

## **COUNCIL WORK SESSION August 7, 2023**

Under due call and notice thereof, a Council Work Session of the North Mankato City Council was held in the Council Chambers on August 7, 2023. Mayor Carlson called the meeting to order at 5:15 pm. The following were present for roll call: Council Members Peterson, Whitlock, Steiner, and Oachs, City Administrator McCann, Public Works Director Arnold, Culture, Recreation, and Quality of Life Director Heintz, and City Clerk Van Genderen.

### **David Drown Associates Organizational Work Presentation to City Council**

City Administrator McCann introduced Dr. Tessia Melvin to discuss her findings of the organizational review of the Culture, Recreation, and Quality of Life Department. Dr. Melvin reviewed DDA's organizational structure and history. She noted that the review of the Culture, Recreation, and Quality of Life Department reviewed the programs, program management, revenue, expenses, facility maintenance, job descriptions, job workload, and department organization. The scope of work included defining current positions and services, identifying current service gaps, interviewing employees concerning their current positions, examining workloads and identifying challenges and additional capacities, evaluating the department processes and workflows to identify challenges and recommend efficiencies, and reviewing job descriptions and actual duties to identify strategic alignments, segmentation of related duties and potential service combinations. The working committee included the Caswell Sports Director, Youth Sports Coordinator, Parks Maintenance, and Aquatics and Recreation Manager. The leadership team included the City Administrator, City Clerk, Culture, Recreation, and Quality of Life Director.

Dr. Melvin provided a brief assessment of the work, which was more fully described and outlined in the report. She noted, all individuals agreed that the current Department was created without the full scope of services. Since its inception, people have been given the autonomy to provide the services that they do, and expand in areas of interest, with little supervision. All are in agreement that North Mankato offers excellent programs to the residents. However, without a Community Center, the programs are seasonal. New facilities will allow the expansion into other areas of sports and continue to grow the youth recreation program. While staff believes their programs are successful, there needs to be more measurement of the department's success, especially financial responsibility. There is an inconsistency between communication platforms, and staff is not equally trained in all software applications.

Dr. Melvin assessed the deficiencies and noted a need for team communication, cross-training, finding good help to provide instruction for the kids, and ensuring the programs are fun. Each program director is responsible for revenues and expenses; there is no collaboration or entire picture. One staff member collects sponsorships, and there are questions about whether the time is being spent equally to get equal sponsorships for all programs, facilities, and events. During summer and fall staff put in 60-70 hours a week, but then slow through the rest of the year. There needs to be more monitoring of time or work completed. There is a general concern among staff about the need for more accountability of staff members. There is a perception that there needs to be discipline for staff who consistently prove that they cannot do their job to the standards of the residents and the Director. There needs to be more acceptance of change and working together. Some staff would rather work alone. Caswell, Football, and Culture need to bring in more to cover costs.

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Dr. Melvin made several recommendations, including maintaining good relationships with residents, business owners, and other jurisdictions, continuing to provide excellent customer service, and improving the work culture. Recommendations also included automating as many processes as possible and using one platform, reviewing the current staff's exempt vs. non-exempt employee status, creating a community survey to see what services residents desire, creating individual development plans, and holding the employees accountable.

Dr. Melvin noted several areas that the Council should consider, including if the Council would like to see the area grow, leave it as is, or consider reducing the offerings by the City.

Discussion was held concerning the inception of the department and concerns about how it was developed. Dr. Melvin noted that some consideration should be given to if the City wants to continue all the current programs, cut some programs, or return the programs to the originators. Council Member Peterson noted that the City will probably never make money, but maybe the City does it to provide a quality of life.

Discussion was held concerning an organizational chart for the Culture, Recreation, and Quality of Life Department. Dr. Melvin provided four possible organizational charts to review. Culture, Recreation, and Quality of Life Director Heintz noted that she was excited about the possibilities of new staff joining the department. She indicated that any scenarios would work, and the new staffing would make anything work.

Culture, Recreation, and Quality of Life Director Heintz stated it would be good to review the value that is being offered along with the financial responsibility. Council Member Oachs stated she was looking forward to the future and having the Council be more involved in the department's formation.

Discussion was held concerning ensuring the continued programs are worthwhile and provide value to the community. The additional use of volunteers was considered to help offset costs and have organizations pay more for utilizing the City's facilities.

Discussion was held concerning the gap that the City is filling for some communities. Council Member Steiner noted that the City needs to ensure it is first a City and not merely youth entertainment.

Dr. Melvin stated that the City might need to review job descriptions and FLSA status as some positions should not be exempt. She noted that some positions are working full-time, exempt from a position that should be part-time as they are only doing one seasonal activity.

City Administrator McCann stated he heard from Council that the City would talk to user groups to explore user fees, analyze the use of volunteers and review the jobs and expand the responsibilities of the staff if they are to remain full-time. He noted that staff would keep the City Council informed of changes.

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### **Discussion on Marijuana in Public Places**

Attorney Chris Kennedy appeared before Council and reviewed the new provisions approved by State Legislature and enacted on August 1, 2023. He noted that individuals could legally possess and consume marijuana on private property, at home, and events licensed for on-site consumption. Smoking marijuana is also prohibited in any place where smoking is not allowed under the Minnesota Clear Air Act. The statute does not prevent the consumption or smoking of marijuana in other public areas, such as parks, sidewalks, or outside a restaurant or bar. Cities would require additional action to ban marijuana in those areas. Attorney Kennedy noted that some cities were banning the smoking of marijuana in areas where smoking tobacco was banned. The City of North Mankato currently does not ban smoking in public places such as parks or public areas.

Attorney Kennedy reviewed the three options before the City. Option 1 would be that the City not take any action and allow the smoking of marijuana in any place that the Clean Air Act does not prohibit it. Option 2 would create an ordinance where the City would ban marijuana and tobacco from public properties. Option 3 would ban the smoking of marijuana in public spaces but allow the smoking of tobacco. If option three is chosen, the City would need to articulate its reasoning for treating the smoking of marijuana differently from the smoking of tobacco.

Council discussed the clean air act and the smoking of tobacco at the doors of establishments, and if smoking of marijuana occurs at those locations, minors could inhale the smoke. Discussion was held, noting that if tobacco smoking was allowed and not marijuana, regulating it would be difficult. Council was concerned about the enforcement by law enforcement and what it would take to make enforcing the laws the easiest for the police department. Chief Gullickson noted that whatever choice the Council makes, his staff is prepared to manage and enforce the laws. Police Chief Gullickson also pointed out that all businesses have the right to determine if smoking of any kind will be allowed on their premises.

City Administrator McCann instructed Attorney Kennedy to prepare two ordinances, one that would ban smoking both tobacco and marijuana in public spaces, the other that just banned the smoking of marijuana in public areas. The ordinances would be brought before the Council, and the Council could decide which ordinance they wanted to move forward.

### **Budget Work Session-Tax Levy Supported Funds**

City Administrator McCann stated that staff requests Council's guidance in planning the 2024 budget. The numbers presented includes all staff requests, and Council will have some time to review the submissions and guide the staff by providing a tax levy goal. The Council will need to make a preliminary determination and set the maximum possible tax levy at the end of September.

Finance Director Ryan noted that all Department Head Budget requests were included in the following documents, along with a summary of how all the requests would impact the levy. She said the documents currently do not include smaller increases such as wages, insurance,

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utilities, and supplies. Those items will be included as the Council goes through each fund. She noted that in 2023, the City had a levy increase of 8.8%; however, the overall tax rate was lowered by 3.805%, bringing it to a total of 44.028%. With all the requests this year, if all requests were granted, the City would need a levy rate increase of 44.04%, increasing the overall tax rate by 14.038%. The more significant increases included adding 7.5 staff members, purchasing vehicles and large equipment, and an increase of over \$500,000 for the mill and overlay budget.

The Council requested prioritization of the requests. Police Chief Gullickson had requested 1.5 new positions. He prioritized the change of their part-time administrative staff to a full-time administrative staff due to increased paperwork associated with the growth of the City and his plan to implement body cameras which will also increase administrative work. His second position was a request to fund a Drug Task Force Agent to assist the DTF, which has four agents and one commander working in five counties. The agency has requested additional staff. The agent would report to Chief Gullickson but work for DTF.

Culture, Recreation, and Quality of Life Director noted that the repair of the pool liner is a necessity as the liner is currently leaking. The leak is under the concrete deck, and the City will need to remove the decking to effectuate a repair.

Public Works Director Arnold prioritized his request for an Environmental Technician, the Parks Maintenance Worker, and the Streets Maintenance Worker, followed by the Parks Superintendent. He suggested it might be easier for the department to obtain a bucket of money and then prioritize the equipment. He noted he believed the City was behind in purchasing all equipment, including mowers.

City Administrator McCann requested guidance on where Council would like to see the tax rate and staff can prioritize. Does the Council want the tax rate to continue to decrease, remain steady or decline slightly?

The Council guided staff by indicating that they would like to maintain the tax rate with the possibility of a slight increase based on the observed need presented by the staff. Finance Director Ryan reported she would work with the staff to establish priorities and provide Council with options at a future Council Work Session.

### **Other Business**

Council Member Oachs noted that the REDA position still needs a formal appointment.

Council Member Oachs stated she would like to see a review of the City Code concerning the purchasing and contract negotiation power of the City Administrator.

Council Member Steiner moved, seconded by Council Member Oachs, to adjourn the Council Work Session at 7:00 pm.

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Mayor

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City Clerk