

# WEEKLY MEMO

**Date:** August 20, 2010

**To:** Mayor Lynn Stauss. Council President Dick Grassel, Vice President Henry Tweten, Council Members Marc Demers, Craig Buckalew, Wayne Gregoire, Greg Leigh, and Mike Pokrzywinski.

**From:** Scott Huizenga

**RE:** Weekly Update

## **UPCOMING MEETINGS:**

*August 24, 2010 – 5:00 pm – Council Work Session*

*August 31, 2010 – 5:00 pm – Council Work Session*

*September 7, 2010 – 5:00 pm – Council Meeting*

*September 9, 2010 - 12:00 pm - Intergovernmental Meeting – Location TBD*

*September 22, 2010 – 1 pm – League of Minnesota Cities Regional Meeting - Crookston*

*September 27, 2010 – Curbside Chat*

## **WEEKLY UPDATE:**

### **2011 Budget**

Much of the attention in Administration this week has been focused on the preparation of the 2011 Budget. We are about 95 percent completed with the plan; with only minor modifications to incorporate. The document will be prepared for distribution next week. The Council will discuss the proposed budget at a work session on Tuesday, August 31. Then, the City Council will consider adopting the preliminary budget and levy at the regular meeting of September 7. As always, the City Council can decrease the preliminary levy. But, it cannot increase the levy after it is certified with the County. Therefore, we tend to aim high in the preliminary levy to provide flexibility for unforeseen circumstances.

As a brief preview, we estimate that current state budget circumstances will dictate an LGA decrease of at least \$600,000. However, we incorporated a cut of approximately \$420,000 into the FY 2010 Adopted Budget. As we have stated on many occasions, proactive measures taken in prior years should help us to greatly reduce – but not eliminate – the stressors of the FY 2011 budget.

### **Water and Light Commission**

Last evening, the Water and Light Commission recognized Gary Hultberg, Water Plant Superintendent, upon his pending retirement after 32 years of service to the City. They also reviewed the position description; and they authorized the General Manager to name an Acting Superintendent during the recruitment process for a permanent replacement. Finally, I briefed the Commission on the terms of the City's labor agreements that are now complete. The Water and Light Teamsters contract expires at the end of 2010. Our goal is to align the Water and Light compensation plan with adopted Citywide plan.

### **Simplot Buildings**

The EDHA Director, Council President Grassel, and I discussed the dilapidated potato storage buildings at the corner of Highway 2 and Highway 220 with a project manager for Simplot. The corporate office has allocated some funding to begin the demolition process on one of the buildings. The local office would like to remove all of the buildings. Thus far, the local company budget has not had enough appropriations to fully remove the buildings. We have offered to facilitate the process in any way the City can; up to and including a friendly acquisition if that is amenable to the company.

### **F-M Diversion**

You have probably read media reports that indicate the Fargo-Moorhead Diversion project may be delayed due to the volume of public comments that the US Army Corps of Engineers has received on the project. We have received no formal reply at the City level. While the City's objective is not to unnecessarily delay flood protection to the Fargo-Moorhead area, I am pleased that the Corps takes seriously the comments that have been received, including those from East Grand Forks.

### **AGENDA ITEMS:**

1. The Red River Basin Commission will address the City Council regarding the proposed Fargo-Moorhead Diversion project. My understanding is that Commission officials request an "informal" dialogue in which they hope to gauge the concerns and needs of the City should the project continue as planned.
2. After delays from the state, the City procured bids for the second phase of the Safe Routes to School project. The bids came in approximately \$50,000 higher than estimated. I recommend that the City Council reject all bids. The City would rebid the project in early 2011 with the hopes of receiving more competitive bids. Alternatively, the City can proceed with the project and use an additional \$50,000 in State Aid Construction funding to complete the project this fall. Due to the state delay, however, the project will not be completed before school starts in September.
3. The townships within the City's fire service territory have requested that we proceed on the proposed rescue unit fee so that they can incorporate the new agreement into their proposed FY 2011 budgets. The agreement calls for a \$10,000 per year increase to the annual service contract contingent upon the City approving a \$5 per month per household fee within the City. The fee would go into effect January 1, 2011.