

***ANDOVER CITY COUNCIL WORKSHOP MEETING – AUGUST 24, 2021
MINUTES***

The Workshop Meeting of the Andover City Council was called to order by Mayor Sheri Bukkila, August 24, 2021, at 6:00 p.m., at the Andover City Hall, Conference Rooms A&B, 1685 Crosstown Blvd NW, Andover, Minnesota.

Councilmembers present remotely: Valerie Holthus, Jamie Barthel, Ted Butler, and Randy Nelson
Councilmember absent: None
Also present: City Administrator Jim Dickinson
City Engineer/Public Works Director David Berkowitz
Commander Lenzmeier
Others

PRESENTATION OF THE 2022 LAW ENFORCEMENT CONTRACT

Chief Deputy Kevin Halweg stated he is attending on behalf of Sheriff Stuart who was unable to attend.

Commander Lenzmeier stated the Sheriff's Department isn't proposing any changes in level of service, however, there is a 1.6% overall increase in the contract costs. He outlined the items that contributed to the increase.

Councilmember Barthel asked if the costs of vehicles will continue to go up because Dodge is the only one making police vehicles. Commander Lenzmeier stated Ford is still in the market with SUVs, but they prefer the sedan model. He stated in some instances they need the Durango models for the storage of equipment.

Councilmember Butler asked how long a police vehicle lasts. Commander Lenzmeier stated a squad will last around 3 years.

Councilmember Butler asked about staff turnover. Commander Lenzmeier stated there were several retirements. Chief Deputy Halweg indicated many deputies did not provide lengthy notice of retirement leading to a shortage of deputies. He encouraged qualified individuals to apply. Chief Deputy Halweg stated the County cannot compete with suburban police departments with pay, however, they can provide a wide variety of opportunities.

Commander Lenzmeier outlined the items contained within the Vehicle Maintenance Budget.

Mayor Bukkila asked about the Crime Prevention Budget and what Andover has received from the Crime Prevention Unit. Commander Lenzmeier stated staff perform Child Safety Seat inspections, body camera footage review, Safety Camp, and community outreach. He stated the Crime Prevention Unit has operated differently due to COVID. Mr. Dickinson said they are also monitoring social media and informing the City of applicable matters. Commander Lenzmeier stated they have done “drive-by parties”, coffee, outreach to day cares, and senior facilities.

Commander Lenzmeier stated they have seen an increase in drugs coming into Andover. He said there are homes that are known to them as drug houses. He explained they have taken a proactive approach and have utilized unmanned aerial vehicles (UAV) in a variety of situations.

UPDATE OF 2022-2026 CIP FOR PARKS

The City Council is requested to review and discuss the 2022-2026 Parks CIP. Mr. Haas explained the Park and Recreation Commission recommended approval of the Parks CIP and includes the following projects in 2022:

- Pine Hills North Parking Lot Pavement
- Pine Hills South Parking Lot Pavement
- Oak Bluff Park
- Sunshine Park Safety Netting
- Andover Station North Safety Netting
- \$25,000 in Miscellaneous Projects

Mr. Haas listed the projects the Parks and Recreation Commission recommended approval for in 2023:

- Lunds Park North Playground
- Prairie Knoll Park Warming House Expansion
- Hidden Creek North Park Shelter
- \$25,000 in Miscellaneous Projects

Mayor Bukkila asked if the Prairie Knoll warming house expansion is staff or community driven. Mr. Haas stated the warming house is too small and needs to be expanded, the Andover Football Association (AFA) recently came to the city and suggested the need for a second floor for storage.

Mayor Bukkila asked if the Prairie Knoll expansion is on the future facility list as she has not heard of this in the budget before. Councilmember Butler stated it has been a topic since he has been on the Parks Commission. Mr. Dickinson stated there has been a lot of discussion about the concession stand. Mr. Haas stated the current warming house section would convert to more

concession stand and the addition would be for the warming house. He stated they are waiting for a formal commitment and financial contribution from AFA before deciding on a plan. Mr. Berkowitz stated the city contribution to the expansion will come out of park dedication because it is a new project.

Mayor Bukkila asked who is driving the project. Mr. Haas stated staff suggested the expansion of the warming house and AFA wants to increase storage and add a second floor. Mayor Bukkila asked what size the addition would be. Mr. Haas stated it would be a 15x20 expansion for the warming house. Mr. Dickinson stated by partnering with the AFA, the City is able to get a better project that will benefit the City and AFA. Councilmember Holthus asked how much AFA can contribute. Mr. Dickinson replied that is unknown, but he estimated that at least \$150,000 would be needed to get the project moving forward, maybe more.

Councilmember Holthus asked about the parking lot, neighborhood concerns, and vandalism. Mr. Haas said they haven't seen vandalism but received some complaints about lacrosse balls in neighbors' yards.

Mayor Bukkila said the bulk of Park Dedication fees are going to come in quick and fast and recommends nailing down the focus of where the funds will go.

The Council discussed items in the Parks CIP and costs associated with them. Mayor Bukkila commented that the cost seems high on several items such as picnic shelters and safety netting. Mayor Bukkila asked for a breakdown on the cost of safety netting and how often it needs to be replaced.

Mr. Dickinson asked if the Council wanted to modify the Parks CIP that was recommended by the Park and Recreation Commission. The Council discussed the \$25,000 Miscellaneous Funds and how it is going to be used. The Council requested itemized expenses of Miscellaneous Funds for the past 10 years. Mr. Berkowitz stated the \$25,000 is important and covers the little items that come up, such as a safety light. He said the Park and Recreation Commission has used the funds well and larger cost items in the Miscellaneous Fund will go to the Council for approval.

The Council reached consensus to support the recommendation of the Park and Recreation Commission for inclusion in the 2022-2026 CIP.

UPDATE OF PROGRAMMING – ACTIVITIES/MUSIC IN THE PARK

Mr. Haas stated the Park and Recreation Commission is planning a Movie in the Park this year and the Commission indicated they would like to have at least 2 movies in 2022. He said they would also like to add Music in the Park in 2022 as well. Mr. Haas asked if there is interest from the Council to implement recreational programming and if so, it may be necessary to hire a

Recreation Specialist to manage the programs.

Mr. Dickinson said the Park and Recreation Commission is looking at a \$10,000 budget for 2022 and the City can use an existing staff to implement the programs. He stated if the vision is to increase programming, a new position may be needed.

Mayor Bukkila said the EDA sponsored Music in the Park at Andover Station and the events were not well attended. She said she can see a place for it in the City Center Complex but not at this time. Mr. Dickinson said the Park and Recreation Commission would like to have food trucks and they may not be able to at the City Center Complex due to the exclusive contract with Subway.

Mr. Dickinson recommended the Fun Fest location and renting a stage for Music in the Park. He asked if Council wanted alcohol at the concert/movie. Mayor Bukkila said if the Lions or a community-based organization can run it, then possibly. Mayor Bukkila stated residents go out of town on weekends during the summer and recommended a fall series.

The Council supported a \$10,000 budget for special event programming and two Movies in the Park for 2022. The Council is not in favor of Music in the Park at this time. The Council would like to see a tree lighting ceremony and special events in the spring/fall/winter.

2022-2026 CIP DEVELOPMENT DISCUSSION

Mr. Dickinson reviewed the 2022-2026 CIP by City department and item. The Council asked for clarification and explanation on some items:

- Community Center roof replacement will come out of Community Center Operations using Capital Reserve Funds.
- Emergency Management: Mayor Bukkila was concerned that there is not a backup Emergency Operations Center. Mr. Dickinson explained they can use another City facility as a backup.
- Engineering: the railroad underpass is still in CIP but is unlikely to be constructed.
- Park & Rec Projects
 - Dog Park Parking Lot and Trail – Mayor Bukkila is not on board with this item and wants to see an annual maintenance cost and long-term maintenance costs.
 - Dalske Preserve Boardwalk is on the CIP as a placeholder. Staff are looking for funding through grants.
 - Butler asked for open space and preserves to be listed together in the parks inventory on the city website.

Mr. Dickinson presented sources of revenue and projected expenditures for the following funds: Road and Bridge, Parks, Trails, Capital Equipment Reserve, Building, Water, Sewer, and Storm Sewer.

Mr. Dickinson presented the Road and Bridge Fund sources of revenue and projected expenditures. He said there is a projected deficit in 2025 and would like to remedy that through a bond of \$7 million. He indicated the trail fund is low and is a trouble spot as well.

Mr. Dickinson stated staff can still receive questions from Council over the coming month via email and staff will address those questions at the September meeting.

2022 BUDGET DEVELOPMENT DISCUSSION

Mr. Dickinson reviewed the 2022 Budget Development guidelines and highlighted changes since the Council's last discussion.

Mr. Dickinson explained the largest increase is in Fire Department staffing. He said the Fire Chief will make a presentation to Council in September. Mr. Dickinson would like to fill the Assistant Chief position and explained the problem the City is having with response time. He stated the City is looking at further expanding duty crew shifts during peak times. The Council discussed options for Fire Department staffing, recruitment/retention, and possible solutions. Mayor Bukkila asked Mr. Dickinson to make a presentation and host a Q & A to explain the problem and possible solutions to the firefighters. Mayor Bukkila recommended hiring the Assistant Fire Chief sooner than later to help the Fire Department through transition. Mr. Dickinson state he thought starting with meeting with the Chief and officers would be his starting point and then enlist them to assist with the messaging.

Mr. Dickinson addressed upcoming retirements, payment of current positions, a placeholder for COLA adjustment, and a significant increase in health plan cost. He hasn't heard anything back from the Public Works Union regarding contract negotiations since delivering the last city proposal.

Mayor Bukkila polled the Council on increasing the Commission per diem starting in 2022. The Council was in favor of increasing the per diem to \$50 per meeting for Commissioners and \$60 for the Chair.

Mr. Dickinson addressed the 2022 Debt Service Levy and noted 2021 was the last year of the Open Space Referendum Levy. Mr. Dickinson after reviewing the General Fund Fund Balance recommended transferring \$750,000 to the Road and Bridge Fund to assist funding the mill and overlay program, the Council concurred.

Mr. Dickinson stated Administration is proposing an 8% increase in property tax levy due to mill and overlay bonding, addressing Fire Department staffing, employee health insurance costs, and an increase in workers compensation insurance.

Mr. Dickinson presented revenue options for the Roads and Bridge Fund and costs related to bonding versus raising property taxes. The Council discussed and debated the best option to choose. The Council agreed to create a long-term plan to maintain the road and bridge fund, which includes a bonding option.

PREVIEW/DISCUSS 2022 PRELIMINARY PROPERTY TAX LEVY

Mr. Dickinson stated the Council will need to adopt a preliminary tax levy by the end of September. Staff is currently proposing an 8% increase and stated the Council can lower it but not raise it after the preliminary is set. An infusion of funds to the mill & overlay program is the primary driver of the substantive increase.

STREET RECONSTRUCTION ASSESSMENT OPTIONS

Mr. Berkowitz presented three scenarios for assessments to the Council for street reconstruction located in the Timber Rivers and Rolling Meadows neighborhoods.

- Scenario 1: residents pay the same rate regardless of lot size
- Scenario 2: break the area into two sections – Timber Rivers East / Timber Rivers West and Rolling Meadows
- Scenario 3: break the area into three sections – Timber Rivers East/ Timber Rivers West/ Rolling Meadows

Mr. Berkowitz explained that there will be unhappy residents with any scenario the Council chooses. Mr. Dickinson stated the City has historically assessed by unit and recommended continuing that process. The Council discussed options and asked staff to come back with a 4th scenario.

OTHER ITEMS

None.

ADJOURNMENT

Motion by Holthus, seconded by Butler, to adjourn the meeting at 9:23 p.m. Motion carried unanimously.

Respectfully submitted,

Shari Kunza, Recording Secretary
TimeSaver Off Site Secretarial, Inc.