

CITY OF MENDOTA HEIGHTS
DAKOTA COUNTY
STATE OF MINNESOTA

Minutes of the City Council Work Session
Held August 22, 2023

Pursuant to due call and notice thereof, a work session of the City Council, City of Mendota Heights, Minnesota was held at City Hall, 1101 Victoria Curve, Mendota Heights, Minnesota.

CALL TO ORDER

Mayor Levine called the meeting to order at 3:01 pm. Councilors, Mazzitello, Miller and Paper were present. Councilor Lorberbaum arrived at 3:05 pm.

Others in attendance included City Administrator Cheryl Jacobson, Public Works Director Ryan Ruzek, Finance Director Kristen Schabacker, Assistant City Administrator Kelly Torkelson, Parks and Recreation Manager Meredith Lawrence, City Clerk Christine Lusian.

Resident and Airport Relations Commissioner Bruce Bobbitt was present in the audience.

PROPOSED BUDGET DISCUSSION FOR FY2024

Parks and Recreation Manager Meredith Lawrence introduced the recycling budget and explained that the city is continuing with the Joint Powers Agreement (JPA) with Dakota County for administering much of the recycling programming. She gave an update from the Solid Waste Abatement BIP conversation from the previous budget work session sharing that staff had met with Dakota County and they confirmed that they are going to be working on a countywide solid waste abatement plan for 2024 and that with dedicated staff time from Mendota Heights that they would be able to include Mendota Heights specific data.

Councilor Lorberbaum arrived.

City Administrator Cheryl Jacobson introduced the city council budget and highlighted the proposed change in the fireworks budget to include costs for a computerized show. This change is anticipated to increase the cost of the fireworks from \$15,000 to \$25,000.

Councilor Paper asked staff to look into drone shows for the increased expense. Mayor Levine wanted to preserve the experience of the fireworks display while minimizing cost increases. Councilor Lorberbaum asked about what we get for the current budget of \$15,000. Lawrence said that the industry standard is that a firework display costs approximately \$1,000 per minute.

Councilor Miller added that the fire department had a full debrief on this year's show and feels that it should be opened to bid and safety should be a top priority. Mayor Levine said that she wanted to keep the show as traditional as possible and was not in favor of including requests for drone shows. Councilor Lorberbaum agreed that safety was a top priority.

Mayor Levine asked about council salaries, noting that there was a zero percent increase and asked if council salaries could have an increase that was the same as employee's COLA increase. She noted that there are a lot of costs associated with running for office, a lot of time, and potential additional costs and that it can be an equity issue that deters people from running for office.

City Administrator Jacobson noted that there has not been an increase in council salaries in many years and that there are special rules and statutes that apply when increasing council pay.

Councilor Miller was interested in seeing how Mendota Heights compares to other cities for council pay to gain perspective if their pay is out of line. Councilor Mazzitello agreed. Councilor Paper was not interested in an increase, but was open to studying it. Councilor Lorberbaum was interested in finding out more information.

Jacobson introduced the administration budget. Assistant City Administrator Torkelson shared that HR testing had a large increase due to a change in process which is expanding the pre-hiring testing for firefighter recruitment.

Jacobson shared that funds were added for architectural services to address building maintenance issues and that this allocation is separate from funds designated for potential building remodel architectural services.

Mayor Levine was interested in funding the scanning services BIP to free up additional office space. Jacobson clarified that scanning services would open up space in storage not in staff offices.

Jacobson reviewed additional administrative BIPs which included a fire suppression valve replacement and an assistant to the city administrator. She shared that for the assistant to the city administrator position, staff are at capacity but that she did not recommend it for this budget in order to prioritize funding the compensation study market adjustment. She noted that this request will come back to the council in the future.

Councilor Mazzitello was interested in seeing the position included in a revised organizational chart that also included the community development manager and the assistant city engineer.

Jacobson introduced the elections budget and highlighted Dakota County's proposal to provide absentee/early voting services to cities and school districts. The cost to Mendota Heights for participation in the county's program would be just under \$13,000. Jacobson noted that the most significant savings for the city would be in staff time and resources. She added that there has been a lot discussion among staff reviewing the pros and cons of working with the county.

Councilor Miller asked what the risks would be of partnering with the County. Jacobson said that the big concern is related to customer service and expectations of voters. She noted that we have experienced growing public narrative around distrust of elections and this partnership would introduce a potential point of error through the transfer of ballots.

Councilor Miller shared that the city has a reputation for well run elections and that he was hesitant to introduce an element that could create additional issues. Councilor Lorberbaum agreed that we did not want to introduce additional uncertainty into the election.

Mayor Levine said that partnering with the county would be putting our trust in an unproven system. Councilor Lorberbaum said that she wanted to see how the process worked with other cities before signing onto the JPA. The Council agreed that the experience of the deputy city clerk was a great asset to the city's election processes and that they did not want to sign onto the County's absentee voting JPA at this time.

Councilor Mazzitello expressed interest in normalizing the elections budget to be consistent year to year.

Assistant City Administrator Torkelson introduced the IT budget noting increases throughout the budget that reflect increased rates from LOGIS. She noted that staff have reviewed the cost of staying with LOGIS for IT administration as compared with what it would cost to staff those services with an employee and at this time it is still cost effective to leverage LOGIS for those services.

Torkelson noted that the Dakota Broadband Board (DBB) budget line is transitioning to fiber management. There is also a change for hardware and software that reflect the change to M365 that was approved in the 2023 budget. Torkelson added that cybersecurity needs are also a part of what is prompting increased costs.

Jacobson reviewed the community development budget highlighting that following the results of the compensation study that she will be proposing a reclassification of the community development director to a manager position under the public works director.

Mazzitello asked where the assistant city engineer would be classified in the pay grid. Torkelson shared that staff have not evaluated that position but that information will be included when the posting is requested for approval.

City Administrator Jacobson reviewed the building official/code enforcement budget highlighting a difference from the change in service providers from the city's previous hourly building official to Inspectron Inc. which is funded by a percentage of permit fees.

Councilor Mazzitello said that the structure means that the city will not overspend because any revenues that go out will be tied to revenues coming in. Director Ruzek said that the cost impact of this change is substantial, however it is more in line with best practices than previous funding models.

Director Ruzek shared that in the city hall fund there is a request for furniture and equipment upgrades such as office chairs which have not been replaced in over a decade.

The City Council returned to BIP requests that had been tabled throughout the discussion. The Council agreed to fund the police BIP requests as they could be funded with public safety aid dollars.

The Council discussed the greens roller BIP request. Councilor Paper was hesitant to spend that much on a piece of equipment with limited use in the city. The Council requested that staff bring the greens roller request back with more information about potential alternatives.

The Council agreed to use special parks fund to fund the Parks Master Plan, the Mendakota Fiber Install and the Marie dugouts.

The Council discussed the administrative vehicle request. Mayor Levine asked if the vehicle would only be used for a few months of the year. Director Ruzek explained that the primary purpose would be as a summer vehicle for staff but that it could be used throughout the year.

Mayor Levine asked about the feasibility of renting a vehicle for the summer months in order to reduce costs. Councilor Paper asked if staff would be open to a van in order to diversify the city fleet. Ruzek said that yes that would be a good option. Councilor Mazzitello advocated to fund a lease out of the levy rather than purchasing a vehicle from the fund balance. The Council agreed.

The Council agreed to fund the fire suppression valve replacement at city hall with the city hall fund, the fire station roof replacement with the facility reserve fund, the streets snow plow truck and the compact wheel loader with fund 13 and patio furniture and benches at the Par 3 with the Par 3 fund.

Councilor Paper expressed concern about the cost associated with installing fiber at the Par 3. The Council was interested in additional options about a phased installation of fiber such as funding the installation one year and the equipment the next year.

The Council agreed to fund the Marie infield surfacing and the fire pension requests with the levy. The Marie Park Hockey Rink Acrylic Surfacing, 1-ton pick-up truck, the robot line striper, and depreciation costs would be funded with the fund balance.

Mayor Levine asked if the city could bond to pay for the 1-ton pick up truck. Finance Director Kristen Schabacker said no you cannot bond for that. Councilor Miller expressed interest in funding the pick up to avoid deferred maintenance and the additional costs associated with it.

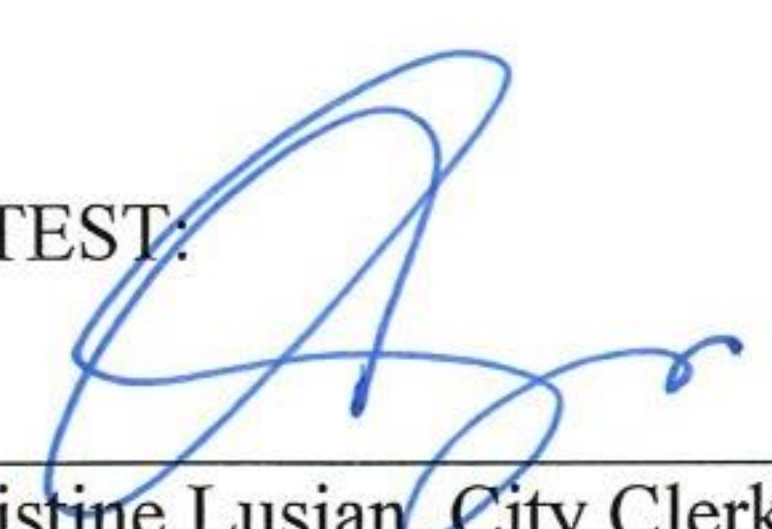
The council did not fund the Ivy Hills swing set Rrplacement, the Kensington south fence replacement, The Rogers Lake picnic shelter, the Wentworth pickleball installation, the fiber installation at the Par 3, the greens roller, the assistant to the city administrator position, scanning services, and the streets snow wolf plow for the tool cat.

Finance Director Kristen Schabacker noted that there are updated financial numbers from the County and fiscal disparities that will cause the numbers to look a little bit different when the council approves the preliminary budget.

ADJOURN

Mayor Levine adjourned the work session at 6:01pm.

ATTEST:



Christine Lusian, City Clerk



Stephanie B. Levine, Mayor