

CITY OF SHOREWOOD
CITY COUNCIL/STAFF RETREAT
THURSDAY, FEBRUARY 7, 2019

24150 SMITHTOWN RD
SOUTH LAKE PUBLIC SAFETY
FACILITY TRAINING ROOM

MINUTES

Convene City Council/Staff Retreat

Mayor Zerby called the meeting to order at 11:14 AM.

Present: Mayor Zerby; Councilmembers Siakel, Labadie, and Sundberg, City Administrator Lerud; Finance Director Rigdon; Planning Director Darling; Director of Public Works Brown; City Engineer Fauske; Communications Coordinator Moore; Park and Rec Coordinator/Administrative Assistant Grout.

Absent: Council member Johnson arrived at 11:17

Others Present: Shannon Sweeny, David Drown Associates.

Siakel moved, Labadie seconded, approving the agenda as presented, unanimous consent.

1. REVIEW OF 2018 GOALS

City Administrator Lerud said that he thought it would be useful as the first part of every retreat to review the progress the city has made toward the goals set at the previous year's retreat in order to ensure accountability and ensuring results met expectations. He said that there were five main goals that came out of last year's retreat: communication, solid waste, staffing and compensation, water and stormwater, and the Shorewood Community and Event Center (SCEC).

Lerud said that the overall goal for communications was to improve the effectiveness of communication with residents. To that end, the city completed the update of the new website, instituted the Public Alert system, changed out the council room display and approved a new project communication plan. He said that the GIS and Mapping equipment is here, but it hasn't been used as he would like, and the Ro-Way permitting program will be rolled out in full this year. He said that the project-related communication was very much improved this year, and he credited WSB staff and Moore for their work in that area. Communications Coordinator Moore gave the council an overview of the website and talked about the plan to survey residents following construction. Mayor Zerby said that the city should work to make the mobile view of the website better than what it is.

Lerud said that studying the refuse hauling system was a goal, but it was a process goal rather than a fixed end or result. He said that the city met with the Haulers in April and at the meeting on February 11, the council will review the survey questions. He said the city has been very deliberate in its effort to investigate refuse hauling and that will continue in 2019. Lerud said the compensation scale and structure plan was approved by the council and implemented in 2018.

A great deal of progress was made in the area of utilities. Lerud said that the city developed a parcel list of water available/connected properties and contacted many property owners by letter and newsletter for potential water connection. To address stormwater issues, the city signed an MOU with the Minnehaha Creek Watershed District for a western Shorewood storm water plan and engaged Barr Engineering to assist with the study and plan development. In December, the city purchased a piece of property that will be critical to addressing stormwater rate and control.

Finally, the remodeling project of the SCEC has largely been completed. The renaming and signage work is ongoing, and the facility has been integrated into the park improvement project. He said staff is working to complete the remodeling work and the next step is to market the facility, and that is a subject for another retreat item later in the agenda.

2. CITY INFRASTRUCTURE

City Administrator Lerud said there are three parts to this discussion item. City Engineer Fauske will go review the plan as it has been presented for the last several months; Mr. Sweeny will present information about financing and the requirements to fund the projects; and Finance Director Joe Rigdon will present information about impacts to property taxes and utility rates.

City Engineer Fauske said that almost two thirds of city roads were constructed between 1970 and 1979 when the sewer was installed. As a consequence, these roads are failing at the same time. The proposed plan calls for approximately \$25 million to be spent on infrastructure improvements between 2019 and 2026.

Mr. Sweeney presented a spread sheet showing the financial impact of the capital improvement plan. He said due to the amount of work that needs to be done, the plan calls for financing the 2019 work with cash on hand, and then bonding for projects from 2020-2026. The ultimate goal, he said, was that the city will get to a place that the average annual cost of \$1.8 million to maintain the infrastructure will be able to be paid with funds on hand and the city can avoid financing costs. Sweeny stressed that all the utility funds need to have rate increases over the next few years to fund normal operations. He said the proposed improvements, particularly in the water and sewer funds are needed whether the proposed capital improvements are done or not. The cost of the western Shorewood stormwater project will require significant increases in storm water utility fees. He noted that when compared with area cities, even with these proposed increases the city's rates in water and sewer will still be below the average of all the other cities, storm water rates will be a little higher than average. He said the city could look to outside funding for a portion of the cost, and what is presented here is the most expensive scenario. Finance Director Joe Rigdon presented the impact on utility rates for this plan.

Lerud said that the percentage increases range from nine to twelve percent for the utility funds and suggested that at some point the city might want to consider monthly billing rather than quarterly billing. He said that quarterly billing is the most common in this area, but he thought that by billing monthly it would be easier for utility customers to plan for the payments. The consensus of the council was to examine the costs of monthly billing and consider it in the future.

Mayor Zerby declared a recess for lunch at 12:20. The meeting was called back to order at 12:40.

3. STAFFING

Lerud said there are four main areas for discussion under this topic: city hall, public works, Shorewood Community and Event Center, and parks and planning commission. He said that some of the job descriptions for city hall staff are not accurately reflecting what staff is doing. Starting with human resources, Lerud said that historically the human resources function has not been clearly defined in job descriptions. The various duties are being managed by three or four staff members, and he thought it was too important of a responsibility to not have it clearly spelled out. He said there are several potential options. The first is creating an Assistant City Administrator position and give them the human resources responsibility. He said that is the most common, and it would change the city's organizational chart. He said in his research, there are very few cities with the size of the staff of Shorewood that have an assistant administrator. Lerud said a second option, and one that is starting to emerge, is pairing human resources with the city clerk position.

Lerud recommended that the council consider revising the City Clerk's job description to make them primarily responsible for human resources. He said that the City Administrator position has some human resource functions as well and those would remain with the position, but the Administrator's job description will also be revised to accurately reflect what that position is responsible for.

Lerud said the second staffing question is about the duties of the full-time administrative assistant. He said the city has one full-time administrative assistant, and the others work in that area on a part-time basis. The full-time administrative position is being trained in some of the duties of City Clerk, and he thought creating a Deputy City Clerk position is warranted for a couple of reasons; first, it provides redundancy in training so staff is cross-trained; it provides an opportunity for upward mobility, and finally, he thought that the full-time administrative assistant position should be differentiated from the part-time positions.

The council consensus was to review the position descriptions and combine human resources with the City Clerk position, and also to create a Deputy Clerk position description. Lerud said staff would work on that and bring it back for council approval. Once these positions descriptions are approved, Lerud said he would send them to George Gmach for his review in the salary schedule.

The third area of staffing is in public works. Lerud said that staff has looked at the idea of having the street inspector be as staff position rather than through the city's engineering firm. He said he wanted to be very clear, that this suggestion was not due to any concerns over the competency of the current street inspector. He said that in 2018, which was a relatively normal year for projects, the city paid over \$130,000 for construction observations, and he said the city could hire a staff person for less than that amount. The other reason to consider having the inspector as a staff person is that the city has internal controls for finance and many other activities, and it made sense to also have an internal control in this area, as the inspector and the engineer work for the same firm. Lerud reiterated that this suggestion is not being made to do with any dissatisfaction with the current arrangement, and if a competent staff inspector could not be found, he would recommend no change to the current situation be made.

Mayor Zerby asked if the public works director could assume these responsibilities. Council member Sundberg said that she did not think that there was enough time in his schedule to do this work on a regular basis. Director of Public Works Brown said staff would look to put other duties with this position such as managing the right-of-way registration, permitting, and inspection and take the lead in integrating GIS information. The consensus of the council was to direct staff to come up with a position description and bring to council for consideration.

Lerud said, as the council will hear in the next topic, there are plans for the Shorewood Community and Event Center (SCEC), and with increased activity it was planned that Twila would transition the majority, or all of her time to the SCEC. He said that her job description needs to be revised because it does not list many of the duties she performs, and he thought that with the council's effort to integrate the SCEC into the Parks, pairing a SCEC coordinator and Parks and Rec coordinator position would work very well.

The final area Lerud asked for direction was related to the parks and planning commission. First, he said, he recommended creating a city email account for each of the members rather than having them use their personal email. He said data practices requires that information be managed by the city and he did not want to involve people's private email accounts. The consensus of the council was to create those accounts immediately.

The second area he would like council input is whether the parks and planning commission members should receive a per-meeting stipend. He said a lot is asked of commission members and he thought a small meeting payment is warranted. There was a discussion about whether a meeting fee should be paid. The council directed Lerud to survey area cities to see if other cities are paying their commission members for meeting attendance.

4. SHOREWOOD COMMUNITY AND EVENT CENTER

Lerud gave a presentation on historical data for the SCEC. He said over the past four years expenses have decreased and revenue has increased resulting in a lower operating deficit. He said that the total number of annual events have increased 20 percent over the past four years. The key to increasing revenue, he said, was to increase the number of rentals. He provided information about program usage and what programs, kitchen rentals, and weekend and evening rentals produce. He said that although rentals account for about 15 percent of the total facility events, it generates approximately 75 percent of the revenue.

To increase the number of rentals, he said staff has worked over the past few months to come up with promotion and marketing ideas, and those were presented in the marketing and promotion plan. Additional ideas expressed by the council included sales events, sports swaps, garden swaps, and a spring open house. Lerud said that staff believes it can perform on the plan as presented and that results would be reviewed at the end of the year and then report to the council. He said if there are additional marketing or promotional requirements, that an outside consultant would have to assist the city in that effort.

The consensus of the council was that the plan was a good start and staff should proceed in implementing.

5. OTHER

Mayor Zerby said another item he would like to discuss is the process for development projects in the city. He said the recent concept plan on the property at Eureka and Highway 7 has led him to ask if there should be changes in the process and recommended the council have input earlier in the process. Lerud said that the process is that a developer approaches the city with an idea and staff reviews and comments. He used the Smithtown Crossing proposal last year as an example. He said staff does the initial review and if it meets the minimum requirements then it proceeds as a pre-concept plan to the planning commission and city council. He said if the proposal doesn't meet those minimum requirements, staff advises the developer and they chose whether or not to proceed.

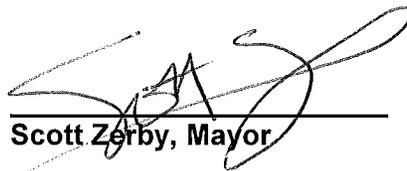
Planning Director Darling said that according to the city code, the pre-concept goes to the planning commission and then to the city council for their input prior to any plat or other development costs being incurred. The developer then makes a decision if they want to proceed or not.

There as discussion about how the public receives notice. Included in the discussion was the city requiring a sign on the property where development is considered that would alert neighbors of the proposal as well as posting the information on the city's website about details. Mayor Zerby said it was important that the public and council be heard early in the project rather than at the last step where this is little opportunity for project revision. Darling said that is a goal of the process and would work to ensure that adequate notice is available for potential projects.

Council member Labadie said she has heard concerns from a traffic committee about what has been done – or not done related to their recommendations. Mayor Zerby said he thought it was critical that the council's expectations are clearly communicated to a committee that it creates.

With no other business a motion to adjourn was made by Sundberg, second by Johnson, all voted in favor and the meeting adjourned at 2:20 P.M.

Respectfully Submitted,
Greg Lerud, City Administrator



Scott Zerby, Mayor

ATTEST:



Sandie Thone, City Clerk