and 120 trees were planted with funding from the Department of Agriculture's Planning and Preparedness grant
- Grant funds were also used to purchase materials include brochures, a display rack, and a water tank for tree care
- The remaining grant funds of \$6,000 will be used by the March 31 deadline through additional tree removals

Council encouraged staff to explore other grant opportunities.

Council Member Elder questioned the warranty period for the new trees. City Forester Markham stated the trees have a one year warranty.

Mayor Hemken inquired regarding the possibility of conducting a tree sale to residents similar to the one sponsored by the city of Golden Valley. Mr. Markham stated he would explore the program.

Council Member Stauner questioned the city's involvement with boulevard trees and power line conflicts. Mr. Markham explained that he is contacted by Xcel Energy for coordination when trees require removal due to power lines. He stated this allows the city to work with impacted property owners and can result in boulevard tree replacement.

Discussion was held regarding the 2011 infrastructure project. Mr. Jason Quisberg, city engineer, reported that up to 75 trees along water service lines will require removal.

Mr. Markham explained that during 2010 the grant through the Department of Agriculture funded the residents' portion of tree replacement costs. He stated no funding is available in 2011. He inquired of Council's preference for tree replacement:

- 1) Revert back to the policy as written where the city contributes 50% of the cost of a replacement tree with a maximum contribution of \$200.
- 2) Continue to supplement the residents' portion of the tree replacement by providing a tree at no cost to the resident.
- 3) Provide trees at no cost to residents of the street project area where utility conflicts will force the removal of their boulevard tree and offer a 50% contribution (maximum \$200) to those who are voluntarily removing their ash trees from the boulevard.

Mr. Markham stated there is \$100,000 included in the 2011 budget for tree removal/replacement costs. He reported 75 trees at \$385 per tree is approximately \$28,875.

Following discussion Council directed staff to proceed with option 1 which is consistent with past practice and city ordinance.

Council thanked Shawn Markham for attending the work session.

STREET SIGNS
Item 11.2

Mayor Hemken introduced for discussion item 11.2, Discussion of the city's street sign retro-reflectivity program.

Mr. Jason Quisberg, city engineer, explained the city must meet new road sign requirements by the Federal Highway Administration. He stated regulatory changes are designed to establish a nationally consistent program for maintaining night visibility of road signs through the use of reflective sign materials.

He stated the city must have a plan in place by January 2012 to implement a sign plan. He stated road signs (except for street name signs) must be completed by January 2015; and all overhead guide signs (including street name signs) must be replaced by 2018. He stated the city is in the process of inventorying existing road sign stock. It was noted the sign posts would not be replaced.

Mr. Paul Coone, operations manager, reported staff's intention of utilizing seasonal staff to assist with sign replacements.

Mr. Quisberg stated a full replacement sign plan using material with a longer life expectancy is proposed for 2012, 2013, and 2014. He stated street name signs were replaced in 1999 and will be reviewed to see if they meet the minimum requirements. He commented if the street name signs require replacement, it would be addressed in 2017.

Council Member Elder questioned whether a cooperative purchase arrangement will be used for the program. He suggested a joint project through North Metro Mayors Association be considered. Mayor Hemken noted she would ask the representative of North Metro Mayors Association to contact the city engineer.

Mr. Jason Quisberg stated better pricing could be achieved through bulk purchase. He commented the average cost of each sign is \$50.

Council Member Elder commented the program is an unfunded mandate.

Mr. Quisberg indicated a formal sign replacement plan will be presented at a future council meeting once the sign inventory is completed and costs are better defined.

**BOONE
ASSESSMENTS
Item 11.3**

Mayor Hemken introduced for discussion item 11.3, Discussion of the proposed 2011 Boone Avenue improvement assessments.

Mr. Jason Quisberg, city engineer, explained the city's policy regarding assessments to tax exempt properties. He noted the assessment rate (cost per front footage) is based on the construction cost of the street portion of the project divided by the length of curb footage on both sides of the street. He advised Council that the proposed assessments for the Boone Avenue project will be substantially higher than past assessments as Boone Avenue is wider than most city streets and has a thicker cross section of asphalt.

Mr. Quisberg stated Boone Avenue is 44-feet wide and has a pavement thickness of 8 inches compared to an average street width of 30 feet and 3 inch thickness. He noted the assessments for Boone Avenue are projected to be \$94.57 (residential) compared to \$46.44 (2008 project rate) which is approximately 50% higher. He stated the Council could consider assessing 50% rather than 100% of the costs.

Council discussed past projects and noted any deviation from the policy would require tax-paying properties to fund a greater share.

Council Member Stauner recalled a prior assessment situation where a church negotiated a lesser amount. He recommended handling the assessments on a case-by-case basis. Other Council Members concurred.

Mr. Quisberg indicated all affected property owners would receive notification of

the public hearing.

Mr. Paul Coone, operations manager, commented that assessments are not charged until the project completion.

Council Member Stauner spoke of the rising oil prices and possible impact to future bids by street construction contractors.

**COMPLETE STREETS
Item 11.4**

Mayor Hemken introduced for discussion item 11.4, Discuss Complete Streets improvements for Winnetka Avenue north of Bass Lake Road and 28th Avenue.

Mr. Curtis Jacobsen, director of community development, noted Council recently passed a resolution in support of Complete Streets. He explained there are two projects planned for the 2011 construction season where complete streets can be implemented (striping of Winnetka Avenue and improvements along 28th Avenue). Council expressed support with pursuing “complete streets” improvements.

Mr. Jason Quisberg, city engineer, indicated concept plans would be prepared and presented at a later date.

**CITATIONS
PROGRAM
Item 11.5**

Mayor Hemken introduced for discussion item 11.5, Update on the Administrative Citations program.

Mr. Curtis Jacobsen, director of community development, reported on the success of the administrative citations program that went into effect in mid-2009. He explained the program has helped standardize the handling of code violations. He stated the homeowner typically resolves the issue after receipt of the initial warning letter. He stated in 2010 there were 542 notices mailed; 185 citations issued; and resulted in fines of approximately \$10,000. Mr. Jacobsen also reported the number of conflicts between inspectors and homeowners has reduced dramatically, and the paper trail of the administrative citations program is advantageous.

Mr. Jacobsen stated any unpaid fines are certified to property tax rolls. Mayor Hemken questioned whether certification results in any additional costs to the city. City Clerk Leone responded that the city collects a \$40 certification fee to cover mailing and postage costs for the certification process.

Council Member Elder recommended the city inspector provide personal contact with the property owner as a courtesy to explain the code violation.

Mr. Jacobsen indicated the mailed notice provides a standardized communication and removes any emotional involvement from the situation. He commented that the letters do contain the name and phone number of the city inspector. He also noted all Logis cities have moved to the mailed notice communication on inspection-related matters.

At Council’s request, Director Jacobsen agreed to provide samples of the notification letters currently used by the inspectors.

**HOME
IMPROVEMENT
REBATE PROGRAM**

Item 11.6

Mayor Hemken introduced for discussion item 11.6, Discuss the possible creation of a Home Improvement Rebate Program.

Mr. Curtis Jacobsen, director of community development, commented on the importance of maintaining the city's housing stock. He stated New Hope participated in a home improvement rebate program offered through the Minnesota Housing Finance Agency which ended in 2002. He reported on programs offered by Crystal and Robbinsdale.

He inquired of Council's support for a program which could potentially be funded by EDA, TIF, or CDBG funds.

Mayor Hemken requested a projection on the return on investment. She also questioned the amount the neighboring cities have expended on their programs.

Council Member Stauner questioned whether TIF funds could be utilized or whether it would require the passage of new legislation.

Mr. Jacobsen agreed to gather statistics on the program and rebates as well as potential funding sources and report back at a later date.

**RETIREMENT
INCENTIVE
PROGRAM**

Item 11.7

Mayor Hemken introduced for discussion item 11.7, Discussion of city-wide early retirement incentive program for 2011.

Mr. Rich Johnson, human resources manager, stated the Council last discussed a retirement incentive program in December. He stated the draft retirement incentive program for police is age 50 and 15 years of service; and other employees age 55 and 15 years of service.

Mayor Hemken asked Mr. Johnson to explain the advantage of offering the program.

Mr. Johnson stated the eligible employees are paid at a higher salary scale and to replace an employee at a lower wage the city will realize a savings in salary. He stated in the past the city has incented persons to retire earlier in order to save salary costs. He commented that while the philosophy is the quicker someone retires the more money the city will save in salary, the transfer of knowledge is a critical component of retirement planning. He noted a planned retirement would allow the city to reorganize and make proper preparations. He stated he has had discussions with legal counsel to a retirement plan that would allow the city to limit the number of retirees over a period of time.

Council Member Lammle noted the starting wages are nearly \$20,000 below a realistic replacement cost to replace many director-level positions.

Council Member Hoffe opposed the retirement incentive concept. He noted many employees with 30 or more years of service will choose to retire on their own terms and will be paid for accumulated personal leave time. Council Member Hoffe suggested postponing any retirement incentives for at least a year due to

the state's budget condition.

Mr. Johnson explained that the amount of leave time for payout is capped. He agreed that the director of police salary range is below market and stated other director positions may be below market as well. He also pointed out that a certain amount of reorganization is probable as retirements occur. Mr. Johnson reminded the Council of the need to undertake succession planning.

Council Member Stauner commented that position eliminations can be done through reorganization. He cautioned this should not occur unless there is a proven cost savings. Mayor Hemken spoke of the need to show benevolence to long-term employees.

Mayor Hemken supported cost savings measures but agreed that a retirement incentive would be difficult to justify to taxpayers due to the current economic climate and the fact that the state is considering wage freezes and cuts.

Council Member Stauner indicated the cost savings are not clear. He spoke of the changing environment and indicated he would support a retirement incentive program this budget year if it would result in a savings. He noted he can withstand any negative public perception.

Mr. Johnson referred to the spreadsheet illustrating the savings of wages over three years exceeds \$223,945 if all 14 eligible employees retired. He noted there would be additional savings not reflected on the spreadsheet such as lower contributions to PERA and lower personal leave accumulation.

Mr. Johnson also emphasized the city needs to be prepared so as not to lose good employees when the economy improves. He noted there are more people leaving jobs compared to those getting laid off.

Staff was directed to revisit the issue by continuing the discussion this summer after more is known related to the state's budget.

RECESS

The Council recessed at 8:30 p.m. and reconvened at 8:35 p.m.

POLICE DEPARTMENT Item 11.8

Mayor Hemken introduced for discussion item 11.8, Continued discussion regarding the command structure of the New Hope Police Department.

Mr. Rich Johnson, director of human resources, stated the command structure of the New Hope Police Department was last discussed by the Council in January at which time Council Member Elder was absent. He stated his intent to share additional information with the entire Council at this time. He pointed out since the last meeting, Captain Rudolph retired from the city.

Mr. Johnson reviewed the current police department structure of a chief, a captain, five sergeants, and office supervisor, and 16 patrol officers. He reviewed the changes that took place in 2003 and 2006, and he explained staff's recommendation for two captain positions which would allow one captain responsible for response services and one captain responsible for support

services. He stated the addition of a second captain and moving from five sergeants to four would realize a savings of \$3,804 during the first year. He reported another scenario of replacing an existing sergeant with an officer would realize a savings of \$22,137 over three years. He also stated replacing an existing 8-year officer with a new officer would save \$49,861 over three years. Mr. Johnson commented that sergeants are eligible for overtime pay whereas captains are exempt positions. Mr. Johnson also advised that Springsted concurs with two second in command positions for this size of police department.

Mr. Johnson emphasized that the chief of police is eligible for retirement and it is in the best interest of the city to plan for the future.

Mayor Hemken pointed out two years ago the Council discussed police succession planning and it is critical that a plan move forward.

Council Members explained their views regarding implementing two second in command positions. The proposal was supported by Mayor Hemken and Council Members Elder, Stauner, and Lammler. Council Member Hoffe opposed the proposal due to budget constraints.

Chief Gary Link commented on the advantages of having two captains to manage all aspects of the department. He reported that PDI has indicated all three sergeants who underwent the assessment testing have the potential to serve at both the captain and chief level.

Mayor Hemken directed staff to prepare a resolution of support for two second in command positions for consideration at the February 28 Council Meeting. She advised the Council that each member would have an opportunity to publicly state their position on the matter.

Council Member Stauner questioned the status of the assessment testing. Chief Link stated the assessment center component is complete, and the next step is interviews with the personnel board which may occur in March. He stated the interview process will include two outside experts from the law enforcement profession.

Chief Link advised the Council that organizational changes are a major concern to the police officers.

ADJOURNMENT

The meeting was adjourned at 9:17 p.m. as there was no further business to come before the Council at its work session.

Respectfully submitted,



Valerie Leone
City Clerk