

Administrator/Clerk's Report

To: Mayor and Council

From: John M. McCarthy

Date: February 22, 2010

Old Business

Plans for Disposition of County Market building materials: On Tuesday, February 16, the City received an e-mail indicating John Zander no longer plans to erect the building materials stored on his property. He has indicated he will comply with the provisions of the CUP and move the materials off of his property by the date required. July 31, 2010. When Council continued the time for removal of the building materials, a requirement that "detailed plans" be submitted by April 30, 2010 was included. Council may want to determine what that requirement means considering current intent of the property owner.

Titan Supply: City Engineer Tom McMahon and I met with John and Dan Zander on Thursday, February 11, 2010, regarding a building permit to erect tanks/bins on the property owned by Titan Supply. City Building Official Benny Svien was present for the latter half of the meeting. I prepared a memo and distributed to all parties present with a request to review and respond if there are any questions or comments.

I received e-mail comments from Dan Zander. Zander's e-mail addresses some zoning issues he is concerned about. During the meeting, staff reminded the Zanders several times that the meeting was to assist with their desire to obtain a building permit to erect 3 tanks/bins not to redefine or amend the Dundas Zoning Code. In his e-mail, Dan Zander also seems to question the method of determining the "cost of the building". The method of determining if cost is accurately represented is the responsibility of the Building Official using standardized guidelines and not a negotiated item.

Council originally required the building permit application to be submitted by December 28, 2008. The City has not received any information from the Zanders as to when a complete application may be expected.

New Business

Tort Liability Coverage Waiver: When cities obtain liability insurance from the LMC Insurance Trust, councils can choose whether or not to waive the statutory tort limits of \$500,000 / individual and \$1,500,000 / occurrence. This is an increase of \$100,000 / individual and \$300,000 / occurrence from last year. The City has chosen not to waive the limits in past years. If the city waived the limits, there would be an additional cost to the liability insurance. I recommend the following motion:

Move the City of Dundas does not waive the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

Proposed Fee Schedule: Staff has been reviewing the current list of fees and has updated many to more closely represent the actual cost to the city. We have also looked at other cities and added some fees which are commonly included. Minnesota law requires most fees to be set by ordinance. Some of the zoning related fees require a public hearing. I recommend scheduling a public hearing for 6:00 pm, Monday, March 29, 2010. This will allow staff to complete and/or change any fees for final review at the March 8 Council meeting. (Motion)

Bridgewater Township Request: The Township Board of Supervisors is suggesting a cooperative action to pursue a joint agreement to consider upgrading Decker Ave. and 110th St.

Attorney's Report

Kor Property: On Wednesday, February 17, Mayor Switzer, staff and representatives of MN Revenue held a conference call regarding the Notice of Reversion. State law permits a city to close a meeting for attorney-client privilege which includes litigation.

Administrator's Report

Financial: For January 2010 our general fund expenditures were \$56,567 or \$329 more than January of 2009. The City spent 7.4 % of the budget. One month's expenses are anticipated to be 8.3% of the budget.

Governor's Supplemental Budget and LGA: On Monday, February 15, Governor Pawlenty announced his supplemental budget for 2010. The budget eliminates Local Government Aid (LGA) for the City of Dundas and drastically reduces Market Value Homestead Credit (MVHC).

1. LGA will be cut an additional \$43,894 which effectively reduces LGA for 2010 to \$0.00.
2. MVHC will be cut \$20,299 or 45.7%. The city was originally scheduled to receive \$44,261 in MVHC. This is indicated on most homeowner's tax statements and, when shown correctly on a tax statement, will be a direct tax increase to those homeowners receiving a homestead credit. The county has already included the amount which was certified to the City for the 2010 statements. If the reduction or elimination of homestead credit is certified for 2010 payable in 2011, there will be an increase in most homeowners taxes. The amount and percentage of increase will be highest to those homeowners who have lower value homes. Homes valued above \$76,000 receive a decreased MVHC until reaching 0 for homes valued about \$414,000 and above.
3. The total impact for Dundas in the supplemental budget is \$64,123. The total cut in 2010 state aids, both from the previous unallotment and the supplemental budget is \$116,223 or 14.8% of the City's tax revenue for 2010.
4. The city budgeted \$49,489 to increase the general fund reserve and repay interfund loans.
5. If Pawlenty's supplemental budget becomes law, Dundas will need to cut an additional \$14,634 from the operating budget, use reserve funds to fund ongoing operations or both.

I will be preparing some additional information on the impact of the loss of MVHC to city homeowners.

Lawful Gambling Revenue: The Northfield Fire Relief Association has reported a loss from lawful gambling activities for 2009. Joe Zignego has reviewed the report and did not see anything which seems to be amiss. Joe is the gambling manager for a licensed organization. An expensive audit looks like a major contributor to the loss. Last year, the City received \$1,065.71 as the required contribution from the association's lawful gambling profits.

Insurance: I met with agent Brad Ness regarding property insurance. We reviewed the list of property and contents to make sure all city property was properly covered and there was no unnecessary coverage.

Rice County Administrators Meeting: Dundas hosted the bi-monthly Rice County Administrators on February 12, 2010. County Administrator Gary Wiers presented an update on the 800 Mhz upgrade and a review of the County's public facility fiber optic project and grant submittal. Faribault City Administrator Tim Madigan announced he would be leaving his position with the city.

Bridgewater Township Tax Rebate: Bridgewater Township has provided some preliminary information regarding the tax payments due for 2009. City Engineer McMahon has prepared a drawing which can be used determine the percentage of the College City Beverage project which will be included in the tax rebate calculation. I have also been informed the Township is preparing the accounting of the use of funds from the tax rebate as required by the Annexation Agreement.

Bridgewater Heights Skating: On Saturday, February 13, area residents took advantage of a beautiful day to enjoy skating and sliding at the new ice rink located by the Bridgewater Heights water tower. The event to celebrate the rink was spearheaded by the Dundas Park and Recreation Advisory Board with members Deb Rasmusson, Shari Sneary and Chad Prybil participating in the day. On Sunday, Northfield Raiders Coach Brice Barry and JV Coach Cory Miller joined their players for an afternoon of pond hockey. Thanks go to all of the participants and especially to Doug Sonnee, Cory Miller, Jared Huber Kieth Pumper and others for preparing, flooding, cleaning and maintaining the Olympic size rink.

Census 2010: Citizens should begin receiving their census forms in March for the April 1, 2010 census. It is important that everyone returns the accurate census.

LMC Joint Legislative Conference: The LMC will be joining with counties, schools and townships for a joint legislative conference on March 25, 2010. Let me know if anyone will be attending. I plan on driving up to St. Paul so I will be able to take passengers.

FY2011 Federal Funding: LMC has forwarded an e-mail from Senator Franken's office regarding federal funding for local projects. If the city is interested in pursuing any federal dollars under this program, it would be good to schedule a workshop for early next week in order that the request can be submitted by the deadline.

February Planning Commission Meeting: The Dundas Planning Commission met on Thursday, February 18, 2010. Since this was the first meeting of the year, election of officers was held. The elections resulted in the following officer being chosen; John Cruz, Chair; Bruce Morlan, Vice-Chair and Larry Fowler, Secretary. The members reviewed the 2009 activities and approved a report to Council. Planner Laurie Smith reviewed an update of the Comprehensive Plan with an emphasis on transportation and the new CSAH #1 alignment. Smith will be updating planning cost estimates for the work program developed last year. .

Worklist – Progress Report

Committee assignments / Council Workshop(s): I have prepared a list of some of the work items the Council has discussed. I suggest Council identify goals based on this partial list and others as may be recommended, set priorities and assign to staff, committee and Council as appropriate:

1. Capitol Improvement Plan (Workshop, staff, F&L Committee, Council)
2. Development Fees (Staff, ? Committee, Council)
 - a. Staff reviewed on 13Jan10 – Linda has prepared a draft
3. Use of TIF Funds (Workshop, staff, F&L Committee, Council)
4. Utility Bill Certification/Shut-off/Renter-Owner Responsibility (Staff, PW Committee, Council)
5. Public Works Staffing (HR Committee, Council)
6. Wastewater Treatment (Workshop, staff, PW Committee, Council)
7. Personnel Policy (Staff, HR Committee, Council)
 - a. HR Committee will review w/staff recommendations
8. Ordinance Updating (Staff, F&L Committee, Council)
9. Annexation Agreement (Workshop, Council, Planning Commission, Council)
 - a. Council discussion 25Jan10
 - b. Task Force meeting on 1Feb10.
10. Fire Protection Agreement (F&L Committee, Council)