



**CITY OF NEWPORT
REGULAR COUNCIL MEETING
NEWPORT CITY HALL
OCTOBER 4, 2012 – 5:30 P.M.**

MAYOR:	Tim Geraghty	City Administrator:	Brian Anderson
COUNCIL:	Tom Ingemann	Supt. of Public Works:	Bruce Hanson
	Bill Sumner	Chief of Police:	Curt Montgomery
	Tracy Rahm	Fire Chief:	Mark Mailand
	Steven Gallagher	Executive Analyst:	Renee Helm

AGENDA

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE
3. ROLL CALL
4. ADOPT AGENDA
5. ADOPT CONSENT AGENDA – All items listed under this section are considered routine and non-controversial by the Council and will be approved by a single motion. An item may be removed from the consent agenda and discussed if a Council member, staff member, or citizen so requests.
 - A. Minutes of the September 20, 2012 Regular City Council Meeting
 - B. List of Bills in the Amount of \$110,336.54
 - C. Environmentally Preferable Purchasing Policy
6. VISITORS PRESENTATIONS/PETITIONS/CORRESPONDENCE
7. MAYOR'S REPORT
8. COUNCIL REPORTS
9. ADMINISTRATOR'S REPORT
 - A. E-Mail Retention Policy
 - B. Internal Control Procedures Policy
10. ATTORNEY'S REPORT
11. POLICE CHIEF'S REPORT
 - A. August 2012 Activity Report
12. FIRE CHIEF'S REPORT
13. ENGINEER'S REPORT

Agenda for 10-04-2012

14. SUPERINTENDENT OF PUBLIC WORKS REPORT

- A. **Resolution No. 2012-29** – Authorizing the Purchase of a 2012 Zero Turn Mower from the City’s Equipment Capital Improvement Fund
- B. **Resolution No. 2012-30** – Authorizing the Purchase of a 2012 Bobcat S590 from the City’s Equipment Capital Improvement Fund
- C. **Resolution No. 2012-31** – Authorizing the Purchase of a 2013 Single Axle Chassis with Necessary Equipment from the City’s Equipment Capital Improvement Fund

15. NEW / OLD BUSINESS

16. ADJOURNMENT

Upcoming Meetings and Events:

- | | | |
|--------------------------------|------------------|-----------|
| 1. Planning Commission Meeting | October 11, 2012 | 7:00 p.m. |
| 2. City Council Meeting | October 18, 2012 | 5:30 p.m. |
| 3. Buckthorn Removal Day | October 27, 2012 | 9:00 a.m. |



**City of Newport
City Council Minutes
September 20, 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;

Staff Absent –

4. ADOPT AGENDA

Mayor Geraghty – There is one addition to the agenda, Resolution No. 2012- under Administrator’s Report.

Motion by Gallagher, seconded by Rahm, to adopt the Agenda as amended. With 5 Ayes, 0 Nays, the motion carried.

5. ADOPT CONSENT AGENDA

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

- A. Minutes of the September 6, 2012 Regular City Council Meeting
- B. List of Bills in the Amount of \$252,228.31

With 5 Ayes, 0 Nays, the motion carried.

6. VISITORS PRESENTATIONS/PETITIONS/CORRESPONDENCE

7. MAYOR’S REPORT –

Mayor Geraghty – I attended the HPC meeting last night and they’re continuing to work on the Veterans’ Memorial, and the Johnson Property. I spent much of Tuesday night on the phone with County commissioners to discuss the agreement between Washington and Ramsey Counties with Resource Recovery Technologies. I’d like to welcome a new business that opened a couple days ago, Fay’s Newport Style Salon.

8. COUNCIL REPORTS –

Councilman Gallagher – I had a couple phone calls from residents regarding South St. Paul and their gun club. Apparently they want to bring their berms higher. Brian spoke with them and they are not expanding their services at this time, they have a permit to increase the height of their berms. We’re going to work with South St. Paul to be notified if that Conditional Use Permit comes in so that our residents can have a voice in that because the sound can put you off. I also had a Met Council TAB meeting at the airport and we talked about the expansion

over the next twenty years. You're looking at another five years before the number of travelers is equivalent to the 2005 numbers.

Councilman Sumner – Between 9 and 2 there will be a free recycling event at the Washington County Environmental Center. There will be a pig roast at the Cloverleaf to support organ donation. The pig should be ready around 5:00 p.m. On September 29, there will be a fun run and a dedication of the new pavilion at the Bailey School Forest.

Councilman Ingemann –The Fire Department had a meat raffle at the Clover and it was a good crowd. Last Thursday, we had a Planning Commission meeting and we discussed rezoning both sides of the highway.

Councilman Rahm – I worked a little bit on our strategic plan. What we're trying to come up with is where the word document will be something with values and trends, things that don't change very often and the spreadsheet will have different items and initiatives that we get done. I'm trying to take those two documents and have them mirror each other. Once I'm done with that, I'll send it to Brian and we'll discuss it as a Council.

9. ADMINISTRATOR'S REPORT –

Admin. Anderson – I received an email today stating that the City went through the second hurdle for the grant that we applied for regarding the Red Rock, Transit Station area. We applied for a \$3 million grant. We've been invited to a Q and A session with the Met Council. We also have a couple meetings set up with the County to discuss the Transit Station.

A. Mary Planten-Krell, Executive Director of the Youth Services Bureau

Ms. Planten-Krell was present to discuss the Youth Services Bureau. The Youth Services Bureau has worked with over 2,000 youth in the past year. The Youth Services Bureau works with kids who are getting into trouble throughout Washington and St. Croix Counties. The Bureau works with law enforcement to establish alternatives to keep youth out of the court system. The Bureau also provides educational programs for schools and individual counseling for families.

In 2011, the Bureau worked with 31 Newport youth and families at a cost of \$9,800. Washington County reports that 91% of the first-time offenders that we work with do not go through their system again. Ms. Planten-Krell is requesting a monetary donation of support from the City of Newport in the amount of \$250.

Councilman Rahm – How many individual people did you help?

Ms. Planten-Krell – 2,000

Councilman Rahm – Getting back to being cost-effective, I think having a calculation of how much your services cost per person would help a lot with marketing. Are the families that have these services, are they all over the map or more single-parent families?

Ms. Planten-Krell – They are all over the map. Anybody can walk in to get help. We put a heavy emphasis on family involvement. By family, I mean whoever surrounds that particular youth and that can vary from family to family. What we're interested in is working with the youth, and the adults. I would say more often than not, it's a two-parent household. We do as much parent education as we do with the kids.

Councilman Gallagher – And you're asking for \$250?

Ms. Planten-Krell – Yes

Councilman Gallagher – We're doing our budget right now, I think we can come up with something.

Councilman Ingemann – I think we can find it somewhere.

Councilman Sumner – I'll make a motion.

B. Resolution No. 2012-28 – Supporting the Approval of the 2013-2015 Waste Processing Agreement Between Ramsey County and Washington County and Resource Recover Technologies

Admin. Anderson presented on this item as outlined in the September 20, 2012 City Council packet. The agreement was brought before the Washington County Board at its September 18, 2012 meeting and was tabled for further discussion.

Commissioner Lehrke was present to discuss the agreement and why she is opposing the agreement.

Commissioner Lehrke – Let me first start out by telling you that I have a really hard time with this issue, it's not a simple yes or no. I really do appreciate the value of diverting waste from our landfills and using it as an energy source. Where my concerns come in is the level of subsidy that we're giving RRT. When a resident or non-profit comes to the County for assistance and we're subsidizing them, we require that they prove the need for the subsidy. RRT will not open their books to the County and will not prove their need. My goal as a County Commissioner is to represent my constituents and businesses as best as I can but I think we should do it in an open and transparent way. If they really needed the subsidy, they would open their books and show us. When they refuse to open their books, and we've asked them numerous times, that's a red flag to me. I had a constituent recommend that RRT transport their waste to Red Wing by barge instead of roads to save on fuel costs and the roads and they refused to even consider it because they were too busy with negotiations on this agreement. My question is, "What is their incentive to look for efficiencies and run a business like you or I would in a private sector when they have these guaranteed checks from Washington and Ramsey Counties?"

Another concern of mine is we're paying for a service for them to process our waste but we don't have a choice between companies. We either subsidize RRT or we don't. My frustration is that RRT misjudged the market five years ago. When they renewed the agreement five years ago they were going to be market driven by the time this agreement ended and they're not.

Also, when we were doing our last contract at the beginning of the year it was going to be a \$20 per ton subsidy and they agreed to it and brought it to our project board where it voted and passed, I voted against it at that time too, and RRT was supposed to move forward with that contract but they changed it to \$28 per ton. I feel they are strong-arming us and we either say yes or no, we have no leverage.

Another concern of mine is that we're taxing our residents and businesses 34.5% on their garbage bills to subsidize this company and our environmental center. I have a hard time taxing our residents and businesses 34.5% to subsidize a private company's profits.

I also don't see this as a public-private relationship. We can't see their books, we have no input, we have no control, we have no ownership and we have no authority. Back in May, the County sent me to Fort Lauderdale to learn more about the issues of solid waste and the county's role and responsibilities. In Fort Lauderdale, they have a massburn facility and a recycling plant. They did an extensive public involvement and the public was supportive of it but the person who spoke on this said that they're biggest mistake is that they had no ownership in them and the private company can close their doors any day and the public who has invested millions of dollars can do nothing about it. The current contract is \$8.4 million per year and over the last six years, we have subsidized RRT \$75 million and since 1994, we've subsidized them \$211 million to process waste. I did some research to see how much it would cost if the County were to build a facility with state of the art technology and from my research I gathered it would cost about \$200 million. So we could have owned that by now and its 30-year old technology. My point is that I don't think rubberstamping another \$25 million subsidy is going to solve this problem.

The State has mandated that all haulers are supposed to process their waste and that no unprocessed waste is supposed to go into the landfills, so they're supposed to bring it to RRT but they're not because the MPCA does

not enforce it. Effective February 15, 2013 the MPCA is going to start enforcing that law so all haulers will be forced to go to RRT no matter what so they should be at maximum capacity and shouldn't need our subsidy.

I do think this is a good thing and I hope we can continue to process our waste there but I don't think it's fair to my taxpayers and businesses that are working hard and paying 34.5% on their garbage bills to someone that won't open their books.

Mayor Geraghty – How much of that 34.5% is going to RRT?

Commissioner Lehrke – The Environmental Center and Public Health is getting part of this as well. I'm not sure of the exact percentage. My point is that if we weren't subsidizing this we could reduce that tax burden.

Councilman Gallagher – Except that the waste haulers would have to drive even further so their costs would go up and our costs would go up.

Commissioner Lehrke – Yea, but it would be more transparent.

Mayor Geraghty – I would be interested in knowing how much of that 34.5% RRT is getting. Also, what are the ramifications if you don't approve the agreement? Obviously, we want to keep the plant open, we want the jobs, we want the tax base. What sort of legal issues are you going to have with Ramsey County, the vendor, us.

Commissioner Lehrke – RRT may be doing contracts with their haulers but they should have this contract in place before they negotiate with their haulers. If they lose some of their haulers because of the subsidy it should only be until February 15 when the MPCA starts enforcing the law.

Mayor Geraghty – But we have agreements in place and I'm not sure of all the legal aspects.

Councilman Ingemann – It may be a wakeup call.

Councilman Gallagher – A wakeup call to RRT?

Councilman Ingemann – By not agreeing it may be a wakeup call to them. You don't want to see the tax base gone but it sounds like they're doing what they want to do.

Councilman Rahm – They don't have any competition when it comes down to it. They're pretty much a government-sanctioned monopoly.

Councilman Gallagher – But so are all of the places like them all across the state.

Councilman Ingemann – And they're customer is Xcel in Red Wing.

Councilman Rahm – Well if they don't approve it, it's not going to close overnight.

Commissioner Lehrke – RRT created these jobs, this is a private company, and if they close their doors it's because they have a business model that doesn't work.

Mayor Geraghty – But then we have a big facility that's not going to be used for anything.

Commissioner Lehrke – Basically it's a free market. If they can't keep their doors open without a subsidy and they do end up closing then maybe another entrepreneur can buy it at a reduced price and start over and they can run functionally.

Mayor Geraghty – Did you at one time think the government or County should do it?

Commissioner Lehrke – I am open to looking at all sorts of options. I'm all for recycling but not at subsidies like this. Plus we've already invested \$200 million and tomorrow they could close their doors and we would show nothing for it.

Councilman Gallagher - I would think the contract with RRT and the County would have some ramifications if they closed their doors.

Commissioner Lehrke – I asked and there's not. We tried to negotiate a lot of things like right of refusal but like I said we don't have the leverage, they do.

Councilman Sumner – Is the facility in Fort Lauderdale a private business?

Commissioner Lehrke – Yes

Councilman Sumner – Were you able to see their books?

Commissioner Lehrke – We just toured the facility, I didn't ask to see their books.

Councilman Sumner – It would be helpful to know how they operate.

Commissioner Lehrke – I know there are only two waste energy facilities in Minnesota that are privately owned. RRT is one of the private ones and the other private one is in Elk River, which is also subsidized. Elk River is receiving a \$14 rebate and RRT is asking for a \$28 rebate. In my research I have found that Hennepin County heavily subsidized their waste energy facility and they finally bought it and paid off all of the bonds and now it has one of the lowest tipping fees. I think sometimes the government can do stuff better and I would love RRT to succeed on their own but if they don't, maybe this is one of the things that the government can do better.

Councilman Sumner – What's the tipping fee at Hennepin County?

Commissioner Lehrke - \$47 per ton and RRT charges \$72 per ton.

Councilman Sumner – And Hennepin County makes money with it?

Councilman Gallagher – They heat downtown with it. There's also a lot more people in that general area.

Councilman Sumner – When do things have to happen for this?

Councilman Gallagher – When does the current contract end?

Commissioner Lehrke – This year.

Mayor Geraghty – I believe Ramsey County has approved their side of it and you guys may decide next Tuesday.

Commissioner Lehrke – Yes, I think we need to make a decision.

Mayor Geraghty – So it's you and Bill that's opposing it?

Commissioner Lehrke – Yes

Councilman Ingemann – How much does Ramsey County pay?

Commissioner Lehrke – It's about 70%

Mayor Geraghty – Are you open to a one year contract?

Commissioner Lehrke – I did suggest that but the rest of the board members didn't feel that was enough time to do anything.

Mayor Geraghty – How about a three year and then you study the takeover? I just don't want something drastic to happen immediately and then we're stuck with an empty facility.

Commissioner Lehrke – I agree with you. I believe these options should have been addressed before the last minute. I also asked if we could cancel the contract after the MPCA started enforcing the law but we can't cancel it once we sign it. RRT can cancel it at anytime though.

Councilman Gallagher – I can see how a one year contract would make sense especially with the new law coming into effect. I would make the recommendation that they at least do a one year contract and then have the County work with the cities that are involved. I believe Tom was supposed to be on the board but he never had a phone call. If we were to bring all of the players in then maybe we would have some different thoughts on how to make it work. I did want to mention that Brian contacted RRT but they are not here.

Mayor Geraghty – Thank you. I would like to pass something on to the Board on Tuesday.

Admin. Anderson – If it was three years, we would have two years to analyze after the MPCA starts to enforce the law. I think that would be a lot more solid information to go off of.

Councilman Gallagher – Yea, you might need at least a year.

Councilman Ingemann – Did Ramsey approve the \$28?

Commissioner Lehrke – Yes

Councilman Gallagher – Fritz, is a company's IRS information available to the general public?

Attorney Knaak – Generally not. If I could offer a couple comments. There were incredibly intricate and lengthy negotiations for this. There was a lot of opposition at the time because no one wanted a garbage plant in the City. A lot of negotiations were to direct it to making sure that at the very least it was revenue neutral because this was paid for by bonds and that it not be a detriment to the community. I think remarkably that has happened. The underlying concept was always that whatever subsidy there would be it would be to equalize this process with what it would cost to dump. I think part of the problem is that people haul to Wisconsin instead of going to RRT to process like they're supposed to. One thing I'm looking into is the nature of the obligations that the Counties have. One of the conditions for the City to issue bonds was that there needed to be guaranteed revenue source and that had to come both from the company and Counties. My understanding is that the bonds have now passed but I'm still looking to see what the other obligations in place are.

Councilman Ingemann – Who was the company that originally built that?

Attorney Knaak – It was NSP. What it really boils down to is whether or not the County has an obligation, which they recognized at one point, to provide a particular subsidy, in other words to make it worth Newport's while to have this facility in the City. I think it's safe to say that the agreements that were reached back in 1982 did that. I need to do some more work to see what obligations continue with the County.

Mayor Geraghty – Who actually owns the property and the building?

Commissioner Lehrke – It's my understanding that the whole thing is privately owned.

Admin. Anderson – It comes up as a steel company on Washington County.

Councilman Gallagher – Frtiz, it would be interesting if you could find that information because your comment about it being revenue neutral tells me that they should have been opening their books to show that they are revenue neutral.

Attorney Knaak – My recollection is that there was a lot of candor about the anticipated operating costs and a need for a subsidy to produce a revenue stream necessary to pay off the bonds. Basil Loveland was on the board for years and he was on top of that.

Mayor Geraghty – It was part of the negotiations that we have representation on the board.

Councilman Ingemann – Yea, when he passed away I was appointed to the board and we notified RRT and I have never been notified of a meeting since.

Mayor Geraghty – Autumn, could you check on that?

Councilman Rahm – Do we really need this resolution Mr. Mayor?

Mayor Geraghty – I would like something to take to the County Board that says you guys care about it or you don't.

Councilman Ingemann – I think we care about it but I'm having a hard time giving a rubber stamp.

Councilman Rahm – I'm in the same boat.

Councilman Gallagher – I believe the County should at least extend the contract even for 18 months so that we can look at other options, for the City to be prepared and for the County to put even more pressure on them. So I would amend the resolution to recommend the contract be extended for 18 months.

Commissioner Lehrke – The contract itself is for three years so if we wanted a different length of time we would need to deny this contract and create a new one.

Councilman Gallagher – Then I would say we approve this resolution.

Councilman Rahm – If we're just voting to say that we're supportive of the plant there then I guess I'm ok with it.

Admin. Anderson – I think you're giving staff direction to work with Autumn on this issue over the next three years. I also have a hard time believing that we can't see the books.

Councilman Gallagher – I don't think Tim or I are saying to rubberstamp it, we're just saying let's get something done here.

Mayor Geraghty – I have to go there Tuesday and argue that they approve the contract because I can't take the chance of that thing being empty. In the good spirit I would say that if it was approved, I would encourage the County to review the options of taking it over.

Motion by Gallagher, seconded by Geraghty, to approve Resolution No. 2012-28. With 4 Ayes, 1 Nay, the motion carried.

10. ATTORNEY'S REPORT – Nothing to Report

11. POLICE CHIEF'S REPORT –

A. Resolution No. 2012-26 – Hire David Crist for the Police Officer Position

Chief Montgomery presented on this item as outlined in the September 20, 2012 City Council packet. Dave Crist has been working as the Community Service Officer since April 2012. Mr. Crist graduated with an A.S.S. Degree in Law Enforcement.

Motion by Geraghty, seconded by Sumner, to approve Resolution No. 2012-26 hiring David Crist for the Police Officer Position. With 5 Ayes, 0 Nays, the motion carried.

12. FIRE CHIEF'S REPORT – Nothing to Report

13. ENGINEER'S REPORT – Nothing to Report

14. SUPERINTENDENT OF PUBLIC WORKS REPORT

A. Resolution No. 2012-27 – Authorizing City Staff to Improve the Loveland Park Tennis Courts

Supt. Hanson presented on this item as outlined in the September 20, 2012 City Council packet.

Motion by Rahm, seconded by Geraghty, to approve Resolution No. 2012-27. With 5 Ayes, 0 Nays, the motion carried.

15. NEW/OLD BUSINESS

16. CLOSED MEETING TO DISCUSS PENDING LITIGATION

The City Council closed the meeting to the public to discuss pending litigation.

17. ADJOURNMENT

Motion by Ingemann, seconded by Rahm, to adjourn the regular Council Meeting at 6:58 P.M. With 5 Ayes, 0 Nays, the motion carried.

Signed: _____
Tim Geraghty, Mayor

Respectfully Submitted,

Renee Helm
Executive Analyst

Text25	Text26	Text28	Comments
Paid Chk# 000090E	MN REVENUE	2,005.23	withholding
Paid Chk# 000091E	FEDERAL TAXES	8,674.53	wthholding, fica, medicare
Paid Chk# 000092E	ING LIFE INSURANCE & ANNUITY	392.10	employee contributions
Paid Chk# 000095E	DELTA DENTAL OF MN	1,057.65	
Paid Chk# 014079	BULLETIN LICENSE CENTER	42.75	new truck license
Paid Chk# 014080	ALLINA OCC M ED, NW 5685	193.00	cris - health check
Paid Chk# 014081	ATOMIC-COLO, LLC	235.62	wireless headset
Paid Chk# 014082	Cardmember Services	1,655.65	visa
Paid Chk# 014083	CONNELLY INDUSTRIAL ELECTRON	424.25	hydro tank
Paid Chk# 014084	FIRE SAFETY USA, INC.	775.00	liner, supply line holder
Paid Chk# 014085	ING LIFE INSURANCE & ANNUITY	884.62	
Paid Chk# 014086	INTERNATIONAL UNION OF OP. EN	162.50	
Paid Chk# 014087	LAW ENFORCEMENT LABOR SERVI	225.00	
Paid Chk# 014088	LINDA MICHIE	563.51	state pres. Conference
Paid Chk# 014089	MASTERTECH AUTO & TIRE INC.	91.46	brake rotors
Paid Chk# 014090	MENARDS - COTTAGE GROVE	60.99	retaining walls parks
Paid Chk# 014091	MES	153.06	scba repair
Paid Chk# 014092	MINNESOTA NATIVE LANDSCAPES	270.00	weed control overlooks
Paid Chk# 014093	MN CHILD SUPPORT PAYMENT CNT	400.00	child support
Paid Chk# 014094	MSA PROFESSIONAL SERVICES, IN	1,245.75	engineering
Paid Chk# 014095	NORTHERN SAFETY TECH. INC.	762.26	pickup warning lights
Paid Chk# 014096	PERA	7,860.79	
Paid Chk# 014097	SELECTACCOUNT	504.00	
Paid Chk# 014098	SOUTH SUBURBAN RENTAL, INC.	50.77	trailer propane - asphalt
Paid Chk# 014099	TKDA	2,169.81	general planning, red rock
Paid Chk# 014100	VOLUNTEER FIRE BENEFIT ASSOC	175.00	insurance benefit fee
Paid Chk# 014101	WASHINGTON CNTY TAX SERVICES	6,812.00	prop tax no. ravine land
Paid Chk# 014102	XCEL ENERGY	1,001.50	electricity
Paid Chk# 014103	STONE & STEEL DESIGN LLC	3,500.00	engraving - parks
Paid Chk# 014104	MN BOARD OF POST	90.00	Crist license
Paid Chk# 014105	ADVANCED GRAPHIX INC.	229.78	squad lic plates
Paid Chk# 014106	ARAMARK REFRESHMENT SERV.	152.18	
Paid Chk# 014107	CARLSON MCCAIN, INC	5,724.86	knauff
Paid Chk# 014108	COMMERCIAL ASPHALT CO.	57.11	asphalt
Paid Chk# 014109	DEBORA HILL	59.40	petty cash
Paid Chk# 014110	EMERGENCY AUTOMOTIVE TECH.	13,956.60	squad car - outfit
Paid Chk# 014111	FLEXIBLE PIPE & TOOL CO.	2,236.89	sewer rod
Paid Chk# 014112	HAWKINS	1,348.32	chlorine
Paid Chk# 014113	INSIDE THE TAPE	155.00	training
Paid Chk# 014114	JOHN BARTL HARDWARE	374.18	supplies
Paid Chk# 014115	MINNESOTA BENEFIT ASSOC.	61.43	neska
Paid Chk# 014116	MN DEPT. OF TRANSPORTATION	1,641.51	north ravine testing
Paid Chk# 014117	MN NCPERS LIFE INSURANCE	144.00	life insurance
Paid Chk# 014118	NORTHERN SAFETY TECH. INC.	213.91	safety lights
Paid Chk# 014119	ON SITE SANITATION	443.54	sanitation

Paid Chk# 014120	OXYGEN SERVICE CO.	144.40 cylinder maintenance
Paid Chk# 014121	RENEE HELM	81.23 pavillion dedication treats
Paid Chk# 014122	RIVER COUNTRY COOPERATIVE	458.19 pd oil
Paid Chk# 014123	ROBERTA DAVIS	80.00 building permit refund
Paid Chk# 014124	STANDARD INSURANCE CO.	455.87 455.87
Paid Chk# 014125	STREICHERS	805.95 uniforms
Paid Chk# 014126	TBS OFFICE AUTOMATIONS	161.00 base rate charge
Paid Chk# 014127	TKDA	1,617.80 red rock study - planning
Paid Chk# 014128	VERIZON	390.21 cell phones
Paid Chk# 014129	Washington Cty Public Safety	4,719.84 fire radio repair fund
Paid Chk# 014130	WASHINGTON CTY PROPERTY REC	51.00 recording fee
Paid Chk# 014131	WASHINGTON CTY PROPERTY REC	52.65 recoding fee - williams proper
Paid Chk# 014132	WASHINGTON CTY PROPERTY REC	74.00 recoding fee
	wages	32,006.89
		110,336.54



MEMO

TO: Mayor and City Council
Brian Anderson, City Administrator

FROM: Renee Helm, Executive Analyst

DATE: October 1, 2012

SUBJECT: Environmentally Preferable Purchasing Policy

BACKGROUND

In April 2012, the City became a member of the Minnesota GreenStep Cities program. The program is a voluntary challenge, assistance and recognition program to help local governments achieve their sustainability goals through implementation of 28 best practices. Each best practice can be implemented by completing one or more specific actions from a list of four to eight actions. Since then the City has completed 12 best practices and was recognized as a Step 2 City at the June League of Minnesota Cities Annual Conference. The City is also in the process of completing several other best practices.

DISCUSSION

Two of the Best Practices consist of creating an Environmentally Preferable Purchasing Policy for the City. The two Best Practices that this Policy would help complete are #13, Efficient City Fleets, Action #2 and #15, Purchasing, Action #1.

Please find attached a draft Environmentally Preferable Purchasing Policy for the City. The Policy is meant to encourage and increase purchasing that reflects the City's commitment to sustainability. The Policy outlines policies for purchasing paper products, energy-efficient equipment, fuel-efficient vehicles, and printing services.

Please note that the City has been purchasing recycled paper for the past couple months and it also uses a company that is certified by MN Great Printers for its newsletter.

RECOMMENDATION

It is recommended that the City Council approve the Environmentally Preferable Purchasing Policy.

**CITY OF NEWPORT
ENVIRONMENTALLY PREFERABLE PURCHASING POLICY**

I. PURPOSE:

The goal of the City of Newport's environmentally preferable purchasing policy is to encourage and increase purchasing that reflects the City's commitment to sustainability. Benefits of the policy include:

- Conserving natural resources
- Minimizing environmental impacts such as pollution, water usage, and energy waste
- Identifying environmentally preferable products and distribution systems
- Setting an example of environmental sustainability and energy conservation for residents and businesses in the City of Newport
- Lowering overall costs to the City by addressing full cost accounting such as purchase, operation, maintenance, disposal, staff time, and labor

II. DEFINITIONS

- A. **Environmentally Preferable Products and Services:** Defined by the United States Environmental Protection Agency (US EPA) as products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This applies to raw materials, manufacturing, packaging, distribution, use, reuse, operation, maintenance, and disposal.
- B. **Energy Star:** The US EPA's energy efficiency product labeling program
- C. **Energy Efficient Product:** A product that: 1) Meets the Department of Energy and Environmental Protection Agency's criteria for use of the Energy Star ® Trademark label; or 2) Is in the upper 25% of efficiency for all similar products as designated by the Department of Energy's Federal Energy Management Plan.
- D. **Financially Feasible:** A product has lower costs over its entire lifecycle as determined by full cost accounting
- E. **Minnesota Great Printers:** An initiative of the Printing Industry Midwest (PIM) Organization for printers to demonstrate their commitment to minimize their company's impact on human health and the environment while producing quality printed products for their customers. MN Great Printers must meet the following criteria in order to be certified:
1. Commit to the PIM Great Printer Environmental Initiative Principles.
 2. Complete an Environmental, Health & Safety Compliance Audit annually or once every 36 months
 3. Pursue Beyond Compliance Projects
- F. **Practicable:** Whenever possible and compatible with State and Federal law, without reducing safety, quality, or effectiveness.
- G. **Post-Consumer Recycled Material:** Material that has served its intended use and has been discarded for disposal or recovery, having completed its life as a consumer item, and is used as a raw material for new products.
- H. **Sustainable Green Printing Partnership:** A non-profit certification organization devoted to the promotion of sustainable business practices in the print and graphic communications industry.

- I. **US EPA Comprehensive Procurement Guidelines:** Current policies established by the US EPA for federal agency purchases.
- J. **Water-Saving Products:** Products that are in the upper 25% of water conservation for all similar products, or achieves a WaterSense label/certification.

III. POLICY

The following policies are to be followed by the City of Newport:

A. Recycled Paper Products

1. The City of Newport will endeavor to purchase paper products containing the highest post-consumer content practicable, but no less than minimum recycled content standards established by the US EPA Comprehensive Procurement Guidelines.

B. Energy and Water Savings

1. Where applicable, energy-efficient equipment will be purchased with the most up-to-date energy efficient functions.
2. All appliances and products purchased by the City and for which the US EPA Energy Star certification is available will meet Energy Star certification. Typically, this would include lighting systems, exhaust fans, water heaters, computers, exit signs, and appliances such as refrigerators, dishwashers, and microwave ovens. If Energy Star labels are not available, appliances and products that are in the upper 25% of energy efficiency as designated by the Federal Energy Management Program shall be considered for purchase.
3. The City will purchase water-saving products whenever practicable. This includes, but is not limited to, high-performing fixtures such as toilets, waterless urinals, low-flow faucets and aerators, and upgraded irrigation systems.

C. Fuel-Efficient Vehicles

1. The City of Newport will endeavor to purchase fuel-efficient vehicles when replacing its Public Works, Police and Fire vehicles.
2. When applicable, the City will "Right Size" its fleet by eliminating vehicles that are no longer needed.

D. Printing Services

1. The City of Newport will endeavor to utilize companies certified by the MN Great Printers or by the Sustainable Green Printing Partnership for its printing services, which include, but are not limited to, quarterly newsletters, brochures, posters, and mailings.



MEMO

TO: Mayor and City Council
Brian Anderson, City Administrator

FROM: Renee Helm, Executive Analyst

DATE: October 1, 2012

SUBJECT: E-Mail Retention Policy

BACKGROUND

The City's employee handbook outlines items for its employees such as recruitment, compensation and e-mail usage. The current handbook does not provide a policy for retaining e-mails related to City business.

DISCUSSION

Attached is an updated handbook that provides a policy for retaining e-mails related to City business for one month. The City Council will need to discuss whether or not this policy should be added to the handbook and if so, what the length of time should be. Please note that the State does not have a policy dictating how long local governments shall retain e-mails related to City or County business. Furthermore, the League of Minnesota Cities has informed City staff that it is up to each city to establish a policy for retaining e-mails.

RECOMMENDATION

It is recommended that the City Council approve the addition to the handbook requiring all City employees, members of the City Council and Advisory Boards, and consultants to retain e-mails related to City business for one month.

E-MAIL USAGE

The City of Newport's electronic mail system (e-mail) is designed to facilitate City business communication among employees and other business associates for messages or memoranda. Since no computer system is completely secure, the e-mail system is not intended to transmit sensitive materials, such as personnel decisions and other similar information that may be more appropriately communicated by written memorandum or personal conversation.

The e-mail system is City property and intended for City business. The system is not to be used for employee personal gain or to support or advocate for non-City related business or purposes. All data and other electronic messages within this system are the property of the City of Newport.

General Information on Passwords

While you have a confidential password, users should be aware that this does not suggest that the system is for personal confidential communication, nor does it suggest that e-mail is the property right of the employee. The use of the e-mail system is for City business. Passwords should be periodically changed to ensure security of the e-mail system. Users should not share their password with anyone else.

Prohibited Uses

Solicitation of funds, political messages, harassing messages and other such messages are specifically prohibited. All e-mail messages are subject to all state and federal laws, such as, open meeting laws, data practices act, the human rights act, etc.

Retention of E-Mails

Employees, members of the City Council, members of Advisory Boards, and Consultants shall retain all e-mails associated with City business for one month.

Applicability to Employees and Other Users

This e-mail policy applies to all full-time employees, part-time employees, temporary employees, interns, volunteers, and other individuals in all departments who are provided access to the City of Newport's e-mail system as necessary for their business purpose with the City.

Employee Termination, Leave of Absence, Vacation, and Other

Employees who are terminated or laid off have no right to the contents of their e-mail messages and are not allowed access to the e-mail system. Department Heads and supervisors may access an employee's e-mail if employees are on a leave of absence, vacation, or are transferred from one department to another department, and if it is necessary for the conduct of business.

System Monitoring

Users expressly waive any right of any privacy in anything they create, store, send, or receive on the company's computer system. The City of Newport can, but is not obliged to, monitor e-mails without prior notification. If there is evidence that an employee is not adhering to the



MEMO

TO: Mayor and City Council
Brian Anderson, City Administrator

FROM: Renee Helm, Executive Analyst

DATE: October 1, 2012

SUBJECT: Internal Controls Procedure

BACKGROUND

The City currently has an Internal Controls Procedure Policy that outlines how the City will balance its internal accounting. The Policy outlines items such as cash disbursements, petty cash, and cash receipts. The current Policy does not outline a procedure for City-issued credit cards and City charge accounts, nor has the City ever had a procedure for these two items.

DISCUSSION

Attached is an updated Policy that outlines a procedure for both City-issued credit cards and City charge accounts. Please note that the City has never had a written procedure for these two items and that are no concerns to report of. City staff feels that the written procedures will strengthen the Policy. The City Council will need to discuss whether or not these procedures should be added to the Policy.

RECOMMENDATION

It is recommended that the City Council approve the updated Internal Controls Procedure Policy.

**CITY OF NEPWORT
INTERNAL CONTROLS PROCEDURE**

I. PURPOSE

The City of Newport seeks to balance its internal accounting control in such a way as to ensure public confidence and maintain the integrity of its financial systems and assets, without unduly inhibiting the ability to efficiently carry out its mission.

II. CASH DISBURSEMENTS

A. Goal

The goal in establishing an internal control system for cash disbursements is to safeguard the assets of the city and ensure an appropriate level of fiduciary responsibility.

B. Objective

The objective in meeting this goal is to ensure that cash is disbursed only upon proper authorization of management for valid governmental purposes, and that all disbursements are properly recorded.

C. Procedures

1. **Segregation of Duties.** No financial transaction shall be handled by only one person from beginning to end.
 - a. Payment of all claims shall be authorized by the appropriate department supervisor, the City Administrator, and the City Council. ACH and wire transfers shall be processed by the Accountant/Bookkeeper with authorization from the City Administrator.
 - b. Payments shall be coded by the appropriate department supervisor or the Accountant/Bookkeeper.
 - c. Payments shall be recorded by the Accountant/Bookkeeper and presented to the City Administrator for accuracy and completeness.
 - d. All checks shall be stamped with the signatures of the Mayor and City Administrator by the City Administrator. In the absence of the City Administrator, the Accountant/Bookkeeper can authorize the signatures of the Mayor and City Administrator to be stamped on the checks. All checks shall require two signatures.
 - e. Financial reports and bank reconciliations shall be prepared by the Accountant/Bookkeeper and presented to the City Administrator for review on a monthly basis.
 - f. Properly signed and approved checks shall be mailed by the Accountant/Bookkeeper or the Executive Analyst.

- 2. Accounting Controls.** The following common internal controls relate to paying bills:
- a. All disbursements, except those from petty cash, will be made by pre-numbered check or by authorized ACH withdrawals from designated accounts.
 - b. It is not permissible to draw checks payable to Cash.
 - c. Under no circumstances will blank checks be signed in advance. A disbursement voucher shall be prepared for each invoice or request for reimbursement that details the date, the payee, the amount, description of expense account to be charged, authorization signature or initials, and be accompanied with related source documents.
 - d. Expenditures must be approved in advance by authorized persons.
 - e. All signed checks shall be mailed promptly by the Accountant/Bookkeeper or Executive Analyst.
 - f. The individuals authorized to sign the checks shall review each cash disbursement voucher for the proper approved authorization and supporting documentation of the expense.
 - g. Paid invoices will have the check stub attached.
 - h. Invoices and requests for reimbursement will be checked for accuracy and reasonableness before approval.
 - i. A cash disbursement journal will be prepared that details the date of the check, check number, amount of check, and description of expense account to be charged.
 - j. Unpaid invoices shall be maintained in an unpaid invoice file by the Accountant/Bookkeeper.
 - k. Advance payments to employees or vendors shall be recorded as receivables in the general ledger.
 - l. Expense reports for travel related expenses shall be submitted on a timely basis.
 - m. Checks by which claims are paid shall have printed on the reverse side, above the space for endorsement: "The undersigned payee, in endorsing this check order, declares that the same is received in payment of a just and correct claim against the City of Newport, and that no part of such CLAIM has heretofore been paid."
 - n. In accordance with M.S. 471.425, subd. 2, claims of the city shall be paid within 35 days from the date of receipt, or as otherwise stipulated by the terms of a contract. Claims not paid with this time frame will be subject to penalty and interest charges assessed by the vendor, as provided for in M.S. 471.425, subd. 4.

- o. Disallowed claims shall be so marked and kept in a file for an appropriate time period.
- p. Credit card purchases shall not be allowed except as legally provided under M.S. 471.382 and by authorization of the City Council.

III. PETTY CASH FUND

A. Goal

The goal in establishing an internal control system for Petty Cash Fund is to safeguard the assets of the city and ensure an appropriate level of fiduciary responsibility.

B. Objective

The objective in meeting this goal is to provide guidelines for use, safekeeping and reporting standards of the Petty Cash Fund, while allowing for small purchases or reimbursements to be made from the Petty Cash Fund.

C. Procedures

1. **Segregation of Duties.** The Petty Cash Fund is available to staff to make small purchases or reimbursements, in cash, for items such as stamps, office supplies, parking, etc. The following guidelines shall apply:
 - a. The Executive Analyst shall be the custodian of the Petty Cash Fund and is the person to make disbursements from the fund. In the absence of the Executive Analyst, the Accountant/Bookkeeper will have limited authority to disburse petty cash funds.
 - b. The custodian of the Petty Cash Fund shall be responsible for reconciling the fund on a quarterly basis at a minimum.
 - c. The Accountant/Bookkeeper shall make the appropriate entries to record the expenses and arrange for replenishment of the Petty Cash Fund.
 - d. The Executive Analyst must approve all withdrawals from the Petty Cash Fund.
2. **Accounting Controls.** The following guidelines will govern the use and keeping of the Petty Cash Fund:
 - a. The Petty Cash Fund will not exceed the amount of \$75.
 - b. The Petty Cash Fund will be kept by the Executive Analyst in a locked box. The locked box shall be kept in a secure place.
 - c. Withdrawals from the Petty Cash Fund will be made only by completing a Petty Cash Voucher. The voucher must state the date and amount of the withdrawal, the reason the cash was withdrawn, the expenditure account to which the expense should be charged, and the name and signature of the person receiving

the cash. The voucher shall also contain the signature of the Executive Analyst approving the withdrawal.

- d. Supporting documentation (receipts, invoices) must be attached to each Petty Cash Voucher.
- e. Unannounced counts of petty cash and change will be made on occasion by the Finance Officer.
- f. No staff member shall be allowed to cash personal checks, including paychecks, in the petty cash or change funds of the city.
- g. Under no circumstances shall staff members be permitted to borrow from petty cash or change funds for personal use.

IV. CASH RECEIPTS

A. Goal

The goal in establishing an internal control system for cash receipts is to safeguard the assets of the city and ensure an appropriate level of fiduciary responsibility.

B. Objective

The objective in meeting this goal is to ensure that all cash intended for the city is received, promptly deposited, properly recorded, reconciled, and kept under adequate security.

C. Procedures

1. **Segregation of Duties.** No financial transaction shall be handled by only one person from beginning to end.
 - a. The Executive Analyst will be responsible for receiving cash payments to the city, whether by mail or in person. In the absence of the Executive Analyst, the Accountant/Bookkeeper or City Administrator may receive cash payments.
 - b. The Executive Analyst will be responsible for reconciling the receipts for deposit on a daily basis.
 - c. The Executive Analyst will prepare the bank deposit.
 - d. A Newport Police officer will deposit the funds at the bank.
 - e. The Accountant/Bookkeeper or the Executive Analyst will record Utility Billing receipts and post the revenue to the general ledger. The Accountant/Bookkeeper will record all other cash receipts in the general ledger.
 - f. Financial reports and bank reconciliations shall be prepared by the Accountant/Bookkeeper and presented to the City Administrator for review on a monthly basis.

- g. Invoices for city services shall be prepared by the Executive Analyst. An accounts receivable register for utility billing will be maintained by the Accountant/Bookkeeper.

2. **Accounting Controls.** The following internal controls relate to cash receipts:

- a. All payments to the City shall be accompanied by numbered cash receipt, stating the date of the receipt, the amount of the receipt, a description of the item or service being paid for, and a description of the revenue account the revenue should be allocated to. The receipt shall indicate whether the payment is cash or check. For payments made by check, the check number will be included on the receipt. Cash shall be deposited in the City's bank account.
- b. Cash Receipts shall be kept in a in a secure place until deposit.
- c. Cash receipts shall be reconciled on a daily basis by the designated staff person. Any discrepancies shall be reported immediately to the City Administrator.
- d. ACH deposits into the City's account will be recorded by the Accountant/Bookkeeper.

V. CREDIT CARDS

A. Authorized Users and Procedures

1. The City Administrator is responsible for assignment and designation of credit cards or purchasing cards to certain departments to allow for more efficient purchasing and to make purchases at businesses that do not offer open accounts.
2. The City Administrator, Department Heads and Lead Staff are issued and authorized to use a corporate credit card and/or purchasing card to procure goods and services on behalf of the City of Newport as authorized by the City Council. The City Administrator may authorize employees to use a credit card on the City's behalf.
3. The cards may only be used for city-related purchases pursuant to the adopted budget. The corporate credit card or purchasing card is not intended to replace or circumvent the City's Purchasing Policy.
4. Each card holder will be responsible for maintaining accurate and complete records. Use of city credit cards for personal purchases is strictly prohibited. If an employee makes a purchase using a city credit card or purchasing card, they will be held personally liable for the amount of the purchase. A receipt of each purchase must be retained and given to the Accountant.
5. The City Administrator or a designee will be responsible for development and administration of credit card and purchasing card procedures.

VI. CHARGE ACCOUNTS

A. Authorized Users and Procedures

1. In certain situations, it may be advantageous to use charge accounts with local businesses and vendors which allow authorized employees to purchase goods

and services with periodic (usually monthly) billing to the City. Employees must sign sales slips or other vendor documentation at the time of the sale and submit documentation to their supervisor.

August 2012

Newport Police Department
Activity Report

		Monthly Total	Yearly Total
ACCIDENTS		6	50
ADMINISTRATIVE		69	643
ALARMS		11	58
ANIMAL CALLS		15	79
ARRESTS	Felony	2	15
	Misdemeanor	3	36
	Gross Misd.	3	17
ASSAULTS	Aggravated		
	Simple	4	17
ASSIST OTHER DEPT/OFFICER		55	471
ASSIST PUBLIC		103	1088
AUTO THEFT		2	8
	Attempted		2
BURGLARY		4	16
	Attempted		2
CHILD ABUSE/NEGLECT		2	8
CIVIL DISPUTES		8	54
CRIMINAL SEXUAL CONDUCT			2
CURFEW			
DAMAGE TO PROPERTY		6	42
DEATH INV.			3
DISORDER CONDUCT		4	20
DOMESTICS		20	97
DRIVING COMPLAINT		8	71
DRUGS/PARAPHERNALIA			2
DRUNKS/DETOX		3	16
D.W.I.		2	16
FIRECALLS			50
FORGERY			3
FOUND PROPERTY		2	13
HAR/COMM		1	19
HANG UPS (911)		7	30
JUVENILE PETTY CITATIONS		1	15
JUVENILE PROBLEMS		5	44
LOCK-OUTS		2	30
MEDICAL CALLS		8	143
MISSING PERSONS		1	2
ORDINANCE VIOLATIONS		30	162
ORDINANCE WINTER PARK			27
PROWLERS		1	1
ROBBERY			
	Attempted		
RUN-AWAY			1
STOLEN AUTOS RECOVERED		1	8
SUSPICIOUS ACTIVITY		38	230
THEFT		22	118
	Attempted		
CITATIONS		74	756
TRAFFIC WARNINGS		77	607
		Monthly Total	Yearly Total
Overall Grand Total All Events		600	5092

Memo

To: Mayor and City Council
Brian Anderson

From: Bruce Hanson

Date: 10/1/2012

Re: 2012 Zero-Turn Mower



DISCUSSION

2012 Ferris Zero Turn Mower

This is an item that is currently listed for replacement in 2012 according to the 2012 Capital Equipment budget. It will be replacing a 2004 zero turn lawn mower. Due to the age, hours accumulated, and deck condition of this mower; I would like authorization to replace this machine with the purchase of an IS5100ZC33D/5000/72 Ferris zero turn mower with a 33.5 hp diesel, and a 72" deck. This would be purchased off of MN State Contract #44985 from Gerlach Outdoor Power Equipment in Hastings. The state bid price for this is \$17,627.35 plus tax.

RECOMMENDATION

It is recommended that the City Council approve Resolution No. 2012-29 authorizing the purchase of an IS5100ZC33D/5000/72 Ferris zero turn mower from the Equipment Capital Improvement Fund at a total cost of \$17,627.35 plus tax.

RESOLUTION NO. 2012-29

A RESOLUTION AUTHORIZING THE PURCHASE OF A 2012 ZERO TURN MOWER FROM THE CITY'S EQUIPMENT CAPITAL IMPROVEMENT FUND

WHEREAS, The Newport Public Works Department has a 2004 Zero Turn Mower that is scheduled for replacement in 2012 due to its age and condition; and

WHEREAS, The Newport Public Works Department would purchase the replacement for this under the State of Minnesota Cooperative Purchasing Agreement; and

WHEREAS, Superintendent of Public Works, Bruce Hanson, has recommended the replacement of the 2004 Zero Turn Mower with the purchase of a 2012 IS5100ZC33D/5000/72 Ferris Zero Turn Mower on State Contract #44985 with the estimated cost to be \$17,627.35 plus tax.

NOW, THEREFORE, BE IT RESOLVED That the Newport City Council hereby authorizes the purchase of a 2012 IS5100ZC33D/5000/72 Ferris Zero Turn Mower at a cost of \$17,627.35 plus tax.

Adopted this 4th day of October 2012, by the Newport City Council.

Vote:	Geraghty	_____
	Ingemann	_____
	Sumner	_____
	Gallagher	_____
	Rahm	_____

Signed: _____
Tim Geraghty, Mayor

ATTEST: _____
Brian Anderson, Administrator

Memo

To: Mayor and City Council
Brian Anderson

From: Bruce Hanson

Date: 10/1/2012

Re: 2012 Skid Steer Loader, bucket, and snow blower



DISCUSSION

2012 Bobcat Skid Steer Loader

This is an item that is scheduled for replacement in 2012 according to the 2012 Capital Equipment budget. It would be replacing the 1997 LX 565 New Holland skid steer loader, dirt bucket and 66" Erskine snow blow. Due to the age and condition of this machine, I would like authorization to purchase a 2012 Bobcat S590 with 66hp diesel, enclosed ROPS cab, 72" Bobcat snow blower, and dirt bucket. This would be purchased off of MN State Contract #52041 from Tri State Bobcat Inc, in Burnsville. The state bid price for this is \$29,531.20 plus tax. This machine will work with the specialized attachments that we currently have.

RECOMMENDATION

It is recommended that the City Council approve Resolution No. 2012-30 authorizing the purchase of a 2012 Bobcat S590 from the Equipment Capital Improvement Fund at a total cost of \$29,531.20 plus tax.

RESOLUTION NO. 2012-30

A RESOLUTION AUTHORIZING THE PURCHASE OF A 2012 BOBCAT S590 FROM THE CITY'S EQUIPMENT CAPITAL IMPROVEMENT FUND

WHEREAS, The Newport Public Works Department has a 1997 LX 565 New Holland Skid Steer Loader that is scheduled for replacement in 2012 due to its age and condition; and

WHEREAS, The Newport Public Works Department would purchase the replacement for this under the State of Minnesota Cooperative Purchasing Agreement

WHEREAS, Superintendent of Public Works, Bruce Hanson, has recommended the replacement of the 1997 LX 565 New Holland Skid Steer Loader with the purchase of a 2012 Bobcat S590 on State Contract #52041 with the estimated cost to be \$29,531.20 plus tax; and

NOW, THEREFORE, BE IT RESOLVED That the Newport City Council hereby authorizes the purchase of a 2012 Bobcat S590 at a total cost of \$29,531.20 plus tax.

Adopted this 4th day of October 2012, by the Newport City Council.

Vote:	Geraghty	_____
	Ingemann	_____
	Sumner	_____
	Gallagher	_____
	Rahm	_____

Signed: _____
Tim Geraghty, Mayor

ATTEST: _____
Brian Anderson, Administrator

Memo



To: Mayor and City Council
Brian Anderson

From: Bruce Hanson

Date: 10/1/2012

Re: 2013 Plow Truck

DISCUSSION

2013 International Single Axle Dump Truck Chassis

This is an item scheduled for replacement in 2013 according to the 2012 Capital Equipment budget. It would be replacing a 1987 Ford L8000 single axle dump truck. Due to the age and condition of this 25 year old truck; I would like authorization to order a new International 7400 4X2 single axle chassis and pay for it with 2013 funds upon its arrival in January of 2013. The chassis would be purchased off of MN State Contract #31563 from Astleford International Trucks in Minneapolis. The state bid price for the chassis is \$80,060.46 plus tax.

The current state bid price for the heavy truck chassis expires mid-October. If ordered now, the truck would be delivered by January 2, 2013. If we would wait until the contracts are rebid for the upcoming year; we could experience a significant increase in cost.

2013 Towmaster Equipment.

Once we take delivery of the chassis; we would deliver it to the equipment company. There is a 35 to 45 day build time expected once they get the chassis. Hopefully we would take delivery of a completed snow plow/dump truck March 1, 2013.

The equipment needed for the build includes hydraulics, box, hoist, plow, sander, controls and DOT lighting. This equipment would be purchased off of MN State Contract #11738 from Towmaster Truck Equipment in Litchfield. The state bid price from the dump body and equipment is \$80,466 plus tax.

If we wait for next year's contract prices (2014); I am told there will be a significant price increase and extensive time delay in getting the truck chassis ordered and having it put together with the equipment builder. Possible delivery date would be late 2013, or early 2014.

RECOMMENDATION

It is recommended that the City Council approve Resolution No. 2012-31 authorizing the purchase of a 2013 single axle chassis with the necessary equipment from the Equipment Capital Improvement Fund at a total cost of \$160,526.46 plus tax, fees, licensing and shipping.

RESOLUTION NO. 2012-31

A RESOLUTION AUTHORIZING THE PURCHASE OF A 2013 SINGLE AXLE CHASSIS WITH NECESSARY EQUIPMENT FROM THE CITY'S EQUIPMENT CAPITAL IMPROVEMENT FUND

WHEREAS, The Newport Public Works Department has a 1987 Ford Single Axle Dump Truck that has exceeded its normal 15 years of service life; and

WHEREAS, The Newport Public Works Department would purchase this vehicle and equipment under the State of Minnesota Cooperative Purchasing Agreement; and

WHEREAS, Superintendent of Public Works, Bruce Hanson, has recommended the replacement of the 1987 Ford single axel dump truck with the purchase of a 2013 International 7400 4X2 Single Axel Chassis on State Contract #31563 with the estimated cost to be \$80,060.46 plus tax; and

WHEREAS, To purchase everything necessary to equip this truck, i.e. the box, hoist, plow, wing, sander, lighting and controls, on State Contract #11738 with the estimated cost to be \$80,466 plus tax; and

WHEREAS, The total estimated purchase cost of \$160,526.46 does not include taxes, licensing, and shipping.

NOW, THEREFORE, BE IT RESOLVED That the Newport City Council hereby authorizes the purchase of a 2013 Single Axel Chassis with all necessary equipment, and to include all taxes, licenses and shipping, at a cost of \$160,526.46 plus tax, fees, licensing and shipping.

Adopted this 4th day of October 2012, by the Newport City Council.

Vote:	Geraghty	_____
	Ingemann	_____
	Sumner	_____
	Gallagher	_____
	Rahm	_____

Signed: _____
Tim Geraghty, Mayor

ATTEST: _____
Brian Anderson, Administrator