



**City of Newport  
City Council Minutes  
November 1, 2012**

**1. CALL TO ORDER**

Mayor Geraghty called the meeting to order at 5:30 P.M.

**2. PLEDGE OF ALLEGIANCE**

**3. ROLL CALL -**

**Council Present** – Tim Geraghty, Tom Ingemann, Bill Sumner, Tracy Rahm, Steven Gallagher

**Council Absent** –

**Staff Present** – Brian Anderson, City Administrator; Bruce Hanson, Supt. of Public Works; Curt Montgomery, Police Chief; Mark Mailand, Fire Chief; Renee Helm, Executive Analyst; Fritz Knaak, City Attorney; John Stewart, City Engineer;

**Staff Absent** –

**4. ADOPT AGENDA**

**Motion by Gallagher, seconded by Sumner, to adopt the Agenda as presented. With 5 Ayes, 0 Nays, the motion carried.**

**5. ADOPT CONSENT AGENDA**

**Councilman Rahm** – I would like to pull the Agreement with Robert Vogel to discuss separately.

**Motion by Rahm, seconded by Ingemann, to approve the Consent Agenda as amended, which includes the following items:**

- A. Minutes of the October 18, 2012 Regular City Council Meeting
- B. List of Bills in the Amount of \$77,544.48

**With 5 Ayes, 0 Nays, the motion carried.**

**C. Agreement with Robert Vogel, Preservation Planner for Consulting Services for January 1, 2013 – December 31, 2014**

**Councilman Rahm** – I want to discuss how we approve our contracts for the City. Number 1, what problem is this designed to solve? Secondly, what are we looking for in this type of person? How do we scorecard or see that they are providing value to the City? So before I sign off on this I want to know what he has done in the last two years. I haven't seen anything so far.

**Admin. Anderson** – I did have a conversation with Mr. Vogel after we had talked and we decided it would be best if he were to come before the City Council to address those issues on December 6, 2012.

**Motion by Rahm, seconded by Ingemann to table the agreement with Robert Vogel until December 6, 2012. With 5 Ayes, 0 Nays, the motion carried.**

## 6. VISITORS PRESENTATIONS/PETITIONS/CORRESPONDENCE

### 7. MAYOR'S REPORT –

**Mayor Geraghty** – Nothing to report

### 8. COUNCIL REPORTS –

**Councilman Gallagher** – Nothing to report

**Councilman Sumner** – I was up there on October 27 for the Buckthorn Removal Day. I think it went very successful.

**Councilman Rahm** – I also attended the Buckthorn Removal Day and it looks like they are making a dent in the forest.

**Councilman Ingemann** - I was told the other day, that every day is a new learning experience. Well here is your lesson for the today. For those of you that will not be here for the workshop, we will be discussing the allegations of financial misuse and the true set of facts that are downloadable from our web site. You can go to the web site and see who requested the information, what was requested and what information they received. You will also notice that there was only one person that requested any information. There was only one request for the group called NEWCO, but it was by the same person. I really wonder what she was looking for. Talk about wasting city resources, between the City Auditor, City Attorney, and City staff doing the research, one could only assume that it was for political reasons. You see, it seems that everything was fine with city finances except for the last two years. I wonder why it started two years ago. It must be that the Council changed its make up two years ago. You will also see that at no time was there any request for receipts, just credit card statements, what was purchased, etc. Guess who has the credit cards? It happens to be the Chief of Police, the Fire Chief, the Public Works Director and Supervisor, and the City Administrator. Are they the miss-users? Again, is there some other reason, other than political for these requests? There also was a statement that said your property taxes have gone up, that possibly is true, but also realize, the State of Minnesota balanced their budget by cutting aid to schools, county and cities. To maintain the services that you want and need, the money must come from somewhere. Out of the property taxes that you pay, approximately 20% goes to the City. The City has no control over any other taxing authority, the School District gets over 50% of your property tax, the County gets approximately 25%, the Met Council, Watershed District, and other taxing authorities get approximately 5 or 10%, and the City gets the rest. Check and see how much really goes to the City on your tax statement, and how much the City portion went up. Also, the County is the authority that sets the assessed value of your homes and property, not the City. We will be discussing the statements, allegations, and falsehoods. As you know, when given false information, that one really wants to believe to be true, and, when in fact was very miss leading and incorrect, to me, that does not sound like someone that should be in a decision making position. It would have helped if they had checked the information themselves for accuracy before making accusations and jumping to conclusions. There also was a statement made about having too much in reserve, well for your information, the County sends money to the City twice a year, and between payments, the City still must pay its bills, pay the staff and maintain some semblance of order without having to borrow money till the next payment arrives. That is called good financial management. That way, there is no great need to borrow money to make payroll. The reserve keeps us afloat till that payment arrives. All members of this Council voted for the budget during the past years. Also, by the way, there is no one individual up here that has convinced anyone to make a decision about anything. All of the people up here, I assume, make decisions that they themselves believe are in the best interest of the City of Newport and its residents. There is no one up here that manages to walk on water. There has been no great connections made with anything or anybody, probably because there aren't any, we are all still waiting for that bright light to appear. Nowhere are there plans for a city hall to be built in Newport, there is however, wishful thinking, but nothing is set in concrete. For your information, about the property that is purchased along the river, half of the cost is provided by the DNR. Sure is a lot of miss information going around this City and I hope it gets corrected.

Finally, senior citizens can still sign up for the senior citizen discount for utility bills.

**9. ADMINISTRATOR'S REPORT –**

**Admin. Anderson** – Mastertech Auto had a grand opening this past weekend. I want to remind everyone that the General Election is on Tuesday, November 6 and the polling place for all of Newport is at Newport Elementary.

**A. Public Hearing** – To consider a resolution authorizing the Housing and Redevelopment Authority in Washington County to undertake a redevelopment project in the Red Rock Gateway Area

**The Public Hearing opened at 5:41 p.m.**

Barbara Dacy, Washington County HRA, presented on this item as outlined in the November 1, 2012 City Council packet.

**Councilman Gallagher** – Have you had any feedback from the School Board or County Commissioners at all?

**Ms. Dacy** – The School Board has not provided any feedback as of yet. Truly, there is no impact on the School Boards at this point in time and the funding approach will not adversely affect them. We did brief the County Board about this upcoming effort.

**The Public Hearing closed at 5:47 p.m.**

**Motion by Geraghty, seconded by Sumner to approve Resolution No. 2012-34. With 5 Ayes, 0 Nays, the motion carried.**

**B. Resolution No. 2012-35 – Establishing the City of Newport's Contribution for Employee Health and Dental Insurance Coverage**

Admin. Anderson presented on this item as outlined in the November 1, 2012 City Council packet.

**Councilman Ingemann** – What affect would it have if we paid \$900 per month per employee?

**Admin. Anderson** – We didn't look at that, it would need to be about \$950 per month per employee to cover this.

**Councilman Ingemann** – Yea but that way the employee and City would kick in a little more. It's kind of like a compromise.

**Admin. Anderson** – It's easier to go to a percentage, that way if someone does switch from single to family we don't have to worry about going over that set amount. Employees are allowed to switch coverage.

**Councilman Gallagher** – Have you looked at the change of employee deductibles and what effect that would have? Could you see what the costs would be if the deductible would be \$3,200? At work, our rates decreased by increasing the deductible and the HSA contribution.

**Admin. Anderson** – We did run several scenarios.

**Councilman Gallagher** – It's a numbers game.

**Councilman Rahm** – Are we in a pool?

**Admin. Anderson** – Yes

**Councilman Rahm** – But we're still billed for our individual employees?

**Admin. Anderson** – Yes, we are in a consortium but when one of our employees becomes ill it does affect us. If we weren't in a consortium it'd be a lot higher. And the premiums would have gone up 73% but there is a cap per State law, so that's why we're at 14.5%. It will be weighted again next year but it should be at a third of what it was this year so it should decrease. They use the last two years to do the proposals.

**Councilman Rahm** – And you've talked with the employees and they're fine with the changes?

**Admin. Anderson** – No, they would like to keep it as is.

**Councilman Rahm** – So if you lose a couple of those things we can't go back next year and add those back on? Because future employees might want some of those benefits. We're talking about just a year.

**Councilman Gallagher** – We could rebid it out to other places.

**Admin. Anderson** – Every year we rebid it out actually. We go with a firm that does that for us. Also, the only reason that some of those benefits are still on there is because the consortium wanted to keep them. You are right that once we drop them, we can't go back to them. However, if we were to drop dental to reduce the increase we could go back to dental in a year. The resolution also proposes to increase employee contributions for the dental. So yes, the Council can keep the insurance as is, which is in the budget or you can approve the resolution which removes some of the benefits to reduce the overall cost.

**Councilman Rahm** – You're recommending to take out those treatments.

**Councilman Sumner** – Even with those changes, it's still a \$14,000 increase?

**Admin. Anderson** - \$15,384

**Councilman Sumner** – And that's divided among how many employees?

**Admin. Anderson** – 17

**Mayor Geraghty** – And assuming we have a normal claim in the next year or two it could drop down again. You need a decision on this tonight?

**Admin. Anderson** – I would like it tonight because we do need to get the employees signed up by the end of the month.

**Councilman Gallagher** – So, once we drop these benefits we can't go back?

**Admin. Anderson** – That's correct.

**Councilman Gallagher** – Could we drop only one or two?

**Admin. Anderson** – No, it's not ala cart.

**Councilman Ingemann** – If next year you go out and the consortium decides to go with a different provider that could be put back in.

**Admin. Anderson** – It could be, however most companies are starting to get away from providing these items.

**Councilman Gallagher** – I would like to have kept it as is for one year.

**Motion by Rahm, seconded by Ingemann to approve Resolution No. 2012-35. With 4 Ayes, 1 Nay, the**

**10. ATTORNEY'S REPORT –**

**Attorney Knaak** – You do have the prosecution report before you.

**11. POLICE CHIEF'S REPORT**

**A. September 2012 Activity Report**

**Chief Montgomery** – You have the activity report before you. I would like to note that medical calls doubled last month and I'm not sure why.

**Councilman Gallagher** – Did you have a safe Halloween?

**Chief Montgomery** – Yes

**Councilman Sumner** – Have you picked up any stolen signs?

**Chief Montgomery** – No, I haven't

**12. FIRE CHIEF'S REPORT –** Nothing to report

**13. ENGINEER'S REPORT –**

**Mr. Stewart** – We are working to wrap up the North Ravine project.

**Mayor Geraghty** – Is there more curbing going in on Ford Road?

**Mr. Stewart** – There's an issue on whether or not we should replace some. I haven't had a chance to review the budget yet to see if we can do that. We're trying very hard to stay within budget on this project.

**Admin. Anderson** – We are proposing to have a street repair project in that area next year and will probably review it at time.

**Mr. Stewart** – That's what will happen most likely.

**Councilman Gallagher** – Could we put snow in that pond if we run out of room?

**Mr. Stewart** – We would be using up retainage volume, which would probably not be a good idea if we get a 100-year storm in the spring. I would advise against doing that.

**Supt. Hanson** – There's also issues with trash and salt. We use the cemetery parking lot because we can get in to clean up the trash after it melts.

**14. SUPERINTENDENT OF PUBLIC WORKS REPORT –**

**Mayor Geraghty** – When does the compost close?

**Supt. Hanson** – I believe we have two Saturdays left.

**15. NEW/OLD BUSINESS**

**16. ADJOURNMENT**

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**Motion by Geraghty, seconded by Rahm, to adjourn the regular Council Meeting at 6:04 P.M. With 5 Ayes, 0 Nays, the motion carried.**

Signed: \_\_\_\_\_

Tim Geraghty, Mayor

Respectfully Submitted,

Renee Helm

Executive Analyst