



STAFF REPORT

DATE: March 7, 2017
REGULAR
ITEM #: 16

AGENDA ITEM: 2017-2018 Work Plan

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

Council and Department Heads held a work session on January 31st to develop the 2017 work plan. The discussion was facilitated by Phil Kern and included a review of the city's mission statement, governing principles, values, strengths, opportunities and challenges. This led to the development of a list of goals for 2017-2018.

ISSUE BEFORE COUNCIL:

What goals should council adopt in the 2017-2018 work plan?

PROPOSAL:

A copy of the 2017-2018 work plan prepared by Phil Kern is attached. On the last page is the list of goals the group came up with on January 31st. They include the following:

- **Utilize technology advances for service efficiencies**
 - **Develop an online utility bill pay system and automated meter reading program**
 - **Implement GIS system**
- **Construct trail improvements to area schools**
- **Adopt level of service parameters**
- **Develop a public facilities space needs plan (Fire Station, City Hall)**
- **Create an economic development plan/strategy**
- **Develop a Highway 36 management plan (City priorities)**
- **Approve Comprehensive Plan with unanimous Council support**
- **Develop a plan for completing 5th Street**
- **Conduct a review of the lighting ordinance**
- **Stabilize and energize staff**
 - **Less turnover, increase applicant pool for open positions**
 - **Modify organizational plan to address modernizing of positions**
- **Provide a greater variety of recreational opportunities (i.e., mountain biking, dog park, winter activities)**
- **Implement VMX zoning downtown to encourage economic development**
- **Maintain Council focus on priorities not personalities**

FISCAL IMPACT:

TBD

OPTIONS:

- 1) Adopt the goals identified in the draft work plan
- 2) Amend the list and then adopt the goals in the draft work plan
- 3) Do not adopt goals for 2017-2018

RECOMMENDATION:

“Motion to adopt the goals identified in the draft 2017-2018 work plan.”

ATTACHMENTS:

- Cover Letter from Phil Kern
- Draft 2017-2018 Work Plan

February 26, 2017

Honorable Mayor and Councilmembers
City of Lake Elmo
3800 Laverne Avenue North
Lake Elmo, MN 55042

RE: 2017 Workplan

Dear Mayor and members of the City Council:

It is my pleasure to present you with the final report summarizing the work completed in the 2017 Goal Setting Worksession held on January 31, 2017.

The document enclosed reviews the important work completed by your team regarding the City's current position and the direction you wish to head in the future. Through the discussion and brainstorming, your team discussed the critical issues facing your community and the strengths present on which to lean to achieve your goals. It will be important as your community proceeds in the coming months and years to continue to focus on the values of your organization and set sights on achieving the common goals.

It was my pleasure to serve as your facilitator for this important exercise. I enjoyed the opportunity to meet each of you and work with your staff.

Sincerely,

Phil Kern
Facilitator

Submitted electronically

City of Lake Elmo

2017-18 Workplan

On January 31, 2017, the Lake Elmo City Council and Department Heads convened in a special session to discuss the status of the organization and brainstorm key priorities for the coming 1-3 year period. The session included Mayor Mike Pearson, Councilmembers Justin Bloyer, Julie Fliflet, Jill Lundgren, and Christine Nelson, City Administrator Kristina Handt, Fire Chief Greg Malmquist, Planning Director Stephen Wensman, Public Works Director Rob Weldon, City Clerk Julie Johnson, and Building Official Mike Bent. The work session included a review of the City's previously adopted mission and values, along with drafts of governing principles and core ideas previously discussed in 2014.

MISSION

The mission of any organization is a statement of the overall purpose and the value proposition it aims to deliver. An effective mission is brief yet thoroughly establishes for decision-makers, staff, and its stakeholders what the organization promises to deliver. Participants in the session reviewed the City's previously adopted mission:

Lake Elmo's Commitment to the Community

To provide quality public services in a fiscally responsible manner while preserving the City's open space character.

Without objections, participants generally commented that this mission statement still holds true to the City's overall purpose.

Discussion also considered previously discussed "Governing Principles" that were part of Council discussions in 2014 and 2015. There was some disagreement as to whether or not these principles were formerly adopted in the past, and several participants felt that parts of these principles may not apply to the direction of the City. Therefore, it is recommended that the City focus on its mission statement as the guiding statement of its purpose and discard the "Governing Principles." The mission statement can sufficiently provide clarity as to the City's primary objectives - high quality public services, fiscal responsibility, and open space preservation.

VALUES

Organizational values are an important statement of the norms expected at all levels. In local government, effective governance requires that members of the City Council conduct actions in a manner consistent with agreed upon values. Additionally, every day City staff members are expected to perform at a high level on behalf of the community stakeholders. A successful integration of organizational values requires that employees know and understand what behaviors are expected. Some organizations go as far as to make organizational values part of Council and staff training and

development.

The City of Lake Elmo prominently displays its values in its Council Chambers and the lobby for all to see when entering the building. The participants agreed, without objection, that the following values should be the focus of the organization:

Ethics and Integrity – We believe that ethics and integrity are the foundation of public trust and confidence and that all meaningful relationships are built on these values.

Visionary Leadership and Planning – We believe that the very essence of leadership is to be visionary and innovative while planning for the future.

Excellence and Quality in the Delivery of Services – We believe that service to our residents is our reason for being and commit to delivering services in a professional, cost-effective, and efficient manner.

Fiscal Responsibility – We believe that fiscal responsibility and prudent stewardship of public funds, both short-term and long-term, are essential for citizen confidence in government.

Open and Honest Communication – We believe that open and honest communication is paramount for an involved citizenry and fosters a positive working environment for employees.

Respect for the Individual – We believe that citizens we serve are to be treated with the utmost respect and deserve the best treatment the City can provide.

Thoughtful Community Building – We believe in the development of our community through thoughtful, careful planning that is communicated in a positive manner that enhances the process.

Professionalism – We believe that continuous improvement and innovation is the mark of a professional organization and we are committed to applying this principle to the services we offer and development of employees.

ISSUES IDENTIFICATION

After discussing the mission and values of the organization, the session moved on to the assessment of the organization as it exists today. This process provided participants with the opportunity to focus on the strengths of the organization, the opportunities it has in the near future, and the challenges it has to overcome. This process provided the background necessary for participants to think about what the most critical goals are in the coming years.

The first activity focused on the strengths of the organization. Specifically, participants were asked what elements of the City would they be most proud to publicly share with others less familiar with Lake Elmo. The members of the Council and staff identified the following as strengths:

- Growth
- Diversity of development types
- Community pride
- Vibrant residents
- Present opportunity to shape the future

- Engagement of the community
- Recreational opportunities
- Rural character and open space
- Resurgence of the Library, volunteers a big part
- Adjustments/Learning opportunities from the past
- Improving governance
- Low taxes
- Dedicated staff
- Downtown Area

The strengths identified by this exercise paint a very positive picture of Lake Elmo's many assets. Participants talked glowingly about the active and engaged citizenry in Lake Elmo. In a time when many communities struggle with volunteerism and civic participation, the fact that the session focused on these elements was an impressive statement of the community. The strengths also point to economic viability, an engaged staff, and a low local tax structure.

The brainstorming of opportunities followed the themes of many of these strengths as discussion turned to what's next in Lake Elmo. Actively discussing and sharing perspectives of the opportunities provide a strong basis to set goals to take advantage of what's possible. Participants identified the following as opportunities:

- Advances in technology that could lead to municipal efficiencies
- Growth interest leading to economic development and downtown vitality
- Growth providing a tool for improving public amenities
- Governance improvement - chance to re-write the narrative and improve reputation
- Comprehensive Plan update
 - Establish growth objectives
 - Opportunity for community involvement
 - Chance to "get it right"

Clearly, the work session participants see the Comprehensive Plan update, and planning in general, as an opportunity to shape the long-term future of the community. Council and staff believe that involving the community will be important to developing key objectives and establishing an effective Comprehensive Plan to guide the community. The subsequent growth of the community can also provide many positive improvements, such as economic development, downtown vitality, and improving public amenities.

The final of the three organizational assessment activities focused on the challenges the community faces. This activity requires an honest assessment of the organization, and while all brainstormed ideas are not necessarily agreed upon by all, it provides a snapshot of the varying perspectives about the challenges the City faces. The challenges brainstormed include the following:

- Governance reputation
- Staffing retention and hiring due to governance reputation
- Facilities - fractured, aging, etc.
- Managing growth and density

- Managing clear and honest service expectations with stakeholders
- Split Council

While many of the strengths and opportunities focused on the community, the discussion of challenges clearly focused on the internal dynamics of the City team. Participants discussed the split council and impacts it has on retaining staff and recruitment to fill vacant positions as significant challenges. Additionally, growth pressures and effectively managing it are also challenges facing the City.

Development of a Workplan

Following the issues identification phase of the work session, the Council and staff developed ideas for a goals platform to guide the City's actions over the next 1-3 years. This timeframe is used to establish a workplan that can reasonably be accomplished over the next two years, but also challenges to think of goals that may stretch the organization.

Participants were asked to focus on goals that were measurable, manageable, and achievable. To that end, effective goals need to be within the organization's capability to control. For example, a goal such as "Create \$50 Million in economic development activity" may be a desirable long-term goal, but in terms of the 1-3 year workplan, this goal may not be manageable due to the fact that economic factors outside of the control of Lake Elmo may prohibit its success. Likewise, the workplan should contain goals that can be measured and can be accomplished in the timeline.

As the final step in the workplan development, the Council should formally adopt all, or a portion, of the goals listed below.

- **Utilize technology advances for service efficiencies**
 - Develop an online utility bill pay system and automated meter reading program
 - Implement GIS system
- **Construct trail improvements to area schools**
- **Adopt level of service parameters**
- **Develop a public facilities space needs plan (Fire Station, City Hall)**
- **Create an economic development plan/strategy**
- **Develop a Highway 36 management plan (City priorities)**
- **Approve Comprehensive Plan with unanimous Council support**
- **Develop a plan for completing 5th Street**
- **Conduct a review of the lighting ordinance**
- **Stabilize and energize staff**
 - Less turnover, increase applicant pool for open positions
 - Modify organizational plan to address modernizing of positions
- **Provide a greater variety of recreational opportunities (i.e., mountain biking, dog park, winter activities)**
- **Implement VMX zoning downtown to encourage economic development**
- **Maintain Council focus on priorities not personalities**

Next Steps

The workplan is ready for review and adoption by the City Council, which will key implementation by City staff. The City has invested quality time and effort into the review of mission and values, along with

the development of a goals program. Ongoing review and measurement against the adopted goals will be an important action step for staff and the City Council.