



**City of Newport
City Council Workshop Meeting Minutes
August 7, 2014**

1. ROLL CALL -

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

Council Absent –

Staff Present – Deb Hill, City Administrator; Bruce Hanson, Superintendent of Public Works; Curt Montgomery, Police Chief; Mark Mailand, Fire Chief; Renee Eisenbeisz, Executive Analyst; Fritz Knaak, City Attorney;

Staff Absent -

2. DISCUSSION REGARDING THE 2015 DRAFT BUDGET AND PRELIMINARY PROPERTY TAX LEVY

Admin. Hill presented on this item as outlined in the August 7, 2014 City Council Workshop packet.

Councilman Rahm - What is the percentage increase for workers comp?

Admin. Hill - It was \$17,000 or \$18,000 for the year.

Councilman Rahm - What was the reasoning for that?

Admin. Hill - We've had a couple major injuries. That's why our health insurance is going up too.

Councilman Sumner - Aren't we in a larger pool for insurance?

Admin. Hill - Yes but you're still responsible for your part. If we weren't in a larger pool, our increase would be 20-25%. We're capped at 14-15%.

Councilman Sumner - So that would be a maximum?

Admin. Hill - Yes. One thing Deb and I are looking at is increasing the amount employees pay for health insurance. Right now, the City pays 93% of the premium for family and a lot of cities are around 75-80%. We would like to bring that down to 85% gradually, right now I'm thinking of bringing it down to 89%.

Councilman Gallagher - Are there union implications with that?

Admin. Hill - No. That would save us about \$4,200 for the year.

Councilman Gallagher - Have you looked at more bids?

Admin. Hill - Andy comes and provides us with alternatives. I have not put together the enterprise fund budgets yet. We're working with Met Council right now because we will probably see a large increase due to our I and I issues. We've had heavy rains and huge spikes in the inflow. On June 1 alone, it was an extra 2 million gallons that went down.

Councilman Gallagher - Could that have been associated with the work that's going on?

Superintendent Hanson - We didn't open up the roads until June 9. That spike was in a 12 hour period.

Admin. Hill - We're red-flagged.

Mayor Geraghty - How many cities were?

Admin. Hill - We had a heavy concentration of rain that day here. Deb and I will be meeting with Ehlers on Tuesday to go over our budgets, funds, and utility study.

Mayor Geraghty - That's just because of the infiltration? Are they talking about fines and penalties?

Superintendent Hanson - The last few letters haven't.

Admin. Hill - As long as we're working the plan that they approved we're in good graces but their system can't handle those spikes.

Councilman Sumner - So all of the work we've done as been for naught?

Superintendent Hanson - It's helped and you would have had them do the lining anyways. We improved it at 17th Street.

Mayor Geraghty - When is the pre-certification due?

Admin. Hill - First meeting in September. I would encourage anyone to come in and discuss the budget with me.

Councilman Rahm - How far are we looking ahead?

Admin. Hill - Usually just a year or two.

Superintendent Hanson - I had one more thing. We had a meeting with Washington County and MnDot and have lost about 200 trees. Washington County and MnDot will not replace any so it's up to the City. There's about 50 that I wouldn't replace because of the locations they were in and I'm not sure if the County will let us replace the ones in their right-of-way. At minimum you're talking about \$100 per tree and if we plant them it's about \$15,000.

Councilman Rahm - I thought they got hurt because of the draught.

Superintendent Hanson - We watered them enough. The warranty is up and they won't replace them.

Mayor Geraghty - Would that be in the spring?

Superintendent Hanson - Yes, it would be a 2015 budget issue. If you decide not to then I would like to know so I can remove them. I would estimate we've lost 20-30% of the trees during this entire project.

3. ADJOURNMENT

Signed: _____
Tim Geraghty, Mayor

Respectfully Submitted,

Renee Helm
Executive Analyst