

Administrator/Clerk's Report

To: Mayor and Council

From: John M. McCarthy

Date: May 12, 2008

Consent Agenda

Special Action / LMCIT Deductible: The League of Minnesota Cities Insurance Trust has submitted a bill for the insurance deductible of \$250.00 in the Larson v. Dundas claim. LMCIT shows a total cost of \$76,327.27 for paid losses and expenses. The City has paid \$9,220.00 in unemployment claims and \$2,960.33 in attorney fees which are directly related to this matter. These costs do not include staff time and the time spent by city officials in resolving this issue.

Unfinished Business

City Hall HVAC replacement: Public Works Director Meliza has advised me the HVAC unit (furnace and air conditioner) in City Hall has reached the end of its useful life. Last summer, it could not keep up with the demands of a hot day, especially when there was a meeting at night. Toward the end of the summer, even with cooler weather, it would often go over 80 degrees in the council chambers. We recommend replacing the unit with an exterior unit with an "economizer". This would allow the introduction of outside air, in a controlled manner, to assist with heating and cooling. An added benefit is the freeing up of the current mechanical room to provide a small amount of additional storage. We have received two quotes for the replacement. Streitz Heating and Cooling, Inc priced a Bryant/Carrier unit at \$6,952.00, Better Air Inc. priced a Lennox unit at \$9,293 and Faribo Air Conditioning & Heating, Inc provided a quote of \$11,355.00. None of the quotes include the electrical or guard posts. The Streitz proposal did not include the building permit, about a \$50.00 cost. Guth Electric will provide the electrical installation for cost plus not to exceed \$600.00. After discussion with Duane, I recommend the accepting the Streitz proposal with the funds coming from general fund reserves. (Motion)

New Business

Street Maintenance: Public Works Director Meliza has received several quotes for seal-coating, patching and crack filling. Part of the seal-coating project is left over from last year and was guaranteed at last year's pricing. I recommend approval of the 2008 Street Maintenance project as presented by Public Works Director Meliza. (Motion)

Rice County Drug Task Force / SWAT Team Mutual Assistance: Chief Mincke is requesting approval of the Rice County Drug Task Force Joint Powers Agreement and the Cooperative Agreement for SWAT Team Mutual Assistance. I recommend authorizing the Mayor, Administrator/Clerk, Police Chief and City Attorney to sign the Joint Powers Agreement Rice County Drug Task Force (Motion).

I recommend authorizing the Mayor, Administrator/Clerk, Police Chief and City Attorney to sign the SWAT Team Mutual Assistance Agreement (Motion).

Police Department Staffing: At the worksession held on May 5, Council reviewed some preliminary information modeling one possible scenario suggesting what may happen with the city budget during the next several years. Particular attention was paid to the possibility of adding an additional full time police officer.

I have prepared some possible projections for the next few years. Based on the best available current information, I anticipate residential values to decrease for a couple of years then stabilize and begin

increasing again. Commercial/industrial values are projected to be almost flat with a slight increase in 2011 and 2012. An individual property may change more or less than projections for the city as a whole.

In reviewing police department staffing, I looked at continuing with the current method of staffing, 2 full time and part-time as necessary and a staffing model consisting of 3 full time officers and no part time. If we went to three full time officers, we would increase coverage by an average of about 16 to 20 hours a week. Projected tax impact over the next 4 years would be just over \$20.00 / year for a home currently valued at \$175,000 and about \$125.00 / year for a business currently valued at \$500,000. One 8 hour shift on Holidays would cost the city about \$4,000 / year additional, due to overtime.

Since we began looking at the staffing question, the idea of levy limits is again being discussed at the state level. Governor Pawlenty is in favor of local levy limits, the House of Representatives has a bill which may or may not affect cities the size of Dundas and I don't believe the Senate has addressed the issue. According to the LMC Friday Fax review of legislative activity, Pawlenty's support may be to offset foreign operation corporation and foreign royalty revenue increases.

I strongly recommend delaying any final decision on long term staffing until we have a clearer picture of what the impact of state imposed limits have on our budgeting process.

Millstone Park Assessment: At last Monday's worksession, Council discussed a special assessment to improve Millstone Park. I had prepared a possible assessment review with the goal of assessing about the same amount per household in the Millstone addition as was charged in fees for playground development in the Stoneridge and Bridgewater Heights additions. Millstone did not have a fee for playground development.

I estimate the comparable amount would be about \$185.00 per lot. With 177 lots in Millstone, that amount would generate about \$32,600. If the assessment was spread over 3 years at an interest rate of 5%, it would be about \$68.00 / year and if it was 5 years the amount per residence is estimated to be about \$43,00 / year. The assessment, if approved will provide funding for the purchase and installation of play equipment in Millstone Park in addition to other work in the park. The city has already set aside some money for the improvement of the park. If enough funds are raised to match the setaside, there should be about \$70,000 available for improvements to the park. Attorney Callies has reviewed the procedure and prepared a review showing how it could be handled.

Request for use of the Pavilion at Memorial Park. The Dundas Business and Professional Group has requested the use of the Pavillion at 5:30 PM on May, 22nd. They are planning a retail event at which they will be attempting to raise some money for Dundas Parks. I recommend permitting the use of the Pavillion by the Dundas Business and Professional Group on Thursday, May 22, 2008 from 4:00 PM to 8:00 PM to plan for a retail event which includes fund raising for Dundas City Parks. (Motion)

Administrator's Report

Delinquent Utility Bills / Shut off Notices: At the last meeting, council approved shut off notices for 22 delinquent water / sewer / garbage accounts. Many of the accounts paid or made arrangements to pay before we sent out 9 shut off notices. We actually ended up having to shut off one unoccupied foreclosure.

Kor property: We are advertising the Kor property and contacting people who have expressed an interest in the property. We are asking that redevelopment proposals be returned to the City by June 19th.

Police Department: Wade Murray has submitted his resignation as part time police officer. The resignation is effective after he completes his scheduled shift on May 17th. Chief Mark Taylor of the Northfield Police Department has sent a letter of commendation to Officer Chris Daley for his prompt action in rescuing the woman who had driven into the pond at Brockman Court.

Sign Ordinance: A public hearing on the sign ordinance revision will be held on May 22, 2008.

Springstead: Tom and I met with Brenda Kruger on April 30. She is the representative replacing Bruce Kimmel at Springstead. We discussed preparing for the 429 Bond for Railway Street and bonding for the shortfall in the recently completed infrastructure projects.

2007 Audit: Tom Cummings was in City Hall to continue work on the 2007 Audit. He said he has just a few more days of work to complete.

Boards and Commissions

Council Worksession: The Dundas City Council held a worksession on Monday, May 5. The discussion focused primarily on the impact on the budget of the police department. Council also reviewed how to continue the improvement of Millstone Park.

Northfield Rural Fire Protection District: I met with the Northfield Rural Fire Protection District on Monday, May 5. They will be purchasing a new 2000 gallon tanker to replace a 1993 Ford 2000 gallon unit. They tell me they will not be able to give the city a set method of computing our portion of the fees.

Mill Towns Trail JPB: The joint powers board held its monthly meeting on Wednesday, May 7 at the Rice County Government Services Building. Board members present were Galen Malecha, Kris Vohs, Scott Davis, Dave Miller and Carol King.

Park & Recreation Advisory Board: The Park and Recreation Advisory Board met on Thursday, May 8. The board discussed Millstone Park including assessing for improvements. They also discussed how fund raising events could be organized and held to help pay for park improvements.

Planning Commission: Staff has been working with Bridgewater Township to facilitate a project to build a new church for the Rejoice! Lutheran congregation. The Commission will review a public hearing conducted by Bridgewater Township at the meeting on Thursday, May 22, 2006.