



STAFF REPORT

DATE: March 14, 2023

DISCUSSION

AGENDA ITEM: 2023-2024 Council Work Plan

TO: Mayor and Council and Planning Commission

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

At the February 21, 2023 council meeting this item was tabled for further discussion at a work session. Council members were also asked to think about writing out their top goal in SMART format (Specific, Measurable, Attainable, Relevant and Time-Bound).

ISSUE BEFORE COUNCIL:

What are the top goals for the 2023-2024 time period? Are they clear enough for everyone to understand what should be accomplished? Is it something we can accomplish in a two-year time span?

PROPOSAL DETAILS/ANALYSIS:

I've included the agenda item as presented at the February 21st meeting.

A smart goal related to the water issue might be: Obtain DNR Approval for Well 6 Site by 12/31/23.

FISCAL IMPACT:

TBD

ATTACHMENT:

- Feb 21, 2023 Agenda Item #14



STAFF REPORT

DATE: February 21, 2023
REGULAR

AGENDA ITEM: 2023 Goal Setting Report and 2023-2024 Work Plan

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

Council and Department Heads held a work session on January 24, 2023 to develop the 2023-2024 work plan. The discussion was facilitated by Phil Kern and included an environmental scan of the city to identify strengths, weakness, opportunities, challenges and trends. This led to the development of a list of goals for 2023-2024 that were voted on by council and staff.

ISSUE BEFORE COUNCIL:

What goals should council adopt in the 2023-2024 work plan?

PROPOSAL:

A copy of the 2023 Goal Setting Report prepared by Phil Kern is attached.

There were five goals that received support from a majority of the Council. Additionally, there were four goals that had at the support of at least 2 members of Council.

Proposed 2023-2024 Short-Term Goals

High Priority

1. Update the Water Supply Plan - reflect new PFAS findings, strive to have one additional well, develop policy(ies) related to clean water and water management, and reduce irrigation/peak levels of community usage
2. Develop a comprehensive financial and management plan for parks - facilities, land, amenities and uses - to guide prioritization and decision-making
3. Explore ways to increase non-property tax revenues, including consideration of franchise fees
4. Develop a sustainable approach to execute the work of the Commissions - increase public participation and community engagement in decision-making
5. Finance and implement dashboards - implement a 5-year operation plan by department

Priority

6. Produce and take action on RFP to develop 180 acres of City land
7. Complete Pavement Management Plan
8. Move into and become fully-functional in City Center (including Washington County Sheriff's Department)

9. Establish vision/goal for a multi-use community space

Are goals 1-5 still the goals the council would like to focus on for the next year and a half? Given some staff vacancies, would Council consider hiring an outside firm to complete some of these items? Alternatively, as the Mayor referenced at the work session perhaps by making them SMART goals they will more realistically align with our resources.

Also Council may want to consider how, or if, the goals they set work in conjunction with the work plans approved for commissions. Having consistency can be one of the things to ensure we are all rowing in the same direction. For example, as you can see in the appendix of the report “improve connectivity of existing trails and identify areas where development isn’t likely to connect within the MUSA area” got only one Council vote. However, trail connectivity on the Parks Commission work plan approved last meeting was rated as a Priority 1 (highest priority). Another Priority 1 from the approved Parks Commission work plan is “reassess funding priorities as needed” through updating the Capital Improvement Plan. Is that similar to goal 2 in the council work plan?

Perhaps a more realistic goal related to long term planning and financing would be to increase the CIP to 10 years or more and identify operating expenses related to new additions (i.e. more parks and trails). This would help cover the utility item as well as maybe the pavement management item in addition to the parks item noted above. Planning 50 years out is likely too big of a leap from our current 5 year plan and not something seen in many other cities but maybe something we work toward over time in incremental steps, i.e. all department CIPs out 10 years in 2023, 15 years in 2024, etc.

Lastly, what feedback does council have to help us understand what is being requested in goal 5? As I mentioned at the goal setting session, I thought we had done those things. Council has been receiving quarterly dashboard for a year now. The city also began participating in the state performance measurement program. With respect to 5 year plans, those seem to be included in each department audit we’ve completed as shown in the implementation recommendations sections. We’ve been using those as we develop annual budgets (adding staff, increasing technology use in building dept., etc.) and I’ve used them in setting individual goals for department heads in their performance reviews.

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) Table discussion until the March work session
- 4) Do not adopt goals for 2023-24

RECOMMENDATION:

“Motion to amend goal(s) and then adopt the goals identified in the draft 2023-24 work plan.”

OR

“Motion to postpone until the March work session.”

ATTACHMENTS:

- Draft 2023-24 Work Plan

City of Lake Elmo

2023-2024 Strategic Planning and Goal Setting Report

PROCESS

On January 24, 2023, the Lake Elmo City Council and Staff Leadership Team convened its biennial goal setting and strategic planning session to review progress on previous goals and establish new targets for the organization in 2023-2024.

The process built upon the strategic planning foundations established in previous years and focused primarily on examining the present status of the City and organization to develop a workplan for Council and staff consistent with the Mission and Values Statements. The participants engaged in discussion around a series of questions to examine the areas of strength and weakness, along with potential impacts and opportunities on the horizon. This report will reaffirm the Mission and Values Statement established in previous strategic planning processes and recap the goals as outlined for 2023-2024.

The City Council will now consider the results of the session through the process of adopting its 2023-2024 Strategic Plan. This report contains a summary of the session and outlines the outcomes in the form of a work plan to guide the City moving forward.

MISSION AND VALUES STATEMENTS

The mission statement is the first part of the organizational statement that addresses the manner in which the City will conduct its business. The process of working towards the vision and core strategies is important work and it is the mission that outlines how the City will perform its operations. It is a commitment to the community and statement of clarity for staff regarding the method in which the organization seeks to act.

Lake Elmo Mission Statement

**The mission of the City of Lake Elmo is to provide planned, quality public services
in a fiscally responsible manner in partnership with our community.**

Supporting the Mission of the City, previous strategic planning sessions resulted in the development and adoption of organizational values statements. These statements are adopted values that affirm the manner in which the City expects to perform and identify its long-term priorities.

The following values are fundamental to the City of Lake Elmo's success and the fulfillment of our mission:

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.

Community Engagement – We believe that creating and fostering a community with engaged, active, and informed stakeholders is necessary for a healthy city.

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.

Accountability - We believe in decision-making processes that are based on facts, data, and the prioritization of community interests above the individual.

ENVIRONMENTAL ASSESSMENT

One of the primary activities of the session was conducting an environmental scan of the City and organization. This activity is designed to consider the present state of the community from a variety of perspectives. In a large group setting, participants were asked to consider its strengths, challenges, areas where the City has momentum, and explore trends and issues that face the City in the coming years. The scan provided the basis for the group's efforts later in the work session to develop the goals that will guide the organization in the coming years.

In its first assessment activity, the group was asked to consider all of the things that identify as strengths of Lake Elmo, both as a City and the organization itself. Participants were encouraged to think of projects, services, actions, and policies. After discussing the strengths, participants turned their attention towards reviewing City and organizational areas that need improvement. These items are areas that presently challenge the organization and City. The third assessment area of discussion was around the actions that are presently underway that provide for organizational momentum. The group brainstormed areas where the City had opportunities based on current conditions and actions.

Following the assessment of its strengths, challenges and areas of momentum, the group moved on to the final brainstorming activity - anticipating emerging trends or issues that may impact the City. Forecasting potential external changes or impacts is a key step in the process to help leadership anticipate pressures and opportunities that may arise. To guide this process, the participants followed a STEP model of analysis, thinking about trends and external impacts in the areas of socio-cultural, technical, economical, and political. Thinking about the ongoing opportunities and challenges in each of these areas provides a variety of important perspectives for the City in the coming years.

The results of the environmental scan have been provided as an appendix to this report.

SHORT-TERM GOALS

The primary focus of the 2023-2024 goal setting session was to develop a short-term goals platform and workplan to guide the organization in the coming years. Participants were offered the opportunity to present draft goals that addressed any of the following objectives - previous goals that had yet to be fully accomplished, goals to address weaknesses, opportunities, or potential impacts discussed during the assessment process, or other goals that individual members viewed to be important for the City. The process encouraged the brainstorming of SMART goals - specific, measurable, attainable, relevant, and time-bound (1-3 years) - and objectives that would support the core strategies and vision.

Following the brainstorming process, a prioritization process was used to develop the following list of high priority and priority goals. Participants were given the ability to choose a limited number of brainstormed goals as their top priorities. As each participant's choices were collected, the draft goals were bunched into three categories. The categories and prioritization followed these guidelines:

- High Priority Goals - goals that were identified by a majority of the Council as top priority and also received support from City Staff.
- Priority Goals - goals that fell short of a Council majority but were identified as a top priority by at least two members of the Council and multiple members participating in the session or two or more staff members.
- Other Goals - goals that did not have an initial priority ranking by more than one member. (Included as an appendix to the report.)

Proposed 2023-2024 Short-Term Goals

High Priority

1. **Update the Water Supply Plan - reflect new PFAS findings, strive to have one additional well, develop policy(ies) related to clean water and water management, and reduce irrigation/peak levels of community usage**
2. **Develop a comprehensive financial and management plan for parks - facilities, land, amenities and uses - to guide prioritization and decision-making**
3. **Explore ways to increase non-property tax revenues, including consideration of franchise fees**
4. **Develop a sustainable approach to execute the work of the Commissions - increase public participation and community engagement in decision-making**
5. **Finance and implement dashboards - implement a 5-year operation plan by department**

Priority

6. **Produce and take action on RFP to develop 180 acres of City land**
7. **Complete Pavement Management Plan**
8. **Move into and become fully-functional in City Center (including Washington County Sheriff's Department)**
9. **Establish vision/goal for a multi-use community space**

NEXT STEPS

The next step in the goal setting process is to work within each of these short-term goals to develop action plans and the establishment of benchmarks to measure progress. One of the discussion items during the workshop involved the identification of measurables, or benchmarks, to effectively evaluate the City's accomplishment of each goal. Developing measurable outcomes for each goal will also help in the development of action plans to reach the desired outcome. The goals should then be revisited from time-to-time as an accountability measure for both the Council and staff.

Additionally, finding ways to integrate the goals into the organizational processes also helps to develop success. Building on the methods in which Lake Elmo has been successful in the past is recommended, along with exploring new methods of keeping the goals on the forefront of the leadership team's efforts. It was an honor to assist your team in the process of establishing its Strategic Plan for the coming years.

Respectfully submitted,

Phil Kern
Facilitator

Appendix

City of Lake Elmo 2023 Strategic Planning and Goal Setting Report

Environmental Assessment Outcomes

Strengths	Challenges
Quality staff and director-level personnel	Staffing and tight job market
Council - diverse backgrounds allowing for better decision-making	Hard to fill volunteers spots (Commissions, etc.)
Organization is less volatile and focused	Water, water, water
Knowledge set amongst staff	Supply chain issues, ripples it causes
Staff/Council have become more flexible in decision-making	Increased costs for goods, products
New Lake Elmo Connect group	Public expectation of services, amenities (coming from larger communities)
More positive community action, engagements	Culture challenge - differences/conflict between service expectations, taxes, etc.
Big strides in use of tech for community engagement	Culture challenge - workforce, volunteering, pay expectations
Infrastructure, investments have been made with growth	Keeping up with demand, usage for fields
Basic services providing space for activities	Prioritizing goals/vision in Comprehensive Plan
Population, people are looking to be involved	Financing compared to goals/demands
Community resources - affluence and positive traits	Traditional finance policies not working
Low tax rate	Channeling resources
Good financial position	Building relationships with other institutions
Parks, Park Reserve	Economic impacts (inflation) on development, City
Good, strong public safety commitment	Attracting commercial development
Directors, staff working together well	Community expectations v. Financial impacts, not having that community conversation
Growing professionalism	Getting to learn, operate City Center
Communication between Council & Staff	Fire Paid-on-call working through issues with FT staff
	Growth, increasing cost of Public Safety
	County Cost Participation - increased costs

Trends, Challenges, Opportunities	Momentum
Remote work - both impacts on the workforce and employer considerations	I-94 Commercial interest
PFAS Regulations - Feds start regulating (?)	Water Tower going up
Cultural changes in families, such as screen time and changes in ways of interaction	Work with legislators, engaged (water issues, etc.)
Changes in laws - Cannabis, impacts of law changes	Public perception, council positive action
Economic impacts - recession possibility	Connect Lake Elmo group
Increasing reliance on Emergency Services - people staying in the community as they age	EDA - Community Development role
Development/Growth/Density changes PS actions	Working through natural growing pains
Changes in laws - employment, paid leave	People and groups are increasing what they invest
White Bear Lake water issue	Council support for adding new positions, equipment, materials
PFAS funding (?)	Staff proposing only community-beneficial things
Aging facilities/infrastructure	Utilizing technology, doing more with less
How we use technology	Program audits at Department level
Security-related to technology	Available land
Swings in housing development patterns/demand for type	
Changes in how the public communicates	
Decrease in cable subscribers - Cable Commission, impacts on operations, cost	
Changes in energy regulations	

CC	S	Short-Term Goal
5	4	Update water supply plan - reflect new PFAS findings, strive to have one additional well, develop policy/ies related to clean water/water management, reduce irrigation and reduce levels of peak community usage
5	3	Develop a comprehensive financial and management plan for parks - facilities, land, amenities, uses - to guide prioritization/decision-making
3	2	Explore ways to increase non-property tax revenues, including consideration of franchise fees
3	0	Develop a sustainable approach to execute the work of Commissions - increase public participation, community engagement in decision-making
3	0	Finance and implement dashboards and implement 5-year operational plan by department
2	2	Produce RFP and develop 180 acres of City land
2	3	Complete Pavement Management Plan
2	3	Move into and become fully functional in City Center - City and Washington County
2	0	Establish vision/goal for a multi-use community space
1	0	Review/Update Utility Management Plan, including cost/schedule of replacement of utilities
1	1	Update Assessment Policy
1	2	Utilize technology to streamline building/fire permitting, embrace electronic filing
1	0	Improve connectivity of existing trails and identify areas where development isn't likely to connect within the MUSA area
0	0	Develop alternative fuel system for vehicles
0	2	Assess and plan to meet Public Safety needs - Police, Fire, EMS
0	4	Actively pursue commercial and industrial development along I-94 corridor