

ANDOVER CITY COUNCIL WORKSHOP MEETING – APRIL 26, 2016
MINUTES

The Workshop Meeting of the Andover City Council was called to order by Mayor Julie Trude, April 26, 2016, 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Mike Knight, Sheri Bukkila, Valerie Holthus and James Goodrich
Councilmember absent: None
Also present: City Administrator, Jim Dickinson
Community Center Advisory Commission – Chairman Frank Kellogg, Joy Orvis, Ted Butler, Tony Peterson, Tony Howard
Recreational Facilities Manager, Erick Sutherland
Andover YMCA Representative, Allison Boes

JOINT MEETING WITH COMMUNITY CENTER ADVISORY COMMISSION

The Andover Community Center Advisory Commission, Andover Community Center Facility Manager, along with the Andover YMCA, collaborated on a presentation to share with the City Council. They reviewed ways the Andover YMCA/Community Center reaches out to the community at large with programs and services. Underserved groups and programs that cannot be served or offered due to space and availability issues were shared. The future possibilities for the facility were also presented, including how it may relate to the City campus plan.

Mr. Sutherland and Ms. Boes reviewed the PowerPoint presentation with the Council including a video on senior programming. They thanked the Council for the opportunity to attend a meeting. They review the demographics of groups served, provided a financial review, presented future needs, both long and short term. The facilities provide social, educational and recreational activities. The recreational programs continue to grow. There are 12,000 members of the Andover YMCA with 50% being Andover residents. Recreational activities include: skate school, swim lessons, and the indoor soccer program. The YMCA has 25 full-time staff, plus 220 part-time staff and about 80 seasonal staff. There are about 1 million visits per year at the facility. The Andover YMCA is the second largest in the Twin Cities. Fifty percent of the Andover YMCA members have family memberships. There are 246 youth in the after school program that creates a safe place to go for middle schoolers. They recently developed a leadership program for high school students that want to come back to serve. There are 1,257 silver sneakers/silver fit participants with many being YMCA members as well. The YMCA has partnered with the Senior Center and invited the seniors there to participate in programs and activities at the YMCA location. YMCA senior programming is done at the activity center during the summer because of the large number of kids at the YMCA site during the summer. There are

400 “Tot Time” families, there have been 7,578 open basketball visits (open gym), the childcare program serves about 604 kids in the summer, plus about 180 children receive before and after school care. The YMCA sports programs serve about 2,000 kids with youth sports each year, with a focus on core sports and skill development, plus league opportunities. A relationship with the Girl Scouts organization is being developed which could bring a significant amount of potential revenue to the site.

The YMCA budget was reviewed. It was noted that \$36,000 will be needed in the CIP budget to replace rubber matting in the arena area and the parking lot needs repair.

Mr. Kellogg stated in 2016 the organization needs to do something with programing or something to generate more income to meet the budget. The group is looking for revenue to close that gap and he feels that they are on a good track. Mr. Sutherland indicated they are reaching out to groups, like the River Valley Girl Scouts, where they have scheduled 5 bigger events for the fall with a price tag of \$2,000/day. Ms. Joy Orvis was thanked for bringing in this prospective client with a lot of income potential.

The facility is selling more non-prime hours for the hockey arena. Actual revenues has exceeded budgeted in the last 5 years. Mr. Kellogg stated fiscal responsibility was promised to the community. He stated he believes they can tell constituents that we have found the fine line between fiscal responsibility and meeting the needs of the local community. There is not another facility like the YMCA in the City or a nearby community.

Field house revenue is being supported by the explosion of pickleball in popularity. It is a \$15,000 a year program and is primarily taking place during the day in off peak hours. There is a 3-day pickleball tournament coming up this next weekend. The facility will also begin to rent racquets for pickleball. Mayor Trude noted that KARE11 is covering the National Mayor’s Water Challenge and she wondered if they might also be interested in covering the tournament as well.

The Ice Arena exceeded its revenue budget in the last couple of years and demand is growing for ice time. The ice is going out for about a month this year due to the replacement of the floor matting. Mr. Sutherland explained the concrete needs to warm up to provide proper application of the material. The Financial Performa shows that the facility should charge \$221/hour, but it is more than the market will bear and current prices are already at the higher end compared to other arenas in the area and when you look at the actual usage, it is running parallel with the Performa. The arena is meeting the need for gross revenue. Mr. Dickinson added the “key” is how well the facility can sell non-prime ice time. He continued by stating that the ice arena is strong, but reaching the point where it is “capped out” and ice time is filling up.

Mr. Dickinson reminded the group that the kickoff fundraising effort for the facility was to help the start up of the facility. They did not raise as much money as was hoped, so funding was provided by the City to assist with early debt service and paid back to the City over the life of the lease. He continued by stating it was now time to reinvest and build up funds in the account for

replacement items.

Councilmember Knight stated residents really appreciate the library services.

Mr. Kellogg stated the YMCA had begun making full payments in year 5. Now the community is seeing the outcome which is growth and long-term investment. Mr. Kellogg noted if the Community Center was built today, it would cost about \$40M, as opposed to the cost of just under \$20M, 12 years ago.

Ms. Boes stated the organization has given away \$750,000 in memberships over the past years. Youth homelessness is an area of concern and attention. There are about 60 staff at the YMCA that work one-on-one with kids. Crisis workers come out and meet with them. Mr. Sutherland stated about 900 hours of free community room space is donated, so much so that they have had to cut back on potential revenue because the rooms are booked solid with community events. Hold times for books are down to 48 hours, instead of 3-4 days, because demand is so high.

Mr. Sutherland and Ms. Boes outlined current unmet community needs as follows: adult & senior programs, family programs, meeting room space, open basketball & open skate, youth/teen center (with longer hours), youth/teen program – large and small groups and better serving athletic associations within Andover such as volleyball, hockey, baseball, football, basketball, lacrosse, soccer. All of these groups want field house time.

Ms. Orvis stated the high school was originally built with one less gym than what was needed. As a result, sports groups have to go elsewhere and there continues to be space needed for the track and field program. There is no space at all in Andover for adult sports programming.

Mr. Kellogg stated the current population growth is projected to continue to rise at a steady rate, as estimated by the Metropolitan Council. Mr. Kellogg referred to the City Campus Master plan, as it related to the future of the Community Center facility. At the time the facility was built, the median age in the community was 32 and the population age 15 and under, was more than age 15 and over. In summary, he said the organization has a great infrastructure with unmet needs. The Andover YMCA is one of the largest employers in the community. There has been discussion about potential build out of space for quite some time, but not specific to what would be done in each “box.” There would need to be a lot of discussion, if expansion were to occur, and the focus would be on how to serve more people in the community or better differentiation in programming during a season. Mr. Kellogg stated as a Commission they are not “sold” on expansion. In addition, they want to really understand what the community and others really want to commit to. Some may not agree with a plan for expansion. He indicated he would like to see more numbers, what it could look like and the potential economies of scale.

Mayor Trude stated a major consideration would be the impact to the bottom line and tax payers, and posed the question, what are residents tolerant to pay for. Surveys have been done in years past relative to tax sensitivity.

Mr. Kellogg noted there were 3 public meetings in the months prior to the decision being made to build the Community Center originally.

Councilmember Holthus commented that the survey asked how much residents would be willing to pay for a membership, and what would programs they might use and what amenities they would utilize.

Mayor Trude noted most schools have closed their swimming pools.

Councilmember Knight commented once the Open Space referendum is done, then it could possibly be replaced with one to expand facilities.

Mayor Trude indicated it could include both indoor and outdoor improvements.

Ms. Orvis inquired as to whether or not Public Works expansion would come under that designation.

Councilmember Buikkila stated it is important to separate wants and needs and that a community survey may be appropriate to “take the temperature” of the community.

Mr. Kellogg stated the Commission will continue to make recommendations and acknowledged that the Council ultimately makes the decisions in this regard.

Mayor Trude expressed the importance of hearing from the Commission.

Mr. Kellogg stated it would be approximately \$40-\$50,000 for a feasibility study, which would provide additional data by which to make future decisions. For that price, a 30% design would be completed, along with a general layout and elevations. They would put programs into spaces and demonstrate how to attach new space to the current structure and illustrate what the elevation would look like.

Councilmember Knight stated projections for the population (age groups) will determine what the demand is.

Mr. Kellogg stated cost estimates could be developed as part of the feasibility work. The dollar amount would be plus or minus 5 – 10%.

Mayor Trude stated programming space needs is part of what is needed, noting that the high school is more open to meeting with the city than they were when the building was originally built.

Councilmember Holthus commented if time goes by, programs will change and then the design will change and then numbers will change.

Mr. Dickinson noted it cost close to \$40,000 for the master plan design for the City Campus, that is similar to a feasibility design.

Mayor Trude stated the facility seemed to draw young families, noting that the growth is in the City's urban area. She expressed the need for more information and resident input.

Councilmember Goodrich expressed concerns for sensitivity to tax increases.

Councilmember Bukkila raised concerns about considering too many City projects at the same time, confirming a focus in 2017 on Public Works. She did not believe it was reasonable to manage too major public building projects at one time. In addition, she had concerns about getting data too early in advance of an actual building project because that would lessen the reliability of the data.

Mayor Trude asked Councilmember Bukkila what information would be needed and helpful.

Councilmember Bukkila stated she did not want to grow too big, too fast, like the school district. She acknowledged the programs are growing but there are no hard numbers. Mr. Kellogg stated they would like to provide that additional information, including anticipating what the growth would be in the next few years and what new costumers could be brought forward.

Councilmember Bukkila expressed a desire to know more about infrastructure, not just additional costs.

Mayor Trude commented the tax base has grown since the original building project, with close to 1,000 additional homes and businesses.

Mr. Dickinson stated staff could study the issue over the summer, and consider when might be a good time to do this project, based on land take downs and when it could actually take place. He pointed out the decision is not one for today. The City is currently considering equipment and road requests, such as Hanson Boulevard, and new things happen all the time. The information presented will be integrated into the CIP process. The public hearing on that will be in October/November and information can be gathered between now and then.

Councilmember Goodrich stated Public Works serves everyone and that he did not want to spend money to get data that may not be reliable.

Councilmember Holthus confirmed her support for Public Works expressing concern for unsafe situations in and around the current facilities.

Mayor Trude asked the Commission and Councilmembers what information they felt they needed next.

Councilmember Holthus indicated having additional data would be helpful to set priorities.

Councilmember Bukkila stated there is time to figure out and brainstorm about needs and to work with the City staff through the CIP process.

Ms. Orvis stated her neighborhood has a Facebook group specific to Woodland Estates. She expressed that many of the neighbors were upset about the Public Works building moving closer to their neighborhood and are disenfranchised right now.

Mayor Trude stated a few of the neighbors came to the presentation of the Master Plan.

Councilmember Bukkila commented there is still decision-making to come and that there has been conversation occurring regarding starting some tree growth to prepare a barrier in preparation for the building plan.

Mayor Trude also noted there will not be truck traffic exiting directly onto Nightingale Street.

Councilmember Holthus confirmed truck routes were discussed at the meeting and studied by outside consultants and the school was involved in the preparation of the plan for the City Campus.

Mr. Dickinson stated he had been in contact with the YMCA of the Twin Cities, and they have a couple of studies that could be helpful including a nationwide study by the YMCA that is being conducted and to be complete this summer. Each branch is being scoped and studied and there are plans to start fundraising for improvements late in 2017, with a full-fledged campaign in 2018. His thought is that overall expansion would be in 2019 in Andover. Concerns that have been brought to him most frequently are gym space and day care facilities. Mr. Dickinson stated the need to get more information for this fall as the City begins its planning for 2017 and beyond.

Mayor Trude stated the timeline for Public Works is still in development and these projects can take years.

Mr. Dickinson confirmed a significant number of things need to happen and the City will need to wait until the land is available for a full Public Works expansion.

Councilmember Knight confirmed the “age factor” is really important to him in determining how to expand the Community Center. He also has concerns about the Crosstown Boulevard round-a-bout.

Mr. Kellogg stated they would like to prioritize needs and clarify what populations they are servicing and what they are unable to service. They would meet with their biggest customers and discover how to meet more needs and what the next steps would be for them.

Councilmember Bukkila stated she did not see it on her immediate list of projects to fund.

Mr. Kellogg stated they wouldn't want to “spin our wheels” if it's not as important now.

Mayor Trude inquired if research might move forward while a timeline is being sorted out because the current Community Center project took years to plan. She encouraged moving ahead, but not so much so that the resources are wasted.

Ms. Orvis offered that volunteers could help collect information from different partners. She supported doing a space needs study and having a professional consultant come in and help the Commission put together the information for the Council.

Mayor Trude suggested further analysis to keep the work moving forward.

Mr. Dickinson stated there could be a budget amendment made for Council review and approval if this was to be done immediately. It could also be discussed as part of the CIP process that would provide for a budget and consultants to start in January if that was the direction. He noted the CIP has a public hearing in October.

Mr. Sutherland indicated the facility is a busy place every day, day in and day out this time of year. He asked if they should consider waiting for 6 months or keep working on it now.

Mr. Dickinson noted the CIP is reviewed each month with the Council and recommended gathering and solidifying partner information. He stated the better the data is, the better the work consultants can do.

Councilmember Goodrich encouraged the Commission to keep working on product to give to a consultant.

Mr. Dickinson stated he could advise on some of the research that would be needed that could help a consultant.

Mayor Trude stated something could be considered in budget for next year for a consultant, while projects are still being shuffled.

Councilmembers Holthus and Goodrich thanked the Commission for the good job on their presentation.

RECESS

Mayor Trude recessed the City Council Workshop meeting at 8:14 p.m.

RECONVENE

The City Council reconvened at 8:27 p.m.

2017-2021 CIP DISCUSSION & 2016 CIP PROGRESS REPORT

To assist with the 2017 -2021 CIP discussion, Mr. Dickinson provided a progress report on the 2016 Capital Improvement Plan projects. Throughout the summer it is anticipated that a significant amount of time will be spent on evaluating utility infrastructure, transportation improvements, trail improvements, building maintenance, equipment and park and recreation needs. Each of these items will be supported by a detailed fund balance analysis of funding sources (based on various assumptions and estimates) that will be presented to the Council for review at future workshops. At that time the staff will secure the Council's priorities to assure that those priorities are taken into consideration for inclusion in a draft 2017-2021 CIP. Staff also discussed, with the Council, the Vehicle/Equipment Purchasing Committee's review of City vehicles/equipment and the preliminary recommendations. Staff requested that the Council provide direction to staff on Council priorities for the 2017-2021 CIP.

Mr. Dickinson reviewed a staff report with the Council, highlighting equipment vehicle purchasing and usage and a review of low usage equipment (e.g. generator, Polaris UTV). The Timber Trails Park budget was amended reflecting increases in costs on the well. Fox Meadows is going to cost more, also because of the well. One specific vehicle that will need to be considered for replacement is the jet/vac truck that cleans sanitary and storm sewer pipes. That particular item has multiple supporting revenue sources.

Councilmember Holthus asked how many vehicles are in cold storage. Mr. Dickinson stated close to 30% of the City's vehicles are parked outside.

Mr. Dickinson reviewed the City Council's procedure for consideration in the 2017-2021 CIP.

2017 BUDGET DEVELOPMENT DISCUSSION

City Administration is beginning to focus on the 2017 Annual Operating Budget Development process. Mr. Dickinson reviewed the staff report and requested that the Council provide direction to staff.

Mr. Dickinson's remarks focused on the review of budget development guidelines. He is expecting requests for additional staffing, but they may not be recommended for inclusion by Administration. Right now staffing is at a bare minimum and there has been some stress on staff due to staff being out on leave. An additional part-time individual has been hired to work 16/hours week. Staff has been floating to other departments in the building where they have skills to offer. An intern program for the building department has been initiated and they would do the easier inspections. There are also a couple of retirements being anticipated.

Mayor Trude reminded the Council that Administration has permission to hire temporary staff.

Mr. Dickinson also brought the following budget matters to the attention of the Council:

- Staff succession planning
- Development projects getting more complex and contract negotiations taking longer

- No need to negotiate on bargaining unit salaries this year
- Sheriff's contract will need to address an increased prevalence of drugs in the community
- 2.5% increase in Road and Bridge Fund funding
- Levy for pedestrian trail maintenance
- Park improvements, with an emphasis on scoping projects properly to avoid increases at the end of projects
- Contracting out more work
- Tax levy estimates are anticipated at an increase of about 2.48%

Mayor Trude noted Open Space “falls off” in the coming years.

Mr. Dickinson stated the year ended in such a way that even with the transfer, the City could make good with their commitment of \$450,000 to the Trail Fund, \$250,000 was transferred in 2015, the remaining \$200,000 could be done now.

Councilmember Bukkila asked if there is a rush to transfer the dollars. Mr. Dickinson replied that it helps the CIP process to go better if the Commissions and staff know how much funds are available to plan for a trails in the coming years. Consensus of the Council was to move forward with the planned transfer to the Trail Fund.

Councilmember Holthus asked about the results of the audit. Mr. Dickinson indicated the audit presentation would be in May.

Mr. Dickinson had nothing additional to report relative to a budget update.

MARCH 2016 BUDGET PROGRESS REPORT/MARCH 2016 CITY INVESTMENTS REVIEW

Mr. Dickinson had nothing additional to report.

OTHER BUSINESS

Mayor Trude recommended inviting members of the Commission to discuss the Kelsey Round Lake Park to a future workshop meeting to discuss the project. Specifically, the idea would be to invite the chair and others may attend.

There was also discussion about putting the senior center on the agenda. Councilmember Holthus wondered if there could be more flexibility for more use by the programs at the YMCA. Mr. Dickinson stated that the YMCA is using the location a lot for classes for seniors, but that it is underutilized within the community. Mayor Trude stated her keys do not even work for the facility.

Councilmember Holthus stated a crafting senior lady could not get her group in to the facility to use it and wondered if they could identify a leader of their group that could have a key.

Councilmember Knight asked about the amenities at the facility.

Mayor Trude indicated there are tables, chairs and a commercial kitchen. The structure was built with federal grant money and the City is paying for upkeep and maintenance of the facility.

Councilmember Knight stated he did not know if residents really appreciate the relationship that the City has with the YMCA.

Mr. Dickinson stated there is potential to re-open the Oakview Middle School pool. The YMCA is interested in having swim lessons there and could be a key component as to how they plan to move forward with aquatic activities. The school district would like to use for the high school swim team. There will be more to come.

Mayor Trude indicated the school board appointed a group to look at overall facilities. Blaine schools may get an elementary school as well as artificial turf on their football field.

ADJOURNMENT

Motion by Goodrich, Seconded by Holthus, to adjourn. Motion carried unanimously. The meeting adjourned at 9:10 p.m.

Respectfully submitted,

Marlene White, Recording Secretary