

Administrator/Clerk's Report

City Council Meeting, August 27, 2018

To: Mayor and Council
From: John M. McCarthy
Date: August 24, 2018 Revised August 27, 2018)

Ordinances and Resolutions

Resolution 2018-41 Approving the NAFRS Operating Budget for 2019. Section 6 of the Joint Powers Agreement requires the NAFRS Board to “develop and approve a budget of operating expenses and capital expenditures for the ensuing calendar year”. At the August 13, 2018, meeting of the Dundas City Council approval of the Resolution was postponed to receive more information regarding what appeared to be expenditures which were not considered in the budget. Recently, two non-budgeted expenditures appear to have been committed to in a manner which may not either comply with a contracted agreement or required board approval.

In one instance, a consultant engaged another consultant for a special project in a manner which may not be consistent with the contracted services. Section B of the contract with the consultant reads in part “*You (the NAFRS Board) may request that we perform additional services not contemplated by this Agreement. If this occurs, we will communicate with you regarding...scope and estimated cost....Any changes....to be provided....will be based on mutual agreement....which shall be in writing....*” Documents attached to the contract which the NAFRS Board received and approved do not appear to indicate that engaging another consultant to provide the services NAFRS received is contemplated as part of the agreement.

In the other instance, a new position appears to have been created and a person offered the position and possibly hired without any record of a board action. In an effort to resolve a continuing concern regarding management of the JPA in accordance with statutes and the agreement, a proposal to hire a NAFRS Program Coordinator was presented to the board. The Joint Powers Agreement, Section 5.f.ix, establishes one of the powers of the Board as “*To hire, terminate and discipline employees and administer all other personnel and human resources matters*” The JPA also requires the board to “*...comply with all public laws, applicable to the Members individually...*” Minnesota Statute § 412.111 (governing statutory cities) gives the council the power to “*...appoint officers, employees...as deemed necessary... prescribe the duties and fix the compensation ofemployees*”. The City of Dundas, a Member and Party is governed by §412. The Request for Proposals (RFP) to hire a contractor was reviewed by the Board, but there is no record of any action. At the August 16th meeting of the Board, it was reported a person had been offered the position as an employee. The terms under which the “employee” was hired were not explained nor was the expected salary. Information provided to the board indicates the cost could be up to \$30,000 for the anticipated one year term. This only includes direct wage and required benefits. The Parties are required by the JPA to “*...approve or disapprove the NAFRS budget....*” on or before September 30 in each year. (Motion)

Resolution 2018 - 43 Approving the 2019 NAFRS Annual Capital Expenditures Budget: For 2019 NAFRS has requested a capital expenditures budget of \$630,000. The request includes the purchase of a replacement pumper for about \$620,000 and a specialized video camera which will permit the location of persons and pets in a smoke filled room. The request is consistent with the Capital Equipment Plan for 2019 and has been a planned expenditure for several years. Recommend approval of the Resolution. (Motion)

Resolution 2018 – 44 Adopting a Proposed 2018 Tax Levy, Payable in 2019: Council has reviewed a proposed budget for 2018 taxes paid in 2019. Budgeted expenditures and estimated revenues, other than real estate taxes, appear to require of levy of \$1,027,288. This would be an increase of 8.2% from the 2017 tax levy. Based on preliminary information from Rice County, which indicates the tax capacity has increased by about 7.5%, the increase should have a minimal impact on property taxes attributable to the City of Dundas. Taxes on a homestead property valued at \$175,000 should increase by about \$4.00 per year if the property value remains the same. (Motion)

New Business

Consider 2018 Crack Filling and Asphalt Patching Project: Public Works Director Duane Meliza has received quotes from Gopher State Sealcoat, Inc in the amount of \$\$21,177.00 for Crack Sealing and \$2,300.00 for Asphalt Patching. He recommends the proposal in the total amount of \$23,477.00 be approved; and the City Administrator be authorized to sign on behalf of the City. (Motion)

Administrator's Report

Financial General Fund operating revenue for the first seven months of 2017 is \$62,191 more than last year. The increase is entirely due to the increased levy. A court ordered adjustment in property values for a specific commercial property created a negative revenue adjustment in the excess TIF account. General Fund expenditures for the same period are \$37,771 more than last year.

Comparable period Water Fund Revenues of \$214,829 are up \$38,335. The increase is due to water trunk charges paid by a new development. Fund operating expenses of \$102,873 have decreased by \$16,789.

Sewer Fund Revenues of \$257,747 are up \$11,940 from the same period last year. Sewer Fund operating expenses of \$155,093 are down by \$24,963 from 2017.

Filing for City Offices: The following residents of Dundas have filed to serve on the City Council:

Mayor: Glenn Switzer

Council Member: Grant Modory, Kelly Ludvigson, Larry Fowler

Annexation Tax Rebate Invoice: On August 14 the City received an invoice dated July 17, 2018, from Bridgewater Township for the current tax rebate payment. Additional information regarding the basis for the invoice has been requested.

Continuing Disclosure: Springsted has filed the required annual Continuing Disclosure Report for the bonded indebtedness of the City. This report includes financial information to assist holders of the bonds to assess the risk.

Work Session

Consider a Resolution Adopting Findings of Fact Related to Ordinance 2018 – 03: The Resolution describes the facts developed in accordance with the Comprehensive Plan and uses of urban land. Staff has prepared findings of fact consistent with information received at the Public Hearing, reviewed and recommended by the Planning Commission and further discussed at City Council meetings. If there is no objection or changes, the Resolution will be placed on the consent agenda for approval at the regular meeting on September 10, 2018.

Consider Ordinance 2018 - 03 Amending Title 15, Sections 2 and 4 Regarding Solar Energy Systems: At the direction of the City Council, an Ordinance has been prepared which reflects extensive work and review by City staff, the Planning Commission and the City Council regarding how the Zoning Code addresses solar energy generation systems.

RFP for Architectural Service for City Hall: Staff has prepared a draft request for proposals (RFP) for architectural services. Based on review and editing by the City Council, it is intended that a final RFP will be prepared for approval at the next council meeting. It will be proposed that the architect plan for the current and short term needs on the ground floor of a two story building with the second floor unfinished and available for future expansion. The anticipated needs include the following:

Public Areas:

Council Chambers: a multi-use meeting room for about 40 persons in an auditorium seating arrangement with an area for council and staff of 10. The room should be as flexible as possible to accommodate uses such as elections which do not include a dais.

Meeting Room: a room which will accommodate about 10 persons at a conference table or more in a classroom configuration.

Storage accessible directly from both meeting rooms for chairs, tables, election equipment, etc.(controlled access)

Rest Rooms

Private / Staff:

Administration/Clerical Staff: accommodate 3 work stations and necessary files (controlled access)

Administrator's Office: Includes a small meeting table (controlled access)

Financial Office: Desk and working files -(controlled access)

Break Room: table for 4 with /storage prep area
Secure Storage (lockable)
Printer/workroom:

Other:

Janitorial
Mechanical
Future elevator
Circulation / stairs

Future Meeting Items

Items listed may be moved.

September 10, 2018

1. Approve Resolution 2018 -?? and Ordinance 2018-03 (Consent)
2. Consider RFP for Architectural Services
3. Worksession
 - a. Determine Method of Payment to Northfield for ECRT.

September 24, 2018

1. Consider Planning Commission recommendation related to amending a PUD
2. Work Session
 - a. Review 2019 Water Enterprise Fund Budget

September 24, 2018

1. Work Session
 - a. Review 2019 Sanitary Sewer Enterprise Fund Budget

October 8, 2018

1. Work Session
 - a. Review Refuse and Stormwater Enterprise Fund Budgets

Continuing Projects

Administration:

1. City Hall Project
2. 2019 Budget
3. Comprehensive Plan

Public Safety:

1. Part-time Police Officer

Public Works:

1. PUD Compliance for Dundas Dome
2. Water Supply Plan