

August 24, 2022 Special City Council Meeting

MINOT CITY COUNCIL – SPECIAL MEETING – August 24, 2022 AT 5:00 P.M.

ROLL CALL

Members Present:

Evans, Jantzer (via Teams), Olson, Pitner, Ross, Streyle

Members Absent:

Podrygula

PLEDGE OF ALLEGIANCE

Mayor Ross presiding and led the City Council in the Pledge of Allegiance.

BUDGET DISCUSSION

Alderman Podrygula arrived at the meeting at 5:02 pm.

Mayor Ross addressed the council members and the public. He stated this will be a meeting to ask questions of the Department Heads to seek clarification. The meeting is not to be a line by line dissection of the FY 2023 budget. The council will go through each department to allow for any questions on the budget.

CITY COUNCIL – N/A

CITY MANAGER – N/A

HUMAN RESOURCES

Alderman Streyle pointed out that the health benefits have not been bid since 2002. He stated that it is essential to bid the health benefits for the FY 2024 budget. He would also like to see an analysis of NDPERS.

Harold Stewart stated that he did not disagree with Alderman Streyle. Currently city staff is grandfathered in on the BCBS plan. The HR Department has already begun the RFP process to secure a consultant. The city is going to be taking a comprehensive look at the benefits.

CITY ATTORNEY

Alderman Streyle inquired if the workload for this department would need 3 attorneys. Alderwoman Evans responded that she had discussed the with Kelly Hendershot and she is confident the workload would require 3 attorneys. Last year the department add a Municipal Court attorney. The workload is heaving with council items, ordinance rewrites, working with the contracted attorneys on litigation, Municipal Court, agreements/contracts, and much more.

Harold Stewart agreed that it is more cost effective to have the 3 attorneys on staff than to contract by the hour. He also agreed that this department has a significant workload with more in the future as we look to change policies.

FINANCE

Alderman Streyle wanted to the David Lakefield and Jenna Zelinski for helping answer his questions and providing him with his requested information.

INFORMATION TECHNOLOGY – N/A

ASSESSORS

Harold Stewart wanted to mention that this department will most likely see budget savings with the City Assessor due to military leave for most if not all of 2023. Alderman Streyle stated that this was the leanest budget and it shows the department is well run.

POLICE DEPARTMENT

Alderman Streyle inquired about any positions not funded in Harold's budget and if there were other areas in the department to fund as civilian positions to increase the sworn police patrol officers. Chief Klug responded that he was satisfied with the City Manager's budget. Chief Klug is confident that he will be able to fill all positions in December. He has currently filled 2 positions and will be doing another hiring cycle in December. Chief Klug also mentioned that there is potential to fill current positions with civilians.

Alderman Streyle pointed out that the PD budget has increased 31% in the last 5 years budget cycles, which shows there has been significant resources dedicated to this department.

Alderman Olson asked if it would be possible in the budget to take the money suggested to save and put it in a savings account and if positions were to get hired those funds would come from there. David Lakefield, Finance Director, replied that the money would end up in the general funds fund balance at the end of the year and then it would need to get appropriated in the future when expensed. Alderman Olson had a follow up question about if the funds could be earmarked for the Police Department. Dave stated that the money can be tracked if it is set aside.

Alderman Podrygula wanted clarification that if the positions remained in the budget but did not get filled the money could then get appropriated to the PD facility feasibility study. Dave stated that it would have to be appropriated because the funds are not committed so it could be used for anything. Alderman Podrygula asked Chief Klug for an update on the facility feasibility study for the current City Hall building possibly becoming the Police Department. Chief Klug said that the RFP should be posted by the end of this week.

Alderman Streyle commented that the salary survey showed that most PD positions are getting the 2.5% raise and mentioned the results might be hindering the PD in recruitment.

CITY COUNCIL

Alderman Evans asked about the consultant line item in the City Council budget and why it went up \$25,000. Harold Stewart replied that next year is when the community survey should happen again.

MUNICIPAL COURT – N/A

FIRE

Alderman Evans asked Chief Kelli Kronschnabel to discuss the staffing of Fire Station 5 that maybe was a miscommunication. Kelli replied only 3 firefighters will be needed to staff the new fire station. The Fire Department is able to make it work because the extra staff from taking the rescue trucks offline. There will be 9 firefighters that can move over to Fire Station 5.

Alderman Streyle asked about the capacity of Fire Station 4 out on 55th. Kelli responded that it is a fully staffed station with 4 firefighters per shift. Alderman Streyle also inquired about the theory of not having rescue trucks and only using the engines. Chief Kelli stated that the engine is a tool box and by removing the rescue trucks it allows for the shift to take a team approach.

Alderman Olson asked Kelli to confirm the cost to train a firefighter. Kelli replied that it is on average \$75,000 per firefighter for training, equipment, and time.

COMMUNITY DEVELOPMENT – N/A

ENGINEERING

Alderman Streyle addressed the two new positions in the Engineering Department that will be involved with the extra street maintenance budgeted funds. He discussed that adding these positions are not just a one-year decision. Adding positions makes it difficult to remove them if not needed. Alderman Streyle stated that there is noticeable work being done and he understands that the workload is heavy. He also understands that contracting the work is an expense but adding positions is a permanent position.

Lance stated that street maintenance projects are the usual projects that any City Engineering Department would do. He also stated that the Pavement Management Plan is a 15-year plan showing the significant pavement backlog. The new positions will be needed for at least 15 years and with the city growth the position will be needed for other projects. Lance also addressed that a contracted engineering firm would charge around \$160-\$185 per hour.

Lance also reminded the council that 2 positions are funded by enterprise funds. Those positions are the GIS Coordinator and the Storm Sewer Engineer. Alderman Streyle then asked if the tech positions could be shared with Dan in Public Works. Lance said

that the Engineering Techs position deals with the rights-of-way enforcement and sidewalk inspections. The Public Works Techs work on full-time construction inspections.

Harold Stewart asked Lance to give an update on the software improvements their department is working on since that was also part of the significant change in funding. Lance stated that the CityWorks project has the consulting funded in the Engineering Department but IT has the maintenance funding. Essentially Engineering is upgrading the process of a paper map to the GIS map to now an asset management system. This system will allow for infrastructure maintenance to be prioritized based on the assets. Licensing and permitting is still being worked on.

PUBLIC WORKS

Alderman Streyle asked Dan about the need for the Light and Heavy Operators in the budget and what is the change in workload. Dan Jonasson, Public Works Director, stated that the Storm Sewer Department has been absorbing the flood protection maintenance. These positions are meant to help with the additional workload for the flood protection such as the additional pump stations and levee maintenance. In the winter season, these positions can help with the Street Department and snow removal.

Alderman Streyle also inquired about the City of Minot not having a global fleet management for vehicles/equipment and if the Public Works Department would take that on. Dan stated that they are currently looking into this process and the concept of moving the shop foreman to a superintendent position. By doing that transition, it would allow for more help with fleet management.

Alderman Streyle feels that there needs to be more checks and balances on vehicles. Harold Stewart mentioned that with a fleet management system it is also important to look at the financial side. Staff has started to discuss a VERF, Vehicle Equipment Replacement Fund, and budgeting every year into the fund. Harold also said that there would be a committee set up that would oversee the funding.

Alderwoman Olson asked Dan if he could give the council more information on the position that could be cut in Property Maintenance. Dan stated that last year Property Maintenance asked for 3 new positions and only received 1. Property Maintenance covers 45 buildings spanning over 385,000 sq. feet. There are new buildings coming on line such as the 42, 00 sq. ft. City Hall downtown. The parking garages are a heavy workload with construction issues, pigeons, and system issues. Fire Station 5 is also coming online being another building for Property Maintenance to cover. To contract 5 day a week cleaning of City Hall it would cost around \$85,000 per year.

Alderwoman Evans inquired why the city did not raise the sewer charges for industrial users. Dan said the city has not had an industrial user since Cloverdale left town. Alderwoman Evan also wanted clarification on why the storm sewer and water did not have an adjustment with the revenues being down. Dan stated that cash reserves have helped in the past for the Water and Sewer Departments but the Storm Sewer is behind with the fee revenue. That department is behind on the storm sewer maintenance so an increase in expenses is to get caught up.

Alderwoman Evans asked Dan to discuss the two new bus driver positions and routes. Dan explained that one driver would cover the new route for the new Trinity Hospital area and one driver will be for the Erik Ramstad area. By adding these routes, the City of Minot will be able to reach more citizens. The routes should roll out in late spring or early summer of 2023 and the City of Minot currently has enough buses to add the new routes.

AIRPORT – N/A

LIBRARY

Alderwoman Evans mentioned that she was part of the Library Board that oversees the Library. The proposed budget in front of the council is different from what the Library Board approved. The difference was two positions a full-time Library Assistant and an Assistant Library Director.

Janet Anderson, Library Director, clarified that the original request to the Library Board was for an Assistant Library Director, a full-time Library Assistant and a full-time Library Administrative Assistant. Janet explained that the Library Board decided they would fund the two part-time positions to become full-time but they did not approve the Library Assistant Director position.

Harold, Dave and Janet had discussed at the time of the preliminary budget there was not funding for the two part-time positions to go full-time. Since the decrease of the health benefits was a drastic change, she would like to put the full-time Administrative Assistant back into the budget because it would not affect the mill levy.

Janet also discussed the reasons for this change. Her department consists of 24 employees and she is one of the few Department Heads without a full-time Administrative Assistant. She stated it would free up her time as the Library Direct to do more work

for the Library. To increase this part-time position to full-time it would roughly cost \$29,000-\$30,000 for the year including the benefits.

Harold Stewart wanted to clarify the difference from the Library to the other departments. The Library Director reports directly to the Library Board. He believes that the Library budget should be handled separately possibly in the future budget processes. The Library is funded by property tax and sales tax and right now the concern is that they are short in their reserve funds.

Dave Lakefield stated that it is City of Minot Ordinance to keep 1/12 of operating budget in reserves for each department. It has become City of Minot practice to maintain 3/12 of operating budget in reserves so that there is adequate funding if needed. Right now, the Library complies with the ordinance but not with the best practice of the 3/12.

Alderman Streyle asked David Lakefield to estimate the shortfall in the Library's reserve funds. Dave later replied that the Library is short roughly \$207,000 in reserves. Harold did state that the FY 2023 budget has 2 major projects for the library and they are the parking lot remodel that was pushed from the current year into next year and the remodel of the Children's Library.

Mayor Ross noted the council had been through all of the budgeted departments. He also mentioned that the next opportunity to bring up questions would be at the Budget Q & A on Sept. 6th.

Alderman Streyle wanted an update on the digitizing of payroll and would that project need more money. Lisa Jundt, HR Director, stated that her department is in the process of putting out an RFP for that project and they have also been meeting with vendors. Currently there is \$50,000 in the budget and they anticipate to go live with this project 2nd quarter of 2023.

Alderman Streyle asked is there was any way to accelerate the project. Lisa stated that it has to be done at a quarter and the end of the year is not enough time with the workload being greater at end of year already. Alderman Streyle inquired about the process of RFP because it is budgeted for \$50,000. Lisa stated it needs to go to RFP because the implementation cost is budgeted at \$50,000 plus annual maintenance.

Alderman Evans asked about the FY2023 showing a decrease in HUB City funding. David Lakefield pointed out HUB City Funding is projected with a slight increase. Some of the funding is in general fund and some is in capital equipment.

Alderman Streyle pointed out people understand dollars not mills. He stated that if you look at 2018 to 2023 budgets there is a 62% increase. Taxable evaluations are up around 9.6% and the salary increase from 2022 to 2023 is an 8.02% increase. Getting the numbers not just mills but dollars closer to zero would be the goal. Changing the benefit package so that it could be a recruitment tool would be advantageous for the City of Minot.

Alderman Evans asked the Mayor if his thoughts were to just go into the next meeting and not have any more working groups. Mayor Ross replied that this was the opportunity to ask questions for clarification. He felt everything had been accomplished and other questions can be at the Budget Q & A.

Alderman Pitner motioned the City Council eliminate the next two special meetings and maintain the Budget Q & A session on September 6, 2022. The motion was seconded by Alderman Olson.

Alderman Streyle expressed that he feels the budget process is flawed. There needs to be more engagement, more transparency and accountability. He also stated that there needs to be more discussion on the salary and benefit pieces.

Alderman Olson stated that council has been working with staff since May and participating in 30-40 hours of special meetings for the budget process. Alderman Podrygula stated that council is more involved now than before with extensive tours of the departments. He believes there have been assertive discussions with departments and this process has been done in a collaborative fashion and has been productive.

Alderman Pitner feels the budget process has come a long way especially with the process starting in the spring. He did state that it could be better and council could look at improving and changing the process. Ideas of rearranging the process such as doing council retreat first, then preliminary budget, then budget tours, then Q&A/workshops, then the President's letter.

Alderman Evans thanked the staff and felt it was helpful to have the transparency and accountabilities to the taxpayers.

Whereupon a vote was taken on the above motion by Alderman Pitner, seconded by Alderman Olson and carried by the following roll call vote: ayes: Evans, Jantzer, Olson, Pitner, Podrygula, Ross, Streyle; nays: none.


ADJOURNMENT

There being no further business, Alderman Streyle moved the City Council meeting be adjourned. Motion seconded by Alderman Pitner and carried unanimously. Meeting adjourned at 6:27 pm.

ATTEST:


Mikayla McWilliams, City Clerk

APPROVED:


Thomas Ross, Mayor

