

CALL TO ORDER

Pursuant to due call and notice thereof a work session of the Rosemount City Council was held on Monday, July 11, 2016 beginning at 6:30 p.m. in the Council Chambers at City Hall, 2875 145th Street West, Rosemount.

Mayor Droste called the meeting to order with Council Members DeBettignies, Demuth, Nelson and Weisensel attending. Staff present included City Administrator Johnson, City Clerk Hadler, Parks and Recreation Director Schultz, Chief of Police Scott, Community Development Director Lindquist, Assistant City Engineer Hatcher, and Finance Director May.

City Administrator Johnson requested the addition of the City Hall / Central Park Sign item to the agenda.

DISCUSSION

2.a. 2017 Draft Budget

City Administrator Johnson stated that with the proposed budget, the levy increase would be 3.45%, resulting in a median value home tax increase of approximately \$25. The proposed city taxes for a median value home are \$994, compared to \$1058 in 2008.

Mr. Johnson highlighted that revenues for licenses and permits have been strong in 2015-2016 so staff increased estimated revenues for 2017.

Mr. Johnson provided a graph showing how much of SKB funds go to the general revenue fund; in 2005 it was close to 50%, but down to 25% in 2011. Staff proposes increasing slightly to 32%. Mayor asked how that revenue has trended in last decade. Finance Director May explained the change that occurred when the trust fund was removed.

Finance Director May explained overall tax values have increased in recent years.

Mayor Droste pointed out increase in population is 5% in 5 years compared to 50% in prior decade. Community Development Director Lindquist explained that household sizes have decreased, but the number of households have increased.

Mr. Johnson stated the tax capacity value increased 5.79%, which is a slightly lower increase than last year's 7.0%.

Finance Director May noted last year the City was the lowest tax increase in the county. Other than Farmington, all others were 4% increase or higher.

Chief of Police Scott explained how crime rates are driving budget decisions in the Police Department. Burglaries and narcotics crimes increased significantly. Chief of Police Scott and council members discussed how crime statistics are gathered and reported, and compared statistics to other Dakota County cities.

Chief Scott discussed statistics of calls for service on an hour-by-hour basis for dedicated time for calls for service (not self-initiated). City Administrator Johnson pointed out how there is little time

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for community policing and other activities when the dedicated time exceeds 60%. Chief Scott proposes adding a daytime Sergeant position, and discussed reasons for the proposed position; including decreasing the dedicated time by 7%, decreasing the number of cases sent to investigations, and providing 24% more supervision and mentoring for current staff. Council and staff discussed the level of experience in the police force and the activities of the reserve officers. Mr. Johnson summarized the discussion and proposed staffing solution. Mayor Droste inquired how the PD is connecting to the neighborhood organizations and suggested the Communications Coordinator could handle it instead of an officer.

Council member Demuth is supportive of the proposal, but inquired about hiring externally someone with more experience. Chief Scott stated that would hurt morale significantly. Council member Nelson stated we should hire now, as it might be difficult to hire later on, given current national events.

City Administrator Johnson discussed a proposed parks maintenance staff position. The additional position would be substantially off-set by savings on other part-time positions and contracts. The position would also be partially paid for via the Storm fund. Parks and Recreation Director Schultz discussed the shift of one position from Parks maintenance to a Building maintenance position several years ago.

City Administrator Johnson discussed a proposed in-house Assistant City Engineer position, as it would cost approximately the same as using the contractor, and also a proposed IT intern.

Additional funding is necessary for the insurance fund due to increased insurance premiums and legal fees. Council members and staff discussed legal fees and various pending litigation.

Council member Weisensel inquired what a decrease of 1% would mean in dollar terms. City Administrator Johnson said it would be about \$110,000.

Mayor Droste asked that staff provide trends over time, both past and projections, to show the story.

Council member Weisensel inquired about potential 2016 surpluses. Finance Director May gave a summary of 2015 surpluses and stated it was difficult to project at this point in the year. Mr. Weisensel inquired about progress on OpenGov tool. Mr. May stated it should be ready soon.

Mayor Droste asked about projections for next year. City Administrator Johnson stated that the economy is relatively stable and it could potentially be very similar. Finance Director May speculated that it could reasonably be 2-3% higher, and gave examples where staffing is currently tight.

Council members and staff discussed the impact of the SKB revenues on the budget and when that might end, and the distribution of residential vs. commercial/other, and housing trends.

Finance Director May stated we need to set the preliminary levy by the end of September. City Administrator Johnson suggested a special work session after the first meeting in September.

UPDATES

3.a. City Hall Parking Lot Improvements

Assistant City Engineer Hatcher reviewed the discussion that began at the June work session. The additional option 5, removal of the garage, cost \$150,000 would not include replacing the building. Option 6, which would reroute police traffic through the public works facility would cost upwards of \$600,000 for the construction costs alone. Staff suggests moving forward with options 1 – 4, as previously discussed. Construction would take place this fall after the splash pad is closed.

Council member Weisensel asked about the life of the lot. Staff responded that the original portion of the lot was 28 years old, and other portions have been added over time.

Mr. Hatcher stated the item will be on the July 19th consent agenda.

3.b. Director of Public Works / City Engineer Hiring Process

City Administrator Johnson updated the Council on the Director of Public Works / City Engineer hiring process. The city received 13 applications; of which seven were interviewed. Of those, staff has narrowed down to three top candidates, with one strongly preferred.

Mr. Johnson inquired how the Council would like to proceed. Some council members liked the “meet and greet” format done last year. Mayor Droste suggested a video conference with the top out of town candidates to save money.

Council members discussed difficulty in finding applicants for this position. After some discussion, Council members were supportive of offering the preferred applicant the position if all the reference checks and background checks come back clear.

3.c. Council booth at Leprechaun Days

Council member Demuth discussed the council booth at Leprechaun Days and the items that will be needed.

3.d. City Hall / Central Park Sign

Parks and Recreation Director Schultz provided options for the City Hall / Central Park Sign. Council members expressed support for various styles. Council also suggested changes to the city code to allow for flexibility in using digital signs.

OTHER UPDATES

Community Development Director Lindquist asked for Council input on CDBG funds. The City has been asked to reallocate remaining 2012 and 2014 funds to the rehab funds. Council was supportive.

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Ms. Lindquist stated that University of Minnesota staff Mr. Ken Kern, has informed her that they have received funding for some safety improvements and plan to cap the manholes to the wooden sewer systems and remove the two stack buildings from the UMore property.

Council member Nelson noted the Culver's event on Thursday.

Mr. Nelson discussed a tournament that was in town recently. Carbone's owner stated revenues were up 70% over a normal weekend. Concessions and gate fee income was approximately \$9000 as a fundraiser for the team.

Council member Weisensel pitched NLC Leadership Summit, Sept 28 – Oct. 1. Mr. Weisensel inquired about Night to Unite. Chief Scott stated Target was not donating and Public Works will not be participating.

Mayor Droste stated the Chamber Lunch will be at Las Tortillas on Monday.

Mayor Droste attended Ramadan event at the mosque along with Council member Demuth and Chief Scott.

Mayor Droste discussed formation of a board for the Rosemount High School Foundation and would like a participant from the City.

Mayor Droste discussed Farmington's posts for signage and banners.

ADJOURNMENT

There being no further business to come before the City Council and upon a motion by Droste, second by DeBettignies, the meeting was unanimously adjourned at 9:59 p.m.

Respectfully Submitted,

Clarissa Hadler, City Clerk