



STAFF REPORT

DATE: March 19, 2019
REGULAR

AGENDA ITEM: 2019-2020 Work Plan

SUBMITTED BY: Kristina Handt, City Administrator

BACKGROUND:

Council and Department Heads held a work session on February 12th to develop the 2019-2020 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 2019-2020

ISSUE BEFORE COUNCIL:

What goals should council adopt in the 2019-2020 work plan?

PROPOSAL:

A copy of the 2019-2020 work plan prepared by Phil Kern is attached. On the last page is the list of goals the group came up with on February 12th. This time the Council and staff were asked to pick their top five goals in order to help prioritize them. As a result the goals have been grouped into those with the highest priority and just priority goals. They include the following:

HIGHEST PRIORITY GOALS

- Complete water supply upgrades – new well, water tower, and neighborhood connections
- Study and address fire service staffing needs
- Development an economic development plan and strategy
- Complete municipal services center (city hall/fire station)
- Research solution for bringing municipal sewer services to lake lots

PRIORITY GOALS

- Establish metrics and/or dashboard for each municipal service area (defining service levels and expectations)
- Develop City branding/marketing plan
- Develop philosophy to build capital reserves to reduce reliance on debt
- Develop a plan for 5th Street
- Utilize technology advances (GIS, automatic meter reading)
- Improve City Hall audio-visual infrastructure

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 2019-2020

RECOMMENDATION:

“Motion to adopt the goals identified in the draft 2019-2020 work plan.”

ATTACHMENTS:

- Cover Letter from Phil Kern
- Draft 2019-2020 Work Plan

March 3, 2019

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

RE: 2019 Workplan

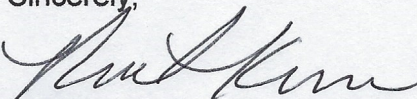
Dear Mayor and members of the City Council:

It is my pleasure to present you with the final report summarizing the work completed in the 2019 Goal Setting Worksession held on February 12, 2019.

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 work with your team again this year and help you with this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Phil Kern", written in a cursive style.

Phil Kern
Facilitator

Submitted electronically

City of Lake Elmo

2019-2020 Workplan

On February 12, 2019, 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, Christine Nelson, Lisa McGinn, and Dale Dorschner, City Administrator Kristina Handt, Assistant City Administrator Jake Foster, Fire Chief Greg Malmquist, Planning Director Ken Roberts, City Clerk Julie Johnson, Finance Director Sue Iverson and Building Official Mike Bent. The worksession included a review of the City's previously adopted mission and values, 2017-18 Workplan, an environmental assessment of current conditions, and development of a 2019-2020 Workplan.

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:

[Existing] 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.

The participants discussed the mission and that balancing "quality public services in a fiscally responsible manner" is an effective description of the organization's purpose. The group talked about the fact that the City offers a broad scope of quality services while maintaining a low tax rate. The discussion then shifted to the inclusion of "the City's open space character" in the mission. Council and staff generally discussed the idea of preserving or maintaining the City's character and offered differing perspectives on what the added descriptor "open space" provided the mission. The group reached a general consensus to revise the mission accordingly, removing the reference to open space.

Accordingly, the following draft mission is offered for consideration with the final adoption by the City Council.

[Revised] Lake Elmo's Commitment to the Community

The mission of the City of Lake Elmo is to provide planned, quality public services consistent with the City's character in a fiscally responsible manner.

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 participants reviewed the values and discussed the impact of these statements in today's leadership climate. Discussion led to supporting the statements with one amendment – including a provision about accountability and leadership driven by facts and data. Further, the discussion identified that a statement should be included identifying the group's resolve that decision-making processes are driven by community interests. To that end, this report recommends an additional values statement on accountability. This statement can be a freestanding statement or could be also be added as a second sentence with the "Professionalism" value statement. With this amendment, the group agree 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.

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

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:

- Efficient Council meetings
- Creating opportunity for diverse housing options
- Influx of residents from the east and south
- Established a respectful reputation
- Less staff turnover
- Demonstrated fiscal responsibility and Long-range strategy for financial stability
- Outstanding community recreational opportunities
- Diverse demographics, residents of all ages and stages of life
- Location and accessibility, proximity to the Twin Cities
- Excellent public safety services, safe place to live
- Desirable place to live
- Opportunities for development
- Diverse lifestyle/economy/assets (recreation, historic downtown, lakes)
- Good citizen involvement
- Full city services

There was consistency amongst the group that Lake Elmo is in a good position heading into the future. The strengths of the City that were stated by multiple members of the group included its financial stability (low tax rate), safe environment, multitude of community assets that provide a great quality of life, and its potential for future development.

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:

- Potential for commercial growth (I-94, greenfield, downtown)
- Mixed use development to support the downtown
- Providing a sustainable, safe water supply
- Providing a municipal services center (public safety, city hall)
- Build and support economic development planning
- Community events to build a stronger sense of community (e.g., surveys, community events, old car shows, Farmers Market)

- New, updated Comprehensive Plan
- Proactive leadership rather than reactive
- Fresh perspective and leadership
- Life-cycle housing options
- Low tax rate – attractive to new residents
- Schools
- Regional trails and central greenway

This activity led the group to a few common themes. The completion of the Comprehensive Plan provides a great opportunity to lead future development in a consistent, planned manner with the community's input. Lake Elmo has many assets the group identified that could help with further economic development and commercial activity along primary transportation corridors. As with the strengths exercise, the participants identified that financial stability provides opportunities going forward, as well as the proactive direction of City's current leadership team.

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:

- Municipal water supply
- Staffing, particularly meeting the needs of the fire department
- Failing private septic systems and aging infrastructure
- Increasing demand on for municipal services
- Strong neighborhood identification, concern about community identification
- Balancing external requirements or pressures of diverse housing options
- The future of Highway 36
- Managing economic development opportunities – considering community value and benefit versus taking whatever comes
- Keeping up with technology and public demands (24/7 information)

The discussion of challenges provided an interesting comparison to the same activity two years ago. At that time, one of the primary challenges was managing differences amongst the leadership team. This activity, serving as a snapshot of organizational views in February 2019, captured no concern about the team itself. Rather, the challenges the community faces generated thoughts on a wide-range of external challenges. Some of the most common responses included the increasing demand for public services and information, and particularly the City's ability to manage that growing appetite from the public. The City's water supply, aging infrastructure, and failing private septic systems also were concerns shared by most participants. The participants also had a good discussion revolving around residents identification with their neighborhood and the challenge going forward with equally maintaining a community-minded focus.

2019-2020 Workplan

Following the issues identification phase of the worksession, 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.

HIGHEST PRIORITY GOALS

- **Complete water supply upgrades – new well, water tower, and neighborhood connections**
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PRIORITY GOALS

- **Establish metrics and/or dashboard for each municipal service area (defining service levels and expectations)**
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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.