

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

City Council Minutes  
Work Session Meeting

December 20, 2010  
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 6:30 p.m.

**ROLL CALL**

Council present: Kathi Hemken, Mayor  
John Elder, Council Member (arrived at 7:20 p.m.)  
Andy Hoffe, Council Member  
Eric Lammle, Council Member  
Daniel Stauner, Council Member

Staff present: Kirk McDonald, City Manager  
Mark Hanson, Bonestroo  
Guy Johnson, Director of Public Works  
Rich Johnson, Human Resources Manager  
Valerie Leone, City Clerk  
Gary Link, Director of Police  
Steve Sondrall, City Attorney

**51<sup>ST</sup>/WINNETKA  
CROSSWALK  
Item 11.1**

Mayor Hemken introduced for discussion item 11.1, discussion regarding the city's 51<sup>st</sup>/Winnetka Avenue crosswalk.

Mr. Kirk McDonald, city manager, stated he has asked the directors of public works and police to attend the meeting to address the crosswalk issue. He stated in the last five years there have been two pedestrians attempting to use the crosswalk at 51<sup>st</sup> and Winnetka who were struck by vehicles. He indicated a resident recently asked the city to consider installation of additional safety measures at this location.

Mr. Guy Johnson director of public works, stated the crosswalk at 51st and Winnetka is currently painted on the pavement and has crosswalk signage in the boulevard at that location. He noted the nearest intersection with a traffic signal is 49<sup>th</sup> and Winnetka. He reported that Hennepin County staff has stated that one of the most difficult issues for pedestrians is trying to cross four-lane undivided roads at uncontrolled locations. In accordance with state statute, when there is no traffic control such as a stop sign or traffic signal, motorists are only required to stop if a pedestrian has legally entered the roadway. In both of these incidents, the pedestrians had legally entered the crosswalk after the initial vehicle in one of the lanes had stopped.

Mr. Gary Link, director of police, stated in both incidents the pedestrian proceeded across the crosswalk after a vehicle had stopped in one of the two lanes. He stated the pedestrians were hit as they stepped into the next lane after passing in front of the stopped vehicle. In both cases, the drivers of the vehicles

were at fault. Also, in both cases, had the pedestrians exercised more caution and verified that the oncoming vehicles in the second lane were actually stopping, the incidents could have been avoided.

Mr. Johnson explained that due to the minimal amount of cross traffic on 51<sup>st</sup> Avenue, the intersection would not meet minimum requirements for traffic devices such as an all way stop sign or traffic signal. He also stated the county does not support the installation of flashing lights as there is no evidence that flashers increase pedestrian safety. He stated the county would consider a new type of flashing device which is activated by a pedestrian rather than being a passive, continuously flashing light. He stated the entire cost would be borne by the city. Mr. Johnson also mentioned because crosswalk warning devices sometimes lead to a false sense of security for pedestrians believing that vehicles will stop for them, the county suggested that the city might want to consider completely remove the crosswalk and encourage pedestrians to use the 49th Avenue signal crossing.

The Council discussed the cost of a pedestrian operated cross walk flashing light. Mr. Johnson indicated a large part of the cost would depend on electric service. He stated he would obtain an estimate for such an option.

Council Member Stauner noted there are no reports of pedestrian traffic but it appears to be substantially small. Mr. Link noted there is a small amount of pedestrian traffic from Cooper High School.

Mr. Kirk McDonald, city manager, stated the options are to leave the cross walk in place, remove it, and/or consider the flashing signal.

The Council directed staff to leave the cross walk in place and to obtain an estimate for a pedestrian operated cross-walk signal.

**SIDEWALK SNOW  
REMOVAL  
Item 11.2**

Mayor Hemken introduced for discussion item 11.2, discussion regarding sidewalk snow removal.

Mr. Kirk McDonald, city manager, commented on the recent large snowfalls and the diligence shown by public works to remove snow from streets and sidewalks. He reviewed existing policies:

- snow removal policy in the Administrative Procedures Manual
- city code 6-6 that indicates property owners/occupants are responsible for clearing snow from sidewalks within 12 hours (has not been enforced)
- practice in place since budget reductions that sidewalk plowing will be handled as resources permit (no overtime)

He stated he has asked Mark Hanson from Bonestroo to attend the meeting to provide history regarding sidewalk installation and he also asked City Attorney Steve Sondrall to attend to discuss the administrative citations program if Council would like city code 6-6 enforced.

Mr. Mark Hanson, Bonestroo, reported that developers were required to install sidewalks. He stated the primary focus was near state aid roads, county roads,

and schools. He reported in 1975 the city undertook a sidewalk program and added or extended many sidewalks to fill gaps where sidewalks did not exist. He stated the city has also installed handicapped curb cut ramps. He stated as recently as 2007 the city initiated a sidewalk repair program. Mr. Hanson stated the sidewalks are typically in the public right-of-way and many cities assume responsibility for maintenance due to their location. He acknowledged the difficulty with snow storage on narrow boulevards during large storm events.

Council questioned other cities' policies. Mr. Guy Johnson, director of public works, stated he is not aware of Crystal's policy. He indicated Minneapolis is the only city he is aware of that charges the property owner 100 percent of all sidewalk maintenance.

Mr. Steve Sondrall, city attorney, indicated state statute exempts the city from claims caused by snow or ice on sidewalks unless the city caused a condition or did not maintain sidewalks adjacent to a public building.

Council Member Hoffe questioned if the city could plow one side of the street. Mr. Guy Johnson indicated that would have to be a Council directive. Mr. Johnson explained that sidewalks near schools are given priority, followed by business areas, and then one side of major thoroughfares such as Winnetka and Medicine Lake Road. He emphasized the importance of clearing fire hydrants and cul-de-sacs. He stated the only sidewalk the school district maintains is near Cooper High School.

Council discussed the cost of labor to pay overtime to clear sidewalks. Council also discussed the ordinance requiring property owners/occupants to remove snow from sidewalks and whether the city should enforce it. Mr. Johnson recalled the time the city decided not to clear sidewalks at all but there was a huge public outcry.

Council agreed that sidewalks near schools should remain a priority for student safety.

Mr. Guy Johnson reported that Kraus Anderson at Midland Shopping Center has started clearing sidewalks. He commented that clearing sidewalks would be substantially easier and faster for the city if all businesses had their contractors plow sidewalks simultaneously with parking lot snow plow efforts.

The city manager was directed to send letters to businesses and the school district to encourage them to clear snow from sidewalks. It was also suggested to discuss the issue at the next business forum.

Mr. Steve Sondrall noted city code 9.17 that prohibits people from depositing snow in roadway, sidewalk, or hydrants. He supported issuing citations for such violations.

Council Member Stauner commented on the difficulty of safely entering roadways due to high snowbanks and visibility issues.

Mr. Johnson stated the city typically undertakes a cooperative effort with the county to remove snow from major roadways but the frequent snowfalls have prevented this step. He stated the city makes clearing snow along 4-lane roads a priority.

The Council expressed its appreciation to the public works crew for snowplowing.

Council Member Elder inquired whether Hidden Valley hockey rink will be plowed. Mr. Johnson stated it will probably be cleared Wednesday and Public Works is closed Thursday and Friday for the Christmas holiday. Mr. Kirk McDonald, city manager, stated that ice rinks are also not maintained on overtime for budgetary reasons.

**EARLY RETIREMENT  
INCENTIVE  
Item 11.3**

Mayor Hemken introduced for discussion item 11.3, discussion of city-wide early retirement incentive program for 2011.

Mr. Kirk McDonald, city manager, stated he invited Rich Johnson to share information regarding possible early retirement incentive programs.

Mr. Rich Johnson, human resources manager, explained that during its strategic planning session the city council indicated a desire for staff to prepare information that might encourage eligible employees to consider early retirement.

Mr. Johnson distributed a recent article regarding a retirement incentive of 24-months paid health and dental premiums for Department of Natural Resources employees. He stated his intention to research the program but speculated it could be a value of at least \$13,000.

Mr. Johnson explained over the years and as recently as 2010, the city has made early retirement incentives available to employees covered by either the PERA Police and Fire Fund or the PERA Coordinated Fund to achieve a budget savings in personnel costs. He explained the incentives have included payment for accrued sick or personal leave time, vacation, and an incentive (i.e. lump sum payment) intended to be used by the retiree to cover post-employment medical insurance costs.

Mr. Johnson offered to answer questions from Council regarding the draft plan included in the agenda packet. He stated in order for an early retirement incentive program to be effective, the compensation offered needs to be attractive enough to incent employees to retire earlier than they may have planned. He stated the city has 18 eligible employees although it is very unlikely that a majority of eligible employees will take advantage of a voluntary program. He pointed out the need to have a mechanism in place to limit the number of employees and/or positions allowed to participate in the program based upon the needs of the city, and also acknowledged the loss of institutional knowledge when long-term employees retire.

Mr. Johnson also discussed the Phased Retirement Option (PRO, offered by the Public Employees Retirement Association of Minnesota (PERA), that allows

employees who are in the coordinated plan, are at least 62 years of age and have worked at least 1,044 hours in each of the past 5 years to continue working in a reduced capacity (at least a 25% reduction in hours, with a maximum of 1,044 hours per year) and to begin drawing their PERA retirement benefits immediately while continuing to work in a reduced capacity. He explained this would be beneficial for knowledge transfer purposes. He stated if an employee was interested in participating in the PRO program, both the city and the employee would need to sign-off on a one-year agreement which could be renewed annually, but cannot extend beyond five years. He stated it is his understanding that the early retirement program and the PRO program are entirely separate and if an employee chose to participate in the PRO program, they would not be eligible for any type of early retirement incentive.

Council Member Lammle pointed out the city must offer a lump sum high enough to incent someone to retire early especially in today's economy.

Mr. Johnson agreed that a retirement incentive has to make financial sense for the city (replace a higher paid position with a new employee earning lower salary). Council Member Lammle stated the compensation study will be helpful in analyzing the city's current salary costs versus replacement costs. He commented that hiring from outside to fill positions may cost more than internal promotions (department heads).

Council Member Hoffe expressed concern with public perception. He stated most people retire solely based upon the desire to retire (no cash incentive is needed).

Mayor Hemken stated if someone retired at age 55 versus 65, the city could potentially realize 10 years worth of salary savings.

Council Member Stauner stated specific scenarios should be presented in order to review potential net savings and financial implications. He noted the DNR program is based upon position elimination not replacement.

It was noted the city has three department heads eligible for the proposed retirement incentive. Mr. Kirk McDonald, city manager, stated there are several options that could be considered if a department head chooses to retire, including internal promotions, restructuring within the department or a reorganization or combination of departments with similar functions.

Council directed staff to prepare options with replacement costs for a proposed city-wide retirement incentive. The majority of the Council agreed to a lump sum and additional personal leave time as incentives. Mayor Hemken recommended using the 2010 union retirement incentive plans as a model.

**RECESS**

The Council recessed at 7:52 p.m. and reconvened at 7:57 p.m.

**CITY SERVICES  
PRIORITIES**

Mayor Hemken introduced for discussion item 11.4, discussion regarding city services/programs priorities matrix.

**Item 11.4**

Mr. Kirk McDonald, thanked the Council for completing the city

services/programs priorities matrix. He stated the results have been compiled and he believes it is a good tool for the 2012 budget process. Mr. McDonald indicated he intends to identify resources necessary for each function. He stated it will be necessary to have Council input for budgetary decisions.

Mayor Hemken stated the respective costs are necessary in order to make decisions on services.

Discussion was held regarding the commissioner appreciation event being ranked low by the five commissioners who provided responses. The Council agreed that volunteers deserve some type of recognition but noted a change may be necessary. Mayor Hemken recommended asking commissions directly regarding their thoughts of the appreciation event. It was also noted the community farmers market was rated low by commissioners. It was noted that the farmers market is not a city function and perhaps the commissioners' response was due to their not wanting city dollars expended for such a program.

Mr. Kirk McDonald, city manager, recommended that the Council discuss specific programs/services with the appropriate departments and suggested a potential special meeting to do so. Council also discussed the option of scheduling one department per work session to review the matrix (public purpose, justification, and benefit vs. cost).

**2011 APPOINTMENTS  
Item 11.5**

Mayor Hemken introduced for discussion item 11.5, discussion regarding various 2011 appointments.

Council reviewed the proposed list and agreed to make the following appointments at the first council meeting in January:

Position/Individual

- Council Representative on West Metro Fire-Rescue Board of Directors – Council Member Stauner
- Mayor Pro tem – Council Member Elder
- Civil Defense Board – Council Member Lammler
- HRG Board – City Manager McDonald
- Weed Inspector – Mayor Hemken

Council also acknowledged the current terms of:

- Bassett Creek Watershed – Council Member Elder
- Shingle Creek Watershed – Council Member Stauner
- JWC Advisory Board – Mayor Hemken and Manager McDonald
- Mpls Water Works/JWC Water supply advisory board – Mayor Hemken
- NW Suburban Cable Communications Commission – Council Member Hoffe and City Manager McDonald
- ISD 281 Government Advisory Board – Council Member Hoffe

**CITY COMMISSIONS  
Item 11.6**

Mayor Hemken introduced for discussion item 11.6, discussion regarding updates by city commissions.

Mr. Kirk McDonald, city manager, explained that formal Commission updates on a quarterly basis were initiated in March of 2006. He stated informal dialogues by

commissioners began in 2009 and the frequency of the formal quarterly updates has been reduced.

He stated staff is preparing the 2011 calendar and would like Council input regarding the frequency of commission updates. He stated staff supports continuing with the exchange of dialogue between commissions and city council, but recommends one meeting per year per commission for commissioner dialogue (work session environment) and one formal report per year (council meeting).

Council supported staff recommendation. Mayor Hemken also asked that other groups provide a brief report at council meetings (ie, watershed representatives, civil defense representative, and cable commissioner).

**CITY MANAGER'S  
PERFORMANCE  
Item 11.7**

Mayor Hemken introduced for discussion item 11.7, city manager's 2010 performance review.

Mr. Kirk McDonald, city manager, indicated his comments have been submitted in writing. He stated the Council agreed upon 13 goal statements and all have been completed or are in progress. He reported that 2010 was a successful year, and his top priority was improving communication with Council. He also pointed out significant financial accomplishments including the upgraded bond ratings, savings achieved on refunding bonds, receipt of the financial reporting award, elimination of LGA in the proposed budget, and proactive approach to seeking grant funds. He stated during 2010 cross-training was emphasized and savings were realized through attrition/position consolidations. He also commented on the significant infrastructure projects and new programs that encouraged public participation (ie, TOD study, In Focus photo contest). He reported that he enjoys serving as city manager.

Mayor Hemken expressed her appreciation to the city manager for constant communication and his assistance. She indicated she is delighted with his performance.

Council Members offered the following comments regarding the city manager's performance: great job addressing and responding to council needs, questions, and concerns in efficient and timely manner; educating council; well respected by surrounding communities; great ideas on financial aspects and budget preparation; priorities matrix; ideas such as considering restructuring with pending retirements; encouraged to express opinions even if he knows it may not be accepted by entire council; dramatic improvements in financial controls; able to portray one voice from Council; entire Council is consulted and encouraged to share opinions; streamlining funds. Regarding negative feedback, would have liked reorganization proposals and disappointed the LGA elimination from budget took Council prodding. It was recommended that the city manager explore enrollment in a management class to gain different perspectives.

Mayor Hemken stated the dialogue regarding the city manager's evaluation was sufficient and there was no need to complete the performance factors/evaluation form. The Council thanked Mr. McDonald for his service during the past year and

unanimously conveyed their great satisfaction with his performance.

Mayor Hemken suggested brainstorming to find ways to reduce the number of direct reports to the city manager.

Mr. McDonald welcomed Council's feedback on his proposed goals for 2011. He explained a priority will be given to creating a five-year financial plan.

Council made the following recommendations:

- 1) Develop contingency plan for loss of market value homestead credit
- 2) Continue the TOD study to an RFP phase for the city center development (contained in goal #6)
- 3) Review EDA funds (use of TIF funds included in goal #6)
- 4) Explore ideas for dealing with water fund deficit/debt needs

Mr. McDonald thanked the Council for their input and stated he will update the goals and submit a revised list at the January work session.

#### ADJOURNMENT

The meeting was adjourned at 8:32 p.m. as there was no further business to come before the Council at its work session.

Respectfully submitted,



Valerie Leon  
City Clerk