

Administrator/Clerk's Report

City Council Meeting, January 9, 2017

To: Mayor and Council

From: John M. McCarthy

Date: January 6, 2017

Consent Agenda

The Consent Agenda is a housekeeping function of meetings. Routine matters are placed in the Consent Agenda for approval without discussion. Any Councilor can request an item or items be removed from the Consent Agenda for discussion and/or action. Some of the items on this Consent Agenda are actions required by the Dundas City Code Chapter 3 § 300.01 City Council Meetings and other sections of the City Code. These actions shall occur at the first regular meeting in January (300.01 (D)):

Resolution 2017-01 Designating Depositories and Establishing Procedures for Depositing and Investing Funds: The City does everyday banking at Frandsen Bank and Trust. Frandsen provides the City with excess collateral for funds above the limits of FDIC insurance. We have CD's with the other financial institutions. Castle Rock Bank also provides excess collateral; Investments in the other institutions are below the coverage limit of FDIC. (300.01(D)(1))

Resolution 2017-02 Approving Excess Collateral and Rescinding Resolution 2013-02: This Resolution approves a change in the amount of excess collateral provided by Frandsen Bank and rescinds the Resolution approving the prior excess collateral.

Name Official Newspaper: City Code requires the Council to designate the official newspaper (300.01(D)(2)) Last year, due to better scheduling, the City changed the official newspaper to *the Faribault Daily News*. This has worked well. It is recommended the *Faribault Daily News* again be designated as the official newspaper.

Special Action Claims:

- The payment to Wells Fargo is the final payment on the 2006A GO Tax Increment Bonds. These bonds were used to finance infrastructure improvements, including the 500,000 gallon water storage tower, which were made in 2006. Tax increment payments made by College City Beverage were used to repay the bonds issued for \$1,430,000.
- The payment to Northfield Area Fire and Rescue Service is for the first half of 2017 fire protection operating budget. In accordance with the joint powers agreement Dundas pays 5.37% of the costs.
- The US Bank payment is principal and interest for the 2013A Series Bonds. This includes 2005 Refunding, CIP and Street Bonds. When the bonds were issued, the annual payments for the 2005 bonds were restructured to accelerate payments during the life of TIF District #2. Annual payments will decrease by about ½ in 2019.
- The payment to DeMann Properties is the second half 2016 tax abatement payment for the Lonsdale Paint / Gordon Simonson property.

Old Business

Consider Recommendation to Enter into an Agreement for City Engineer Services: The City received two responses, ISG with offices in Faribault and Minneapolis and WSB with offices in Burnsville, to the Request for Proposals for City Engineering Services. Both of the firms responding supplied all of the requested information. Interviews with engineering staff assigned in the proposals were conducted by Public Works Superintendent Meliza and Administrator/Clerk McCarthy. Both City staff members met with Engineer Tom McMahon regarding the proposals and information received during the interview process. References provided by the firms making

proposals were checked with positive responses being supplied by city administrators and other staff. It is agreed either firm would be an excellent choice to provide engineering services. I am recommending the City of Dundas enter into an engineering services agreement with WSB & Associates, Inc., based on the following factors:

- The firm is more specialized regarding municipal engineering.
- The engineer assigned to the City of Dundas, John M. Powell, has more experience in both public and private sectors.
- The proposal includes a detailed transition process at no cost to the City.

(Motion)

East Cannon River Trail Change Order: Due to an unusually wet construction season, work on the East Cannon River Trail connecting Dundas and Northfield was delayed. In addition it became apparent certain areas would need additional stabilization to permit a properly designed bituminous trail to be constructed. The contractor is proposing to complete the required work for a cost of \$136,322.60. Participation costs for the City of Dundas was set at 16% based on the cost of construction in the City-owned portion of the regional park. With the remaining contingency, it is estimated the cost to Dundas for the change order would be \$11,900 and could be reduced if certain wetland monitoring is not required. The City of Northfield has approved the change order based on the participation of Dundas. An alternative would be to delete the bituminous surface. If the City of Dundas approves the change order, it is projected funds in unassigned reserves could be used. It is recommended Council approve the additional cost not to exceed \$11,900. (Motion)

Consider Waiving Limit for Administrator to Approve a Construction Related Expense: One of the possible solutions to the improperly located electrical line at the lift station entails an expense which may slightly exceed the \$5,000.00 limit for approval by the city administrator. Xcel has quoted a price of \$5,314.78 to relocate into the existing easement. It is projected the current proposal could save the City in the neighborhood of \$25,000 as the need for renting and running a generator will be significantly reduced. Xcel is also looking at the reason the line was improperly located and may be able to reduce the cost. They cannot schedule the work until the City approves the expenditure. Requesting approval to authorize a change order expense of up to \$5,500 to relocate the electrical service to the lift station. (Motion)

New Business

Appoint Acting Mayor: The City Code (300.01(D)(3)) requires the Council to choose one of the Council members as Acting Mayor. Councilmember Chad Pribyl served as the Acting Mayor in 2016.

Move to name Chad Pribyl as Acting Mayor (Motion)

Appoint Officers and Members of Departments, Boards, Commission: The City Code (300.01(D)(4)) states the Mayor appoints the members with the approval of the Council. The following are the current appointments and the names of those whose terms have expired:

Dundas Planning Commission Council Representative: Councilmember Grant Modory's one year expired at the end of 2016.

Park and Recreation Advisory Board Council Representative: The one year appointment of Councilmember Chad Pribyl also expired. Pribyl has informed the Mayor he does not wish to serve another term, but will consider appointment to another committee. Councilmember Larry Fowler has agreed to serve as the representative.

Mill Towns State Trail JPB: Glenn Switzer and Larry Fowler served as members in 2016. The JPA requires the appointments to be elected officials. Unless the appointments change, there is no need to act on representatives to the MTSTJPB.

Dundas Planning Commission Board Member: The terms of Councilmember Larry Fowler and Bridgewater Township representative John Klockeman have ended. The Township has informed the City the required recommendations will be forthcoming.

Park and Recreation Advisory Board: The three-year terms of Gordon Kelly and Matt Detert expired at the end of 2016. Kelly has informed the City he will not be able to continue to serve due to other commitments. Detert has indicated he is interested in continuing to serve.

Northfield Area Fire and Rescue Service Joint Powers Board: Mayor Switzer is currently serving the last year of a three-year term. The length of the term is set by the Joint Powers Board.

Mayor Switzer recommends the following action:

Move to appoint the following:

Grant Modory to a one-year term on the Dundas Planning Commission as City Council Representative.

Larry Fowler to a one-year term on the Dundas Park and Recreation Advisory Board as City Council Representative.

Chad Pribyl to a four-year term on the Dundas Planning Commission.

Matt Detert to a three-year term on the Dundas Park and Recreation Advisory Board.

(Motion)

Appoint Council Members to City Council Committees: The Mayor recommends members of the standing committees. There are two councilmembers plus the City Administrator/Clerk for each committee. The following councilmembers are currently serving on the 2016 standing committees:

Finance and Legislation: Cruz and Switzer

Human Resources: Pribyl and Modory

Public Safety: Fowler and Pribyl

Public Works: Modory and Fowler

Business Development: Switzer and Cruz

Move to continue the following committees and approve appointments for 2017:

John Cruz and Glenn Switzer to the Finance and Legislation Committee;

Chad Pribyl and Grant Modory to the Human Resource Committee;

Larry Fowler and Chad Pribyl to the Public Safety Committee;

Grant Modory and Larry Fowler to the Public Works Committee;

Glenn Switzer and John Cruz to the Business Development Committee;

City Administrator/Clerk/Treasurer to all standing committees;

(Motion)

Approve Developing Plan for Redevelopment: Mayor Switzer is requesting Council approve staff and appropriate consultants to prepare options and a recommendation to redevelop the "old school property" as a mixed downtown commercial/residential use which will include a new city hall. (Motion)

Administrator's Report

Lift Station and Force Main Project: Work on the force main on the east side of the river is progressing. The line running along the river from the new crossing to the north end of the property should be complete. Construction of the lift station and river crossing continues to be delayed until pending a resolution of the location of incorrectly buried Xcel power line.

2016 Building Permits: A summary of building permits issued in 2016 indicate permits were issued for projects valued at \$10,665,365. The permits included 12 homes valued at \$3,083,415 and \$7,181,364 in commercial construction.

Second half 2016 LGA Payment: In December the City received the 2nd half of 2016 LGA payment of \$77,401.

CSAH #1 2018 Project: At tomorrow night's meeting, the City of Northfield will be considering a resolution to increase their commitment to participate in the funding of the proposed non-motorized underpass and trail along and below the reconstructed County Road.

Work Session

Northfield Area Fire and Rescue Service: The NAFRS Board met on December 28, 2016. Action on items related to the proposed remodeling and construction was postponed to receive more information. The Board met again on January 5, 2017, to conduct an organizational meeting. The City of Northfield appointed two new members, Northfield Council Member Jessica Peterson-White and Anne Haddad. Members are appointed to staggered three year terms. Glen Castor was re-elected to the position of Chair and Haddad was selected to be Vice-Chair. Meeting dates were changed to the third Thursday of the month, so the next board meeting will be on the 19th. A meeting earlier in the month should facilitate communication with the Parties as information regarding actions required by the parties would be able to be reviewed earlier in the following month. The Board is trying to set a meeting to receive a presentation regarding the report on administrative issues prepared by McGrath Consulting Group, Inc.

At a meeting held to review the proposed facility project it was indicated a request for Members (the two cities, rural fire and the townships) would be forthcoming. Although information was provided including the wording of a

proposed resolution, there is no record of the NAFRS Board approving a request, nor has a written request been received from NAFRS. It is difficult to recommend the Dundas City Council take any action regarding the facility until what are perceived to be some significant questions are resolved. Mayor Switzer and I have requested additional information but NAFARS has been unable or unwilling to provide reasons or records supporting decisions and actions which have been questioned. In addition, no data, documents or records of NAFRS Facility Committee meetings appear to exist. Some concerns and questions which have been raised include:

- Alternatives to either location or a satellite facility were never discussed nor acted on at a Board level. I continue to believe a satellite facility located in the vicinity of TH #19 and Armstrong Road could be a viable alternative. The facility could be constructed first and serve as a primary station during the remodeling of the current facility. The Board has never discussed how fire protection will be provided during the remodeling of the current fire station.
- Questions regarding programming, specifically apparatus storage and administrative/clerical space, have never been answered. Normal procedure in a public organization would be to have the board review and approve a program outlining the needs of the facility. It has been represented several times the Wold Study was used as a programming device but the specifics of the Wold Study were never discussed at the board level. The Wold Study clearly indicates the desire to provide the expansion space for two additional full size fire vehicles. The reasoning behind reducing expansion space has never been explained or reviewed. It has been indicated that the state demographer has been contacted, but the potential need for the growing urbanized area has not been discussed with the City of Dundas or to the best of my knowledge the City of Northfield. The Wold Study indicated the need for administrative and clerical office space. The current proposal adds to the number of offices and includes office and storage space for a private entity. The need for the additional office space and appropriateness of providing the space for a private group has never been explained.
- The architectural professional engaged to prepare a facility study never attended a regular Board meeting to present the study or answer questions.
- Although the City of Northfield will be financing the construction of the facility, how the Parties or Members participate in the funding or when funds will be needed for this capital project have never been explained. There is a recommendation the NAFRS Board commit to expending funds to proceed, but it is unclear where the funds will come from. NAFRS has not requested any capital funds to remodel as required in the joint powers agreement and it doesn't appear the funds suggested would be available in the operating budget. The Joint Powers Agreement, section 17.c, requires the cost of new or upgraded facilities to be approved by all the Parties. The City of Dundas has not budgeted capital funds for 2017. It remains unclear regarding the application of funds for design if the project does not go ahead. It has been represented that the townships will not approve participation if the cost exceeds \$3.5 million.

There are several ways the City can proceed.

Future Meeting Items

January 23, 2017

1. Consider Support of NAFRAS Facility Improvement
2. Consider wage and salary adjustment for non-covered staff

February 13, 2017

1. Worksession
 - a. Administrator's Evaluation (Closed Meeting)