

**ANDOVER CITY COUNCIL WORKSHOP MEETING – OCTOBER 22, 2019
MINUTES**

The Workshop Meeting of the Andover City Council was called to order by Mayor Julie Trude, October 22, 2019 6:00 p.m., at the Andover City Hall, 1685 Crosstown Boulevard NW, Andover, Minnesota.

Councilmembers present: Mike Knight, Sheri Bukkila, Valerie Holthus and Jamie Barthel

Councilmember absent: None

Park Commissioners present: Chair Jim Lindahl, Commissioners Ted Butler, Angela Marinello, Kathy McElhose, Mark Miskowiec, Dawn Perra and Jake Widmyer

Also present: City Administrator, Jim Dickinson
Community Development Director, Joe Janish
Director of Public Works/City Engineer, David Berkowitz
Assistant Public Works Director, Todd Haas
Parks Maintenance Supervisor, Jason Grode
Others

Approval of the agenda

Mayor Trude moved Item #1f ahead of Item #1a to accommodate residents in the audience.

Motion by Holthus, Seconded by Barthel to approve the Workshop agenda as amended. Motion carried unanimously.

1. JOINT MEETING WITH PARK & RECREATION COMMISSION

f. DISCUSS MOWING AREAS WITHIN NATURAL AREAS VERSUS IRRIGATED AREAS

Public Works Director Berkowitz gave background information on the decision to reduce mowing in 2009 in order to cut costs.

Jason Grode presented historical information on mowing and park maintenance from 2009 through 2019. Mr. Grode reviewed the growth in parks, trails, and irrigation, leading to a heavier workload for the department. Mr. Grode stated staff has looked at areas where they can reduce mowing.

Mr. Berkowitz stated one additional staff person has been added since 2009 despite the park and

trail growth.

Mayor Trude questioned the installation of irrigation in parks and wanted the City to assess the benefits to the residents prior to installing irrigation.

Councilmember Holthus stated areas without irrigation wouldn't have to be mowed as often.

Mr. Grode replied that it depended on the weather. The City tries to put an inch to an inch and half of water on the turf per week.

Park Commission Chair Lindahl responded irrigation was put in to keep the grass in good condition and keep weeds out.

Mayor Trude recognized the residents from Woodland Terrace and invited them to introduce themselves and address the Council and Park and Recreation Commission.

Judy and Mark Reier, 13420 Narcissus Street, and Ellen Kohn, 13415 Narcissus Street, introduced themselves as neighbors of Terrace Park.

Mrs. Reier explained when they moved in, the lot across the street was owned by the developer and well landscaped and mowed. Since the City developed a park, it has changed. When irrigation was added, the park looked better, but in 2009, the City let the outlot grow and did not mow it.

Mr. Reier stated the outlot was used as a skating rink before it was moved to the baseball field area. He said the park is well used. His main concern is the three large triangles behind the pumphouse that are not mowed and look bad.

Mrs. Reier stated she has adjusted to the drainage ditch not being mowed, but now she looks out of her house and sees weeds. She said the pumphouse looks like it is sitting in weeds.

Mr. Reier informed the Council if the City mowed the triangles, it would only be an additional one-third acre.

Councilmember Holthus clarified that residents would like the area from the top of ridge to the trail mowed.

Councilmember Bukkila asked if it would be better to add landscaping and a border between the ridge and the slope. Ms. Kohn stated the tall grass is nice, but people walk in the park and she loses them in the grass.

Mayor Trude informed the residents this is the first time that staff has heard of this and that staff will discuss the issue and come back with a solution. Park Commission Chair Lindahl stated a solution could be to put in pollinator plants and strip mow. He stated the Conservation District

would help and the City could get grant money.

Mayor Trude stated the City normally takes good care of areas by wellhouses and the City tries to be a good neighbor. She stated that people are always receptive to better neighbors.

Mr. Berkowitz responded that staff will come back with a solution and would like to continue the conversation to talk about the bigger picture of mowing parks throughout the City.

Councilmember Bukkila would like staff to come up with options for a solution and the costs associated with each option.

Councilmember Holthus is receptive, however, believes the two areas should be mowed to the tree line at Terrace Park. She inquired about the cost of mowing per hour.

Mr. Grode responded it is approximately \$70 per hour for staff, then equipment cost on top of that.

Council came to a consensus to have staff work with the neighbors.

Mr. Berkowitz informed the Council and Park Commission that staff would like to evaluate additional areas to be no mow zones. He stated the priorities are areas that are heavily used and irrigated are regularly mowed. He stated that areas that aren't used, mowing can be reduced or eliminated. He informed the Council that if mowing areas are added, it will lead to an increase in the budget for staff, equipment, and contract mowing.

Mayor Trude stated the City has different standards for parks in rural areas, parks in developed areas, and parks with natural buffers.

Councilmember Bukkila informed the Council and Park Commission that she lives near one of those areas where mowing was reduced. She worked with staff so she could maintain on the other side of her fence. She stated this area was not irrigated and had terrible weeds. She has found this to be a great solution because the mowers are no longer bringing weeds over from the park side.

Mayor Trude stated the impact on a neighbor needs to be considered when making the decision to mow or not.

Mr. Berkowitz informed the Council that staff consistently tells residents they aren't going to make a change to the no mow zones and residents will have to come to Council before a change is made. He stressed the importance of staff staying consistent with the message.

Mayor Trude asked there be no additions to the no mow zones in well developed areas to maintain a high City standard. She asked about Hidden Creek North where she saw people walking through tall grass to get to baseball games and sit in tall grass to watch the games. She

stated the area looks forgotten.

Commissioner Ted Butler stated he has been to that park many times as a coach and there is plenty of space to watch the games without sitting in tall grass and there are bleachers.

Commissioner Perra stated the tall grass acts as a buffer so kids don't run in the street.

Mayor Trude asked everyone to look at it from a neighborhood welcoming perspective. When the City stops mowing near a resident's lot it impacts their quality of life.

Park Commission Chair Lindahl stated he would like to see more plantings and proclaimed the trend is coming for more natural areas.

Park Commission Chair Lindahl would like to see the trend of getting away from mowing and install pockets with prairie plants attracting more birds and butterflies.

Mayor Trude asked if staff had time to identify areas where these plantings could be done. She stated that grant money would certainly help.

Mr. Grode replied that staff has identified several pockets that were unused and could be turned into natural areas.

Park Commission Chair Lindahl stressed the importance of talking to the neighbors and telling them the City is planting more prairie plants and not mowing as much.

Mr. Berkowitz informed the Council that there are several areas where staff mows athletic fields and warm up/spectator areas and leaves the perimeter as a natural area.

Mayor Trude stated she likes the idea of working with neighbors and pollinator groups to find a solution using community volunteer hours and grants.

a. DISCUSS UPDATING OF THE PARK DEDICATION STUDY

Mr. Haas discussed the Park Dedication Plan and stated the Park Commission would like Council to direct staff to update the plan to make it more accurate.

Councilmember Bukkila has seen costs double from what was projected, and the list is only two years old. She questioned if the City is moving too slowly in keeping up with cost estimates and would like to see the plan updated annually.

Park Commission Chair Lindahl stated the City is divided into 4 zones and the Park Commission looks at one zone per quarter but doesn't have the resources to change anything.

Mr. Haas stated the plan is set up to be updated every 5 years, however recently, costs are going

up at a faster rate.

Mayor Trude stated the City is probably behind on our park dedication fees.

Park Commission Chair Lindahl stated that labor costs have gone up because contactors are short on labor and extremely busy, so they bid at a higher rate.

Mr. Berkowitz stated the City has not seen this rate of cost increase in 20 years and pointed out that multiple cities have not awarded projects due to high bids. Andover is planning for a 3% annual increase in costs and that under normal circumstances, a five-year plan is adequate.

Councilmember Bukkila stated park dedication fees are only part of the issue. She stated the City also needs to look at maintenance and replacement of items, taking into account the bigger picture to keep pace with the current market and economy. Councilmember Bukkila would like to see the plan updated each year.

Councilmember Barthel stated it would be nice to have it done annually to make adjustments to what is actually going on and things that have occurred that weren't expected.

Consensus of the Council is to direct staff to update the Park Dedication and Facility Study annually.

b. DISCUSS THE 2020-2024 CIP FOR PARKS

Mr. Haas presented the 5-year plan and highlighted the projects listed in the plan.

2020

Andover Station North East Ballfield Lighting -\$180,000 with \$90,000 matching funds from the baseball association.

Kelsey Round Lake Park Trail Expansion - \$175, 000 with funds from a DNR grant.

2021

Prairie Knoll Park Parking lot with curb - \$170, 000. Mr. Haas says the lot is being used frequently now that associations are required to have parking attendants. When one lot is full, attendants are directing them to the other lot.

2022 & 2023

No projects were identified.

2024

Pine Hills North Parking lot - The Park Commission would like to see it constructed but Council has removed it from the plan.

Mr. Dickinson stated park dedication funds are coming in sooner than expected and the Park Commission will have funds to work with, but he doesn't envision that continuing into the

future. He stated there is an insurgence of cash flow at this time due to the City's interest rate being high enough that developers are paying fees off.

Mayor Trude asked Mr. Dickinson to update the Park Commission on number of homes built at least this year. Mr. Dickinson stated that Andover is at 101 new home permits pulled this year with 110 anticipated by year end.

Councilmember Bukkila asked Mr. Dickinson to explain the Andover Station North land situation. Mr. Dickinson explained the Andover Station North ballfields are technically on outlots owned by the EDA and not on dedicated park land. At some point, the fields can be repurposed and sold. Pine Hills North also includes land on outlots owned by the City.

Councilmember Bukkila asked if it was a good idea to use City dollars to make improvements on property that can get turned over to be a tax generator.

Mayor Trude stated the repurposing of the outlots is quite a ways out.

Commissioner Butler stated he understands using outlots for recreational purposes; however, the challenge is if the City decides to sell the land, there would be a lot of pushback from park users and residents. He stated there would have to be a replacement of the facility somewhere else in the City.

Councilmember Bukkila stated there is a lot of potential park land in the City, whereas, there is limited commercial and industrial property. She asked if it is smart to continue to develop parks on land with the potential of being sold.

Park Commission Chair Lindahl stated sports are still growing and if a park is taken away, it must be replaced somewhere else within the City.

Councilmember Bukkila wants the City to make decisions knowingly.

Councilmember Holthus asked if lights can be moved. Park Commission Chair Lindahl stated yes, the poles can be moved to a different location.

Mayor Trude stated there is potential growth, perhaps in 10 years. The nearby business is growing, however, not at the pace expected.

Councilmember Barthel asked if the property is owned by the EDA, why doesn't the EDA pay for the lights. Commissioner Butler stated the Park Dedication Fund was in a deficit and the EDA stepped up to help to attract activity to the area.

Mr. Dickinson stated the EDA helped because finishing the park helped market and develop the surrounding area. Mr. Dickinson mentioned there are building restrictions near the WDE waste site which prohibits development within a certain perimeter of the landfill. The City gave the

nearby business tax increment funding to build there. There is potential the restrictions could go away now that the area is being cleaned up, but that will be out a number of years.

Mayor Trude stated the park helped develop the surrounding area, including the building of new homes.

Councilmember Bukkila stated parks helped develop the area, but she didn't believe the ballfields were that much of a draw.

Mayor Trude stated she found that neighbors are happy with the entire park.

Park Commission Chair Lindahl stated when there are tournaments, the surrounding businesses thrive. The park is both a draw and a benefit.

Commissioner Miskowiec asked about the parking lot at Pine Hills North and if it could be built without curbs as leaving out curbs would cut the cost significantly. Mr. Haas stated it is an option and staff would bring plans to the Park Commission with a variety of options and the Park Commission would select a recommendation to Council.

Mayor Trude stated curbs are there to keep cars off the fields.

Mr. Berkowitz stated that is correct and when there are areas with natural buffers, such as a ditch, the City has not constructed curb. He stated there are options and alternatives.

Commissioner Butler asked a question about the Pine Hills North parking lot and since the Park Fund is expecting more revenue, can the City move that up in the CIP. He stated he would like to see the master plan completed.

Mayor Trude stated the Council focused on 2020 and not much past it. She stated the reason Pine Hills North parking lot was pushed out past 2024 is that it is a rural park, an outlot, and there were budget restraints making it not a high enough priority.

Commissioner Butler stated Prairie Knoll was designed to be paved and is not operating in an efficient manner due to gravel. He stated that Prairie Knoll is a showcase park for turf sports, especially soccer.

Councilmember Holthus asked the number of police calls the Sheriff receives from both Prairie Knoll and Pine Hills. Mr. Haas replied there are calls for both parks, however, Prairie Knoll has more than Pine Hills.

Commissioner Miskowiec understands the Council is receiving complaints but doesn't believe that 3-4 squeaky wheels should be driving the decision of which parking lot to install.

Councilmember Barthel stated he voted to move Pine Hills off the CIP due to budget constraints and that if there is an increase in the funding wouldn't mind moving it back in.

Commissioner Butler stated the Park Commission would prefer to pave Pine Hills prior to Prairie Knoll.

Councilmember Holthus asked about the requirements to installing curb and if the City could just pave the parking lots at both locations and leave off the curb. Mayor Trude stated requiring curb is a City policy.

Mr. Berkowitz stated the City requires commercial properties to have curbs and asked the Park Commission and Council how they want to have the City look. He stated every road has curb and gutter. The few exceptions the City has involves a ditch where the water can run into. He stated staff prefers consistency and supports few exceptions.

Councilmember Bukkila asked Mr. Berkowitz to explain the difference in types of curbing. Mr. Berkowitz explained there are three types of curbs: B6 curb which has a 6-inch riser; surmountable curb which is in residential areas; and ribbon curbs, an 18-inch piece of concrete, which is typically used with runoff into ditches. He explained the benefits of curbing are conveyance of water, strong edge along the bituminous road or parking lot, controls traffic and parking, and lasts longer. He stated Pine Hills North has drainage ditches which may not require a curb. He stated the cost difference between curb and no curb is around 15-25%. The difference between a ribbon curb and a surmountable curb is minimal.

Mayor Trude stated it is City policy to have concrete curbs and the City needs to be careful of a double standard where the City has different rules for itself than it requires for the businesses. The only exception the City has made is where there is a drainage ditch because that is what the City has done in neighborhoods. She stated the Council is consistent on this policy.

Park Commission Chair Lindahl stated the Park Commission has talked with associations using Prairie Knoll to stagger their games so parking does not overlap. He stated Pine Hills North is used more than Prairie Knoll.

Councilmember Bukkila asked if the Park Commission wanted to flip Pine Hills North and Prairie Knoll in the budget and asked about the cost difference. Park Commission Chair Lindahl stated yes, the Park Commission would prefer that.

Mayor Trude stated there is about \$400,000 difference between the two projects. She stated she remembers the Park Commission saying the City should finish a park once it is started. Mayor Trude explained the paving of the parking lot would finish Prairie Knoll and that Council has been listening to neighbors' complaints about the parking there for years.

Park Commission Chair Lindahl asked if the City could piggyback on a street project to get the best price. Mr. Berkowitz replied it is tough to do a parking lot project with the street project and it is better to bid a parking lot with a trail project.

Mr. Dickinson stated the Pine Hills North item was originally in for 2024 and that it can be reviewed again in March when the Council and Park Commission work on the next CIP process.

Councilmember Holthus stated the Prairie Knoll parking lot is in the budget for \$170,000 and Pine Hills is in for \$520,000. She stated since the margin is so large the City can't do a flip flop. Park Commission Chair Lindahl replied that the \$520,000 includes adding a field and that the parking lot portion is only \$280,000.

Mayor Trude stated the City has had safety issues brought up by Sheriff's Office regarding Prairie Knoll and the parking lot would address the safety issue.

Staff was directed to look at the options for parking lots and bring to the Park Commission for a recommendation.

c. DISCUSS THE 2020-2024 CIP FOR PLAYGROUND EQUIPMENT REPLACEMENT FOR PARKS

Mr. Berkowitz introduced the Playground Equipment Replacement Plan and stated playgrounds have a 15-year life. He informed Council when replacing playgrounds, staff looks at replacing and refurbishing but believes a 15-year replacement plan is the best way to stay on track for quality playgrounds.

Mr. Grode displayed the list of 42 parks with playgrounds. He explained staff evaluates each playground as they replace them. He stated some parks need concrete edging, fill replacement, and items to make them ADA compliant. Mr. Grode went through the list of playgrounds for possible refurbishing and those needing replacements. He explained if staff follows the 15-year replacement schedule which is an industry standard, then the City needs to replace 3 playgrounds per year. He explained the cost of a refurbished playground is approximately \$30,000 and a replacement is approximately \$60,000. He stated factors for refurbishing include the condition of the structure, if new parts can fit the existing structure, and neighborhood input.

Commissioner McElhose asked the cost of woodchips vs rubber fill. Mr. Grode stated most cities are removing rubber fill due to health issues. He said the City is starting to use Tamarack Flex Fiber (used at Purple Park) because it lasts longer than woodchips.

Park Commission Chair Lindahl stated that more money is needed in order to replace 3 parks each year.

Councilmember Holthus recommended focusing on parks that are larger and with more amenities like ballfields, because those parks appeal to more ages. She also stated the City cannot let other parks get so bad that they are dangerous.

Park Commission Chair Lindahl stated parks are a draw to the City and in order to keep that at a quality level, the City needs to have 3 replaced per year instead of 2.

Mayor Trude asked if there were any suggestions other than more money.

Commissioner McElhose stated that refurbishing parks was one suggestion.

Mr. Berkowitz stated the City could look at reducing the parks that have playgrounds in them and taking a critical look at new parks and what amenities to put in them. He stated that cities are moving away from smaller neighborhood parks and constructing larger community parks instead.

Commissioner Perra stated one thought the Park Commission had was to not have playgrounds at parks with ballfields designed for older ages making the assumption that older aged kids have older siblings and those parks may not need a playground. She stated the parks with younger age fields have more kids using the playground.

Councilmember Bukkila stated she understood the need for more money in the budget for playground replacements and suggested moving towards the appropriate funds to replace three playgrounds per year over the next 4 years.

Councilmember Knight asked if the City had any connections with real estate agencies because they were the ones who would bring families into Andover. Park Commission Chair Lindahl stated the City could get data from the school district for age projections.

Mr. Haas informed the Council and Park Commission that staff has sent out surveys to neighbors around parks getting new playgrounds next year and has received several responses.

Mr. Dickinson stated the Playground Replacement Fund needs additional funding to do 3 replacements. He stated the question is can the City fill the gap with a one-time infusion or does the City need to increase the annual budget.

Mr. Berkowitz stated his department could put in a request for \$150,000 for the 2021 budget cycle and see how that goes.

Mayor Trude said the Council will look at new developments and determine if a park is needed in each one or if access to a park is enough. She stated that everyone usually wants a park.

d. DISCUSS THE 2020-2024 CIP FOR NEW TRAIL SEGMENT IMPROVEMENTS

Mr. Haas presented the new trail improvements scheduled in the next 5 years.

2020 Andover Station North Trail Connection and Kelsey Round Lake Park – DNR grant partial funding.

Railroad Underpass Trail Evaluation (Winslow Cove 2nd Addition). Mr. Berkowitz

informed the Council and Park Commission that the City has an agreement with Lennar Homes to construct a trail under the railroad tracks to their new development, however, if it is not feasible due to soil conditions, the City can sell the lot back to Lennar. The City has two years to make this determination but will be conducting the research and study in 2020.

2021 No trails are proposed.

2022 Crosstown Boulevard from Xeon Street to 159th Avenue.
Railroad Underpass Trail (subject to evaluation and approval by City Council).

2023 Station Parkway from Thrush Street to Hanson Boulevard.

2024 Verdin Street from 161st Avenue to 163st Lane.

Commissioner McElhose expressed her frustration with a great trail across the street from her with no way to access it due to lack of crossings on Crosstown Boulevard. Mr. Berkowitz stated the County does not put crossings in non-controlled intersections. The City is working on developing a policy for pedestrian crossing zones.

Councilmember Knight asked if there is a plan for trails by the turkey farm. Mr. Berkowitz explained there is a development planned in that area and it will include trails.

e. DISCUSS THE 2020-2024 CIP FOR TRAIL RECONSTRUCTION IMPROVEMENTS IN PARKS

Mr. Haas explained staff is seeing signs of trail reconstruction needed in park boundaries. He presented the five-year plan for trail reconstruction:

2020 Hills of Bunker Lake West Park
2021 Kelsey Round Lake Park
2022 Tom Anderson Trail in Coon Creek Park
2023-2024 No other park trails have been identified for now. Potential projects will be based on annual condition inspections.

DISCUSSION ON OTHER ITEMS

Mayor Trude opened the floor to the Park Commission to talk about items not on the agenda.

Commissioner Miskowiec expressed interest in not mowing the natural areas. He liked the idea of expanding no mow zones but on a case by case basis. He suggested only adding mowed areas if the City takes away a mowed area. He expressed his confidence in staff determining the no mow zones.

Mayor Trude stated residents contact Councilmembers because they are elected so Council hears more of the complaints. She urged the Park Commissioners to contact staff if they were contacted and questioned by residents and did not know the responses.

Commissioner Widmyer spoke about the Parks Department needing more money for maintenance and replacement. He brought up charging fees for associations that use the parks.

Mayor Trude responded that initiating association fees is a politically charged issue. She stated she understands that the City has more turf that needs to be mowed and more irrigation.

Commissioner Perra stated the City needs to recognize the cost of adding irrigation means additional maintenance and would like to add more natural areas.

Park Commission Chair Lindahl stated there is a trend for decreased mowing and the City can become a trendsetter.

Mayor Trude brought up pickleball and stated she was contacted by residents saying Andover is the only City around that does not have outdoor courts.

Park Commission Chair Lindahl stated the Park Commission has looked at it but there hasn't been a big push. He responded that most pickleball players use the community center indoor facilities.

The Park and Recreation Commissioners left the meeting.

g. 2040 COMPREHENSIVE PLAN UPDATE DISCUSSION

Mr. Janish explained the 2040 Comprehensive Plan has been deemed incomplete and there is a discrepancy between what the City believes population growth will be and what the Met Council has determined. This discrepancy is based on density rates within the MUSA boundary. Mr. Janish informed the Council that the Met Council uses the lowest number of the City's zoning range. The Met Council also uses gross land and not net land which takes out undevelopable areas. Mr. Janish stated this process is bringing the population projection down. Mr. Janish stated staff is looking for direction from Council on what variables to use and presented staff's recommendation.

Mr. Janish stated staff would like to make the following changes: use net, not gross land; set low density at 2-4 units per acre; set medium density at 4-9 units per acre; and set high density at 9-16 units per acre. Medium density always goes through a PUD to ensure distribution of density; setting the number at 9 allows the ability to build affordable housing.

Councilmember Holthus clarified that staff's proposal is keeping Andover with the same development standards but demonstrates the opportunity for affordable housing to meet the Met

Council standards.

Mr. Dickinson stated Councilmember Holthus is correct. He stated the City has 91 acres of medium density and 112 acres of high density. He stated if we make changes to the Comprehensive Plan after it is approved then the City would go through a Comprehensive Plan Amendment.

Mr. Janish stated if the plan is not approved, Andover won't be able to extend the MUSA line.

Mr. Dickinson presented other options of meeting the Met Council standards such as making the family lot size lower and using the PUD process. He stated the last time the City made a significant update to the Comprehensive Plan was the year 2000, the last submission proposed no changes.

Mr. Janish presented locations where Andover could have medium or high-density zones based on sewer capacity. He compared it to developments already completed in the City. He assured the Council that density pockets will need to be spread out due to pipe capacity. If Council is open to these ideas, staff can fine tune the areas where medium and high density is most feasible.

Mr. Dickinson stated staff can bring this item back to the November 6th workshop meeting. He stressed the need for Council to define the strata and staff presented these numbers to Council as a practical way to maintain the current format for how Andover is developing. When Council decides on the strata, staff can identify smaller pockets where medium and high density is preferred.

Mr. Janish stated staff is presenting a realistic number and not changing the character of Andover.

Mayor Trude stated the Council is more concerned about medium density because it will make Andover look more like Blaine.

Councilmember Bukkila would like to see what Mr. Janish comes up with regarding medium and high-density locations at the next meeting.

Mr. Janish stated as the number for the low end of the ranges is increased, the less acreage the City needs to identify at that density.

Mayor Trude stated she would prefer single-family housing on smaller lots rather than 3-4 level townhomes.

Mr. Janish clarified the consensus of the Council was to have flexibility on the low residential range, bring back proposed locations for high and medium density, and present this information to Council at the November 6th workshop.

Councilmember Knight left the meeting 9:15 p.m.

h. 2020-2024 BUDGET DEVELOPMENT UPDATE DISCUSSION

Mr. Dickinson provided an update on health care negotiations. He informed the Council that HealthPartners has proposed a 29% increase over 2019 and Andover is now above average for rates. He presented the options for the City to control the increase and provide good health care benefits as much as possible. Mr. Dickinson presented the following information:

HealthPartners - 29% increase

Blue Cross Blue Shield – exceeded HealthPartner’s increase

Medica – 45% increase

Sourcewell, Preferred One, and United Health – declined

PEEP – value plan 34.24% increase; however, the HSA plan is competitive but changing to a completely different environment with a co-pay and referral environment (not open access).

Mr. Dickinson stated to stay within an open access plan the best he can do is institute an HRA with a 10-14% increase. He presented the bigger question of what type of employer does Andover want to be. He stated it is a competitive marketplace, and if the City is not providing good health insurance, the City is not going to be as competitive in the job market.

Councilmember Bukkila pointed out that there are employees in two different buildings on the City campus and when one person gets sick, it tends to spread quickly. She stated if costs are too high, employees won’t go to the doctor and will come to work sick, spreading the illness.

Mayor Trude asked if employees pay anything towards the premium and most places have employees pay something. Mr. Dickinson responded the City covers the entire cost for the lower level single coverage and contributes towards family coverage.

Councilmember Bukkila stated she used to get free single coverage, but now pays for single coverage. She stated her employer has multiple levels of coverage: single, employee plus children, employee plus spouse, and family. Mr. Dickinson responded if the City had those options, the family cost will go higher.

Mr. Dickinson stated the City provides options for two plans: one with lower out of pocket and one with a higher deductible.

Councilmember Barthel asked what the employees preferred. Mr. Dickinson responded it depends on who you talk to. He asked Council to take the information and think about it so they could provide guidance.

Mayor Trude stated it’s not just a financial issue, it’s also a retention and recruitment issue. The Council concurred.

Mr. Dickinson concurred and relayed that Andover has lost staff to neighboring cities and the

County, he will present a recommendation after receiving more feedback from the broker and the City Insurance Committee.

STAFFING ISSUES

Mr. Dickinson reported that the Building Department will have some future retirements and he reported that there is a potential leave where they may be reducing hours. He informed the Council that there are big projects in the mix and appropriate staffing is essential. He proposed hiring a provisional full-time, benefited, Building Inspector with appropriate licensing and when there is a retirement or resignation, the provisional employee would be permanent and staffing again reevaluated.

The Council came to a consensus to move forward with Mr. Dickinson's proposal.

Mayor Trude asked about the Fire Chief position. Mr. Dickinson responded that the City is seeing interest in the position and has received a handful of applications and with more expected.

i. COMMUNITY VISION, GOALS AND VALUES DOCUMENT REVIEW

Not discussed due to time constraints.

j. 2019 BUDGET PROGRESS REPORTS

Not discussed due to time constraints.

k. 2019 CITY INVESTMENTS REVIEW

Not discussed due to time constraints.

l. OTHER BUSINESS

None.

ADJOURNMENT

Motion by Bukkila, Seconded by Barthel, to adjourn. Motion carried unanimously. The meeting adjourned at 9:42 p.m.

Respectfully submitted,

Shari Kunza, Recording Secretary