

**Council Meeting
Tuesday, March 1, 2011
City Council Chambers
6:30 p.m.**



AGENDA

Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes–February 15, 2011
2. Consent Agenda
 - Minutes
 - Airport Commission – February 11, 2011
 - Housing & Redevelopment Authority – January 12, 2011
 - Telecommunication Commission – February 15, 2011
 - Utility Commission – February 23, 2011
 - License Applications
 - Windom Fire Department
 - Dance License
 - Windom Country Club
 - Liquor License Renewal
 - Cigarette License Renewal
3. Des Moines River Dam – Informational Briefing/Update
4. Department Heads
5. Street Committee Recommendation – Safe Routes to School
6. Minnesota Food Share Month Proclamation
7. Electric Department Utility
 - Brookings – Twin Cities Transmission Project
 - Warranty for Generation Equipment
8. 2011 Board of Appeal and Equalization Meeting – Scheduled for May 9, 2011 at 4:30 p.m.
9. Police Department – Public Notifications
10. Regular Bills
11. Unfinished Business
12. New Business
13. Council Concerns
14. Adjourn



UTILITY COMMISSION MINUTES
City Hall, Council Chamber
February 23, 2011

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 a.m., on February 23, 2011 in the City Hall Council Chamber.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Chris Johnson and Glen Francis

Member Absent: None

City Council Liaison: Dominic Jones

Steve Nasby, City Administrator; Brigitte Olson, Assistant City Administrator; Marv Grunig, Electric Utility Manager and Mike Haugen, Water/Wastewater Superintendent; and Randy Lyons, Wastewater Foreman

Others Present: Craig Mueller, Wenck Associates; Kelly Yahnkee, Bolton & Menk, Inc.

OATH OF OFFICE

Schwalbach gave the oath of office to Glen Francis, the new Utility Commission appointee.

APPROVE MINUTES

Motion by Johnson, seconded by Schwalbach, to approve the January 26, 2011 Utility Commission minutes as presented. Motion carried 3-0.

INTRODUCTION

Mark Hanson, EDA Executive Director gave a brief introduction of himself to the Utility Commission

WATER WASTEWATER ITEMS

Wenck Landfill Testing Results – Craig Mueller, Wenck Associates reviewed the past history of the landfill site for the new board member to the Utility Commission. Mueller then reviewed the results for the January sampling event at the Windom Landfill. Mueller said that at all sampling points, vinyl chloride and cis-1-2 dichloroethene were below actionable levels. Locations that were sampled are Monitoring Well (MW) 9B, MW – 9B Duplicate, MW -5A CW-7. Because vinyl chloride was below detection limits, the recovery well system does not have to be run at

this time. Mueller also said that the entire system will be sampled in April, and a report will be completed for the January and April sampling events and sent to Minnesota Pollution Control Agency (MPCA) after that event.

Bolton & Menk Inc, Main Lift Station – Kelly Yahnkee presented an engineering feasibility report for wastewater treatment improvements. In this report he outlined the improvements. They are as follows:

- Reconstruction of Main Lift Station
- River Crossing
- Main Interceptor
- Wastewater Treatment Facility Improvements

Yahnkee said that the main lift station is 40+ years old and was designed for 750 gpm flow. Yahnkee said that approximately 600 LF of 21 inch main interceptor sanitary sewer along with replacement of equipment at the wastewater treatment facility is necessary, and that the last upgrade to the wastewater treatment facility was in 1994. The equipment that is in need of replacement is in the pretreatment area. The estimated cost of the entire project is \$2,625,000.00.

Motion by Johnson, seconded by Francis, to call for plans and specs, for the Wastewater Treatment Improvements and requested to have each improvement item in the project as a separate option. Motion carried 3-0.

PM Windom Wastewater Rate Discussion – This discussion was tabled for more accurate 2010 flows and loadings for PM Windom.

Biosolids Annual Report – Haugen said that the Biosolids report was submitted to MPCA, and was accepted in good order.

Staffing Discussion – Haugen reviewed the past history for staffing in the Water and Wastewater departments. He said that Lee Peterson has retired and that position was replaced, he also said that he had an employee that was sick for many months and then came back to work for a short time, and then retired. This employee has not been replaced and that the Personnel Committee and Utility Commission have requested justification of need to replace this employee. Haugen provided information to the Utility Commission outlining the duties for the job descriptions as they were found in the last meetings time sheets. He also provided a quote for sewer jetting from Empire Pipe and Services in the amount of \$34,848.00 for approximately twelve (12) miles per year. After lengthy discussion on the importance of sewer jetting, what other types of job duties are not being fulfilled, and to have staff direct employees to better utilize their time by having one employee do the jobs that only take one employee to accomplish. The discussion will be continued for the next regularly scheduled meeting.

Other Water / Wastewater Items - Haugen informed the Utility Commission that he has had a water main break on 20th Street, and that this street is the number one priority for improvements.

Haugen also directed the Commission to the letter in their packet from MPCA regarding the Petroleum Tank Release Site File Closure on the old Towlerton Motor site. This letter is to inform the commission that the file has been closed, and that no further investigation or cleanup work is necessary.

ELECTRIC ITEMS

Caterpillar Generator's Warranty Extension – Grunig reviewed the information in the packet regarding the warranties for the caterpillar generators. There are three (3) types of warranties; Silver, Gold and Platinum, each of these have either a three (3) year or five (5) year option. Grunig said that the decision from the Utility Commission is whether they feel that a warranty is needed, and / or which option. Grunig said that his recommendation was the Gold Policy for three (3) years at a cost of \$26,800. Each of these generators is valued at 1 million dollars, and the commission felt that \$26,800 was a small price to pay for the warranty.

Motion by Johnson, seconded by Francis, to direct Grunig to purchase the Gold Policy for three (3) years for \$26,280.00. Motion carried 3-0.

Brookings County – Hampton CapX 345 kV Transmission Line Investment – Grunig provided an overview of the CapX 345kV Transmission Line investment. The scheduled construction beginning date would be late 2012, with completion in 2015. Other items discussed were the participants and the share of participation for each participant, other proposed kV transmission projects in Minnesota and transmission costs to the City of Windom Utilities since 2003.

Grunig said that the Brookings project will be able to earn a return on its investment greater than the cost of the debt service with FERC transmission investment incentive rates of return and by using tax exempt bonds to finance their share of the project and using the financial gain to offset increases in the transmission tariff rates.

Grunig said that it has been proven by the Attachment “O” filing that this is a reliable revenue source as the City of Windom’s Utilities is receiving revenue from it’s locally owned 69kV transmission asset which is included in that filing, as a check in the amount of \$29,661.79 was received in December and monthly revenue of approximately \$5,000 per month will be a source of income as long as these local transmission assets are in place.

Grunig said that at the present time an opportunity exists where Central Minnesota Municipal Power Association (CMMPA) will be able to increase their investment share in this project up to 5% or \$36,300,000. Windom would then have the opportunity to increase its commitment up to \$3,310,075.

Grunig said that on Thursday, February 17, 2011 FERC approved all incentives for the Brookings Project. These items are as follows:

- Put municipal utilities on an equal playing field with investor owned utilities

- Construction Work in Process – Revenue flow coming back to investors on development costs
- 12.38% return on investment
- If the project is abandon the development costs will be returned

Grunig said that the contract has been reviewed by the City’s Attorney, and he has no objections from a legal aspect to the language in the contract.

The resolution below has a **not to exceed amount of \$3,310,975** which is subject to the possible reductions of approximately 40% of that amount on the City’s investment into the Brookings transmission project.

Utility Commission member Johnson introduced the Resolution No 2011-02 entitled “RESOLUTION APPROVING THE CENTRAL MINNESOTA MUNICIPAL POWER AGENCY “CMMPA” BROOKINGS-TWIN CITIES TRANSMISSION PROJECT AGREEMENT” and moved its adoption. The resolution was seconded by Schwalbach and on roll call vote: Aye: Francis, Johnson and Schwalbach. Nay: None. Resolution passed 3-0.

REGULAR BILLS

Motion by Johnson, seconded by Francis, to approve payment of the bill from Wenck Associates in the amount of \$1,403.96. Motion carried 3-0.

OLD BUSINESS

None

NEW BUSINESS

The next regularly scheduled meeting will be March 23, 2011.

On motion the meeting was adjourned at 1:25 p.m.

Mike Schwalbach, Utility Comm. Chairperson

Attest: _____
Steve Nasby, City Administrator

**Council Meeting
Windom City Hall, Council Chamber
February 15, 2011
7:30 p.m.**

1. Call to Order: The meeting was called to order by Mayor Kruse at 7:30 p.m.

2. Roll Call: Mayor: Kirby Kruse

Council Members: Kelsey Fossing, Dominic Jones, Corey Maricle,
Bradley Powers and JoAnn Ray

Council Members Absent:

City Staff Present: Steve Nasby, City Administrator; Brigitte Olson,
Assistant City Administrator; Dan Olsen, Telecom
Manager; Dan Ortmann, Fire Chief; Mark Stevens,
Assistant Chief; Mark Marcy 2nd Assistant Chief and
Jeff Dahna, Telecom

Public Present: Frank Dorpinghaus, Dirk Abraham and Rahn Larson

3. Pledge of Allegiance

4. Approval of Minutes:

Motion by Ray second by Jones, to approve the City Council minutes from February 1, 2011 as amended. Motion carried 5 – 0.

5. Consent Agenda:

Kruse said there were minutes from the following Boards\Commissions:

- Street Committee – February 1, 2011
- Library Board – February 8, 2011

**Motion by Powers second by Ray, to approve the Consent Calendar as presented.
Motion carried 5 – 0.**

6. Department Heads:

None

7. County Road 13 – County Project Approval:

Steve Nasby, City Administrator, said that the County was working on a paving project for County Road 13. The project would start at Lakeview Avenue and go out of town from that point. Because the start point on Lakeview Avenue is in City limits the County needs the City's approval for the project. There is no cost to the City. Ron Gregg, Cottonwood County Engineer was present for questions.

Council member Powers introduced the Resolution No. 2011-06, entitled "STATE AID FOR LOCAL TRANSPORTATION RESOLUTION APPROVING COUNTY PROJECT WITHIN CITY LIMITS" and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Fossing, Jones, Maricle, Powers and Ray. Nay: None. Absent: None. Resolution passed 5 – 0.

8. Telecommunications Commission – Rate Recommendation:

Dan Olsen, Telecom Manager, said that Windomnet's telephone service has generated revenues in excess of the federal de minimus standards and as such will have to start paying Federal Universal Service Fund taxes, which are mandated by the Federal Communications Commission. These federal taxes are based on certain types of toll charges and services. A typical customer will see a slight increase in their bill due to these federal taxes. A second item related to the telephone tariff is a housekeeping item and one of our rates should be charged at \$4.92 and not \$4.90 as currently charged. This resolution would clean up the two cent tariff issue and allow for the inclusion of the federal taxes.

Nasby said a flyer explaining the federal taxes will be in the next bill statements.

Council member Maricle introduced the Resolution No. 2011-07, entitled "RESOLUTION ESTABLISHING RATES, CHARGES AND FEES FOR TELECOMMUNICATIONS ENTERPRISE FUND" and moved its adoption. The resolution was seconded by Fossing and on roll call vote: Aye: Jones, Maricle, Powers, Ray and Fossing. Nay: None. Absent: None. Resolution passed 5 – 0.

Jones asked if it will be a separate line on the bill for these federal taxes or if they will be mixed with other federal taxes. Olsen said they would be on the line showing federal taxes.

9. Ratification of Fire Department Elections:

Dan Ortmann, Fire Chief; Mark Stevens, Assistant Chief and Mark Marcy, 2nd Assistant Chief introduced themselves and indicated that they, along with Roger Winker as 3rd Assistant Chief were elected by the Windom Fire Department.

Motion by Maricle, second by Ray, to ratify the 2011 Windom Fire Department elections as presented. Motion carried 5 – 0.

Kruse and the Council thanked the firefighters for their work.

Preliminary

10. Emergency Management Appointment:

Kruse said this item will be tabled until a future meeting.

11. Cooperation Agreement between the City and Windom HRA:

Nasby said the Windom Housing and Redevelopment Authority (HRA) was acquiring a single family property adjacent to their Riverview building for the purposes of expanding the parking lot. Whenever the HRA acquires property or expands they are required by the U.S. Department of Housing and Urban Development (HUD) to have a cooperation agreement executed so the City is in support of the HRA activities.

Council member Jones introduced the Resolution No. 2011-08, entitled “RESOLUTION AUTHORIZING EXECUTION OF COOPERATION AGREEMENT” and moved its adoption. The resolution was seconded by Maricle and on roll call vote: Aye: Maricle, Powers, Ray, Fossing and Jones. Nay: None. Absent: None. Resolution passed 5 – 0.

12. 2010 Annual Report:

Nasby said the 2010 Annual Report contains un-audited financial information, data on the use of city facilities and utilities information. The report is available on the City’s web site.

Motion by Jones, seconded by Powers, to accept the 2010 Annual Report. Motion carried 5 – 0.

13. Spring Clean Up:

Nasby said that quotes were solicited from Hometown Sanitation and Waste Management. The quote received was included in the Council packet. Staff did get a second quote that was from Waste Management but it was not received by the deadline and did not comply with the request for a per ton charge; however, he had the information if the City Council wanted to see it. The memorandum also included information on recycling and tipping fees. Staff is requesting the Council to select the vendor and discuss the dates for Spring Clean Up. Due to a scheduling conflict with Eagle Recycling the appliance recycling could not be on May 7. Nasby noted that graduation weekend is May 15; due to the early school start this last year.

Maricle said that Eagle Recycling states they can do all of the appliance items in one weekend so that should not be an issue with scheduling.

Motion by Maricle, seconded by Powers, to accept the quote from Hometown Sanitation and set the Spring Clean Up dates as April 30 and May 7. Motion carried 5 – 0.

14. Regular Bills:

Motion by Ray, seconded by Maricle, to approve the regular bills. Motion carried 5-0.

15. Unfinished Business:

Kruse said that the Council had planned to discuss the Windom Dam at this meeting, but that was changed due to staffing changes at the New Ulm DNR office. Nasby said that he has contacted the DNR, U.S. Army Corps of Engineers and SEH Engineering about meeting on March 1, which is the next City Council meeting. All parties are currently available that date.

Jones said he would be out of town, but not to hold up the discussion if that date worked for everyone else.

Consensus of the Council was to hold the March 1 date for this informational meeting.

16. New Business:

Nasby said there is a request made by the owners of Lot 4, Block 1 of the Sixteenth Street Subdivision (the former State Farm Insurance building) for the modification of a telecom utility easement. The modification of the utility easement is needed due to a title issue that was found to show a variance conflicting with the telecom easement. The Telecom Commission had recommended the modification of the easement.

Motion by Maricle, second by Jones, to approve a modification of the utility easement for Lot 4, Block 1 of the Sixteenth Street Subdivision subject to review and approval of the City Administrator and Telecom Manager and authorize the City Administrator to execute the easement modification documents. Motion carried 5 – 0.

17. Council Concerns:

Fossing requested that the Street Committee, staff and City Council review the Snow Emergency Ordinance.

Jones asked for an update on the application for the League of Minnesota Cities Community Connections application. Nasby said the deadline was extended to February 25th and the application for Windom has nearly been completed. The Windom Area Chamber of Commerce and Evangelical Free Church have agreed to participate and he would be contacting the School District to gage their interest in participating as well.

18. Adjourn:

Kruse adjourned the meeting by unanimous consent

Meeting adjourned at 7:55 p.m.

Preliminary

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

Windom Airport Commission Minutes
February 11, 2011

The Windom Airport Commission met on February 11, 2011, at 8:30 a.m. at the Windom Airport. Members present were Marlyn Bartsch, Brian Underwood, Scott Fredin, Stan Wendland, John Holt and Gerri Burmeister. Members absent: Merle Wall and Liaison Mayor Kirby Kruse. Others Present- City Staff: Steve Nasby, Denise Nichols and Bruce Caldwell and Airport Consultant Lyle Kratzke with TKDA.

Chairman Holt called the meeting to order.

1. **Approve Minutes:** Minutes from October 27, 2010, were reviewed. **Motion by Underwood, seconded by Wendland, to approve the minutes as written. Motion passed 6 ayes, 0 nays.**

2. **Election of Officers:** **Motion by Holt, seconded by Wendland, to nominate Brian Underwood as Chair. Motion passed 6 ayes, 0 nays.**

Motion by Burmeister, seconded by Underwood, to nominate John Holt as Vice-Chair. Motion passed 6 ayes, 0 nays.

3. **Consultant Introduction:** Lyle Kratzke from TKDA Engineers introduced himself and thanked the Commission for selecting TKDA as the Windom Airport Consultant. Kratzke provided background information and work experience. He reviewed with the Commission the Capital Improvement Plan. Kratzke was informed of a recent donation of 102 acres from the Myrtle Stroud Estate. He questioned if zoning discussions had taken place and he was informed that zoning would need to be addressed.

4. **2011 Projects**

Mower – Nichols reviewed with the Commission the funding that was received from MN Dept. of Transportation based on a total project cost of \$20,000 for a mower. Funding for the mower would be 2/3 state funding and 1/3 city funding. Caldwell reported that he had met with TORO and verified the state contract price for the mower. Even though the state contract price has expired, Toro will honor the state contract quoted price. The funding will be available during MN Dept. of Transportation's 2012 fiscal year beginning in July of 2011. Nichols was asked to contact Harris Baker to inquire if the mower could be purchased prior to July.

Airport Layout Plan – Kratzke discussed the information he received from FAA regarding the history of the Airport Layout Plan. Several years ago, Helms and Wenck Associates submitted the initial plan to FAA. However before it received final approval, the plan was lost in their files. The plan was then located by FAA and reviewed. FAA comments and changes were sent to Helms or Wenck Associates. From that point, it is not clear if the comments were addressed by the engineer and returned to FAA.

Nichols noted that the plan needs to be updated to include the newly acquired donated land; and with the addition of the donated land, the

commission may wish to make additional changes to the ALP. Kratzke will follow up with the FAA to determine the current status of the ALP.

5. **Snow Removal Update** – Caldwell reported that the snow removal budget for the airport is \$15,000 and costs to date are over \$18,000. The Commission received a copy of a letter from FAA regarding snow removal at the airport. The letter indicated that in certain areas such as taxiways, parking area and hangars, the snow removal could be reduced to address snow removal budget overages.

Caldwell shared with the Commission a copy of a proposed snow removal policy. The City would be the first priority for snow removal and the airport would be the last priority. When there is a snow event and the snow cannot be cleared, the procedure has been that Underwood issues a NOTAM that the airport is closed. The hospital is then notified when the airport is closed. Burmeister agreed that this process has been working well for the hospital.

Underwood commented that snow removal at the airport has been excellent this year.

6. **Commission Concerns:** Underwood noted his concern that the four doors on the north side of the old hangar would need repair work soon. He requested that the repairs be done this summer. FAA considers the work as maintenance and will not provide any funding. MN Dept. of Transportation will provide funding for the project at a 50/50 match. Kratzke will contact a contractor for a quote.

Underwood also commented that he is having problems with the AWOS. Underwood has contacted the contractor for repairs, but the contractor is not responding. A NOTAM has been issued that the weather information from the Windom Airport is unreliable. Underwood will contact MN Dept. of Transportation regarding the contractor's failure to repair the equipment.

7. **Adjourn:** Vice Chairman Holt declared the meeting adjourned at 9:37 a.m.

Brian Underwood, Chairman

Attest: _____
Steve Nasby, City Administrator

The Housing and Redevelopment Authority of Windom met in an annual meeting Wednesday, January 12, 2011. Present were Chairperson Marilyn Sudenga, Vice Chairman Frank Dorpinghaus, Commissioners Pat Tepley, Doreen Jorgensen, Jens Hansen, Larry Hartman, and Margaret McDonald. Also present was Dominick Jones, city council liaison.

Vice Chairman Dorpinghaus called the Public Hearing for comments on the Capital Fund Plan. There being no comments, the hearing was closed.

The minutes of the December meeting were read and approved.

The bills for the month were discussed. A motion was made by Tepley and seconded by Jorgensen that the bills, checks #22585-22640 and 10113, 10211, and 12150 be approved for payment.

Resident board members Marilyn Sudenga and Pat Tepley's terms had expired. A motion was made by Hansen and seconded by Jorgensen that Sudenga and Tepley be re-appointed to the board for a term of five years.

Election of officers was held. A motion was made by Hartman and seconded by McDonald that the officers remain the same. Those officers are Marilyn Sudenga, Chairperson, Frank Dorpinghaus, Vice chairman and Doreen Jorgensen, Secretary.

The Operating Budget beginning 4/1/2011 was discussed. A motion was made by Hansen and seconded by Hartman that Resolution #330 be adopted approving the budget. Upon roll call, all were ayes.

The Amendment to Restate the Retirement Plan was discussed. A motion was made by Hartman and seconded by McDonald that Resolution #331 be adopted approving the amendment. Upon roll call all were ayes.

The Capital Fund Plan and budget was discussed. A motion was made by Hansen and seconded by Tepley that Resolution # 332 be adopted approving the plan. Upon roll call all were ayes.

Training for the Public Housing Management course and exam at a cost of \$525.00 was discussed. A motion was made by Hartman and seconded by Hansen this training be approved for the administrative assistant.

In other business, Dominic Jones requested a copy of the minutes be sent to the City.

There being no other discussion, the meeting was adjourned.

**Vicki Flatgard
Executive Director**

Telecommunication Commission Minutes
Feb 15th, 2011

1. Call to Order:

Wendell Woodcock called the meeting to order.

2. Roll Call:

Commission Members Present: Wendell Woodcock, Virgil Meier, Forrest Fosheim, Dominic Jones, Corey Maricle

Commission Members Absent:

City Staff Present: Dan Olsen, Londa Fosheim, Steve Nasby

Public Present: None

3. Telecommunications Easement: Request to Vacate:

Cleanup of Easement – 10ft to 6ft. Commissioners Ok the Change.

4. Bandwith Update:

Windomnet receiving bids for additional bandwidth from a couple of companies. One equipment bid came in at \$54,000.00, would be redundant with Windomnet being able to get parts from Bloomington. 200 meg for approximately \$6,000.00 per month.

5. Fox Programming Contract:

Virgil made the recommendation to ok the contract
Corey 2nd, All in Favor.

6. Review 2010 Goals:

Stimulus Funds Goal: Achieved

Still working on project with SMBS

Continue Growth Market: Lost Marketing person/position

Grow Revenue/ Control Cost: Packages for Remick Ridge with Phone lines.

Leases with New Ulm Telco, Onvoy & SDN

Same Goals for 2011

7. Request from Southwest Minnesota Broadband Services to Share Manager:

Discussed pros & cons.

Need to see agreement with SMBS before making any decisions.

Request will go directly to Council per Charter when decision is made.

8. Director's Report:

Siblely County wants someone (Dan Olsen) to come and talk to their EDA on Telecom.

Staff working on Vital signs report. Working on inputting numbers on a monthly basis.

SMBS Broadband Group meeting Feb 24th 6:30

Staff working on a rate survey.

Rate increase to be discussed in the next 3 to 6 months.

Channel line up discussion.

Tax put on bill for phone. \$4.90 up to \$4.92. This is not a set rate, goes by %. Motion to send to Council made by Virgil, 2nd Corey All in Favor.

Discussed Channel 22. HS BBG live streamed from Jackson back to Windom Channel 22.

9. Adjourn:

Wendell Woodcock adjourned the meeting.

Next meeting March 15th 2011



Minnesota Department of Public Safety

Alcohol and Gambling Enforcement

444 Cedar Street, Suite 222

St. Paul, MN 55101

651-201-7507 • TTY 651-282-6555 • Fax 651-297-5259



RENEWAL OF LIQUOR, WINE, CLUB OR 3.2% LICENSES

No license will be approved or released until the \$20 Retailer ID Card fee is received by MN Liquor Control • (3.2% Licenses exempt)

Licensee: Please verify your license information contained below. Make corrections if necessary and sign. City Clerk/County Auditor should submit this signed renewal with completed license and licensee liquor liability for the new license period. **City Clerk/County Auditor are also required by M.S. 340A.404 S. 3 to report any license cancellation.**

License Code DNSS License Period Ending 12/31/2010 # 5049
City/County where license approved. Windom

Licensee Name Windom Country Club Inc.

Trade Name Windom Country Club

Licensed Location address 2825 Country Club Rd/PO Box 74

City, State, Zip Code Windom, MN 56101

Business Phone 507/831-3489

LICENSE FEES: Off Sale \$ 0.00 On Sale \$ 2000.00 Sunday \$ 200.00

By signing this renewal application, applicant certifies that there has been no change in ownership on the above named licensee. For changes in ownership, the licensee named above, or for new licensees, full applications should be used. See back of this application for further information needed to complete this renewal.

Applicant's signature on this renewal confirms the following: Failure to report any of the following will result in fines.

1. Licensee confirms it has no interest whatsoever, directly or indirectly in any other liquor establishments in Minnesota. If so, give details on back of this application.
2. Licensee confirms that it has never had a liquor license rejected by any city/township/county in the state of Minnesota. If ever rejected, please give details on the back of this renewal, then sign below.
3. Licensee confirms that for the past five years it has not had a liquor license revoked for any liquor law violation (state or local). If a revocation has occurred, please give details on the back of this renewal, then sign below.
4. Licensee confirms that during the past five years it or its employees have not been cited for any civil or criminal liquor law violations. If violations have occurred, please give details on back of this renewal, then sign below.
5. Licensee confirms that during the past license year, a summons has not been issued under the Liquor Liability Law (Dram Shop) MS 340A.802. If yes, attach a copy of the summons, then sign below.
6. Licensee confirms that Workers Compensation insurance will be kept in effect during the license period.

Licensee has attached a liquor liability insurance certificate that corresponds with the license period in city/county where license is issued. \$100,000 in cash or securities or \$100,000 surety bond may be submitted in lieu of liquor liability. (3.2% liquor licenses are exempt if sales are less than \$25,000 at on sale, or \$50,000 at off sale).

Licensee Signature Jeffrey A. Stubbart DOB 04-25-1976 SS# 468-90-2726 Date 2-9-2011
(Signature certifies all above information to be correct and license has been approved by city/county.)

City Clerk/County Auditor Signature _____ Date _____
(Signature certifies that renewal of a liquor, wine or club license has been approved by the city/county as stated above.)

County Attorney Signature _____ Date _____
County Board issued licenses only (Signature certifies licensee is eligible for license).

Police/Sheriff Signature Jeffrey A. Stubbart Date 2-23-11
(Signature certifies licensee or associates have not been cited during the past five years for any state/local liquor law violations (criminal/civil). Report violations on back, then sign here.)

RD
CERTIFICATE
CERTIFICATE DOES
BELOW. THIS CER
REPRESENTATIVE

Indicate below changes of corporate officers, partners, home addresses or telephone numbers:

Current president: Jim Bolin
2785 Kalash Rd
Winderm MN 56101

Indicate below any interest whatsoever, directly or indirectly in other liquor establishments:

Report below details of liquor law violations (civil or criminal) that have occurred within the last five years. (Dates, offenses, fines or other penalties, including Liquor Control Penalties):

Report below details involving any license rejections or revocations:

City/County Comments:



APPLICATION FOR MUNICIPAL LICENSES
CITY OF WINDOM
WINDOM, MN

STATE OF MINNESOTA
COUNTY OF COTTONWOOD
CITY OF WINDOM

TO: Windom Country Club
2825 Country Club Dr
PO Box 74
Windom, MN 56101

This application is appropriate for item or items checked below, for the term of one year from January 1, 2011 to December 31, 2011.

Cigarette License \$20.00

Game of Skill \$50.00 for first game and \$15.00 for each additional game

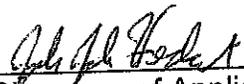
Theatre \$25.00

Total \$20.00

MN Tax ID # 8287739
Federal Tax ID # 41-0673616

Dated this 12th Day of October, 2010.

All applications must be received by November 22, 2010.



Signature of Applicant





Memo

To: Mayor and Council Members

CC: Steve Nasby

Date: 2/24/2011

Re: Street Committee Recommendation

The Street Committee met on February 1, 2011, and reviewed several requests from the Safe Routes to School Committee. A copy of the meeting minutes was included in the February 15, 2011, Council Packet.

The Street Committee, with the agreement of Police Chief Shirkey, has approved the Safe Route to School Committee's request to replace the yield sign at the intersection of 6th Avenue and 17th Street (west of St. Francis Xavier Church) with a stop sign.

Requested Action: Approve the Street Committee's recommendation to replace the yield sign at the intersection of 6th Avenue and 17th Street with a stop sign.

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: **Aye:**
 Nay:
 Absent:

MINNESOTA FOODSHARE MONTH PROCLAMATION

WHEREAS, hunger exists in communities even in the best of economies; and

WHEREAS, nearly half of hungry Minnesotans are children twelve years old and younger; and

WHEREAS, the fastest growing groups of hungry Minnesotans are senior citizens; and

WHEREAS, the creeping effects of hunger in the life of an individual or family can range from poor health and slowed recovery from injury and illness to poor performance at school and work; and

WHEREAS, the impact of this on lives and communities can be devastating; and

WHEREAS, food shelves in Minnesota distribute millions of pounds of food annually to ease the effects of hunger; and

WHEREAS, food shelf visits remain at record highs, increasing each year; and

WHEREAS, the food shelf in Windom has also seen significant numbers of those in need; and

WHEREAS, the Minnesota FoodShare March Campaign is responsible for acquiring more than half the food distributed annually through food shelves; and

WHEREAS, the success of the Minnesota FoodShare March Campaign depends upon the participation of businesses, civic groups, schools, congregations and individuals in every community.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, that the month of March is proclaimed to be

Minnesota FoodShare Month

in the City of Windom, and the City Council urges everyone in this community, as in communities throughout Minnesota, to donate food items and/or funding to the local food shelf during March to ensure that all of our neighbors will have food enough to share fully in the life of our community.

Adopted by the Council this 1st day of March, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

2/25/2011

MEMORANDUM FROM:

From: Marv Grunig
Windom Electric Utility Department
444 9th St. PO Box 38
Windom, MN 56101

To: Mayor and City Council

THE DISCUSSION ON THIS CAPX PROJECT AT THE CITY COUNCIL MEETING WILL FOLLOW THIS GUIDELINE, AS DOES THE ATTACHED SUPPORTING PAPERS.

RE: Brookings County-- Hampton 345 kV Transmission Project (\$725,000,000)

Project

This Brookings – Twin Cities project is one of 5 major transmission line builds by year 2020 to relieve the outdated, over burdened and congested power grid that currently exists in Minnesota. This project; a double circuit, 345 kilovolt transmission line, constructed primarily of single pole structures attached to concrete foundations. Construction is scheduled to begin in late 2012 and be completed in 2015. The project will help meet projected electric growth in southern and western Minnesota and the growing areas south of the Twin Cities metro area, particularly Scott and Dakota Counties where population has more than doubled since the last major transmission upgrade.

What's at Issue

Because electric transmission costs have risen at an alarming rate over the past couple of years, and projections indicate additional increases are likely, transmission investment revenue offers an opportunity to offset some of these costs and future transmission increases. The Windom Utility has seen transmission cost increases of 250% since the end of 2008 with increased wholesale transmission cost from \$366,000 in 2008 to \$1,014,000 in 2010.

Benefits of Investing

Participants (Municipals) investing in the Brookings project will be able to earn a return on their investment greater than the cost of the debt service with FERC transmission investment incentive rates of return and by using tax exempt bonds to finance their share

2/25/2011

of the project and using the financial gain to offset increases in the transmission tariff rates. Investing in transmission is a strategy to mitigate and hedge future increases in the transmission rates.

Does this strategy work

Revenue from Windom's locally owned 69 kV transmission assets included in an Attachment "O" filing started flowing back to the Utility in December 2010 with the first check for \$29,661.79. Windom should receive monthly returning investment revenue of approximately \$5,000/month for as long as these local transmission assets are in place.

Commitment

The Windom City Council, at its January 2nd, 2007 meeting, confirmed a Utility Commission recommendation to commit to this transmission project in the development stages at a maximum 6.68% investment share or \$878,821 of CMMPA's investment share of 2.2% or \$13,156,000.

Increased investment opportunity

A possibility exists where CMMPA will be able to increase their investment share commitment in this project up to 5% or \$42,831,934. Windom would then have the opportunity to increase our commitment up to \$2,861,173. (6.68%)

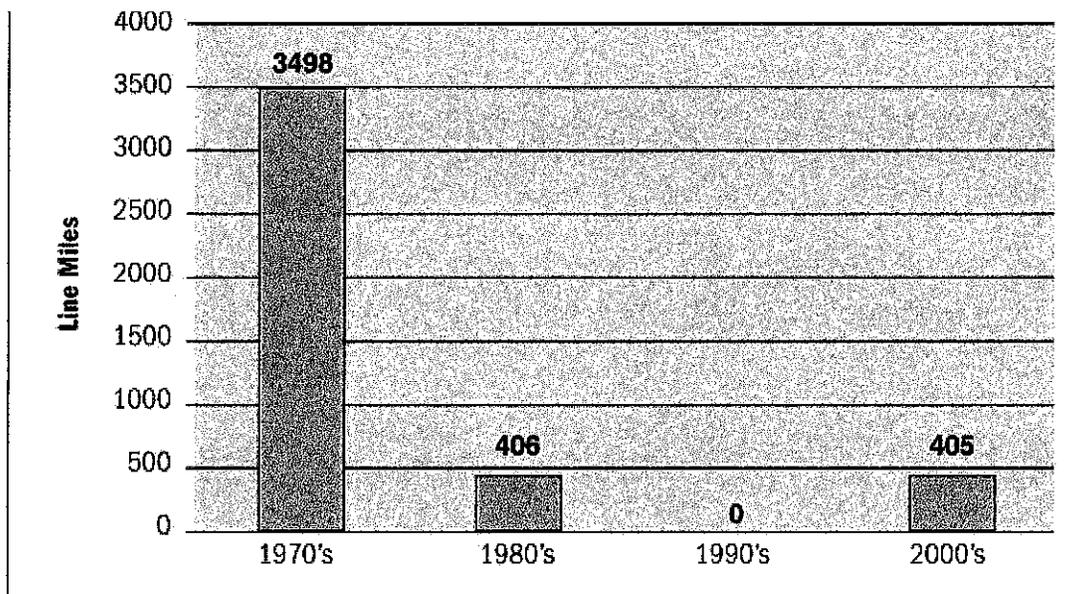
Project Contract

The Brookings – Twin Cities Project Agreement has reached the final stage of review/comment by the project participants including Windom. (City Attorney, Administration and Electric Utility Manager) We now have the final "execution" copy of the Agreement. Current approval schedule is this; **Utility Commission at the February 23rd meeting and City Council at the March 1st meeting. Project commitment deadline is March 1st 2011.**

Please contact my office if there are additional questions,

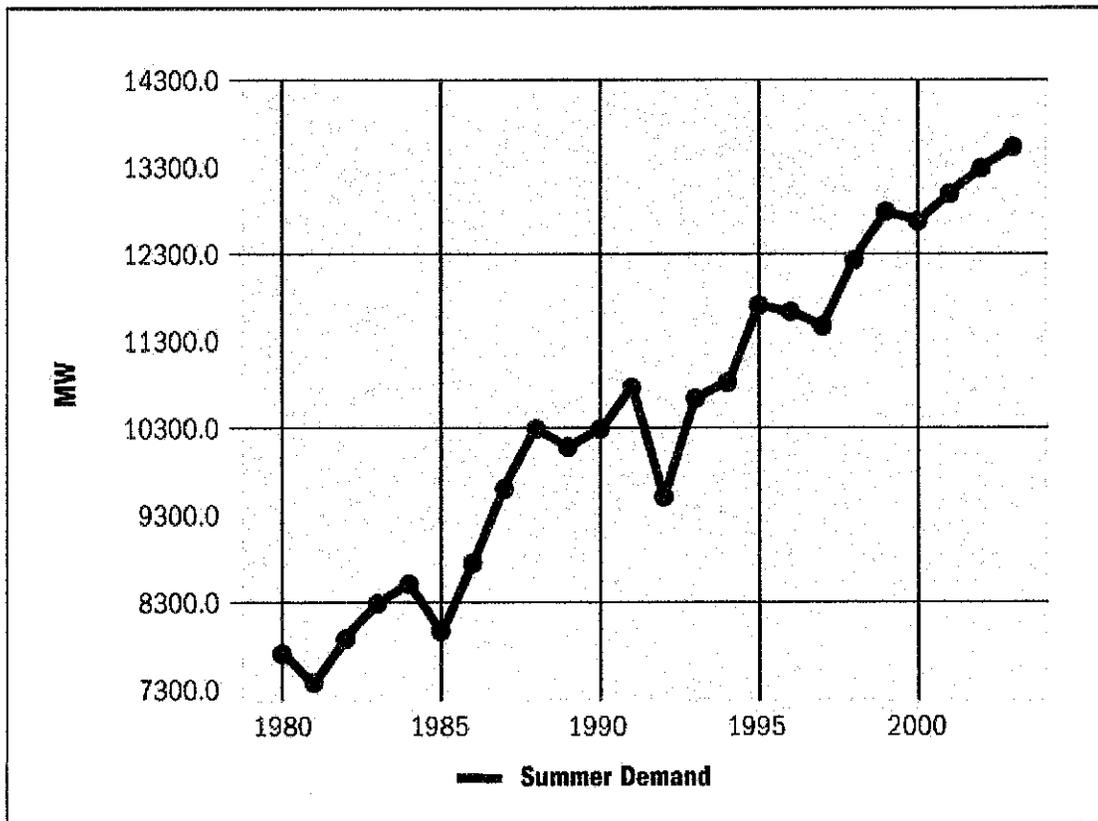
Respectfully,

**Marv Grunig
Electric Utility Mgr.
(507) 831-6151**



The last major expansion to the regional high voltage transmission grid occurred in the 1970s

Load growth has out-paced transmission investment



Electricity use in Upper Midwest has grown by 80 percent since the early 1980s

CapX2020



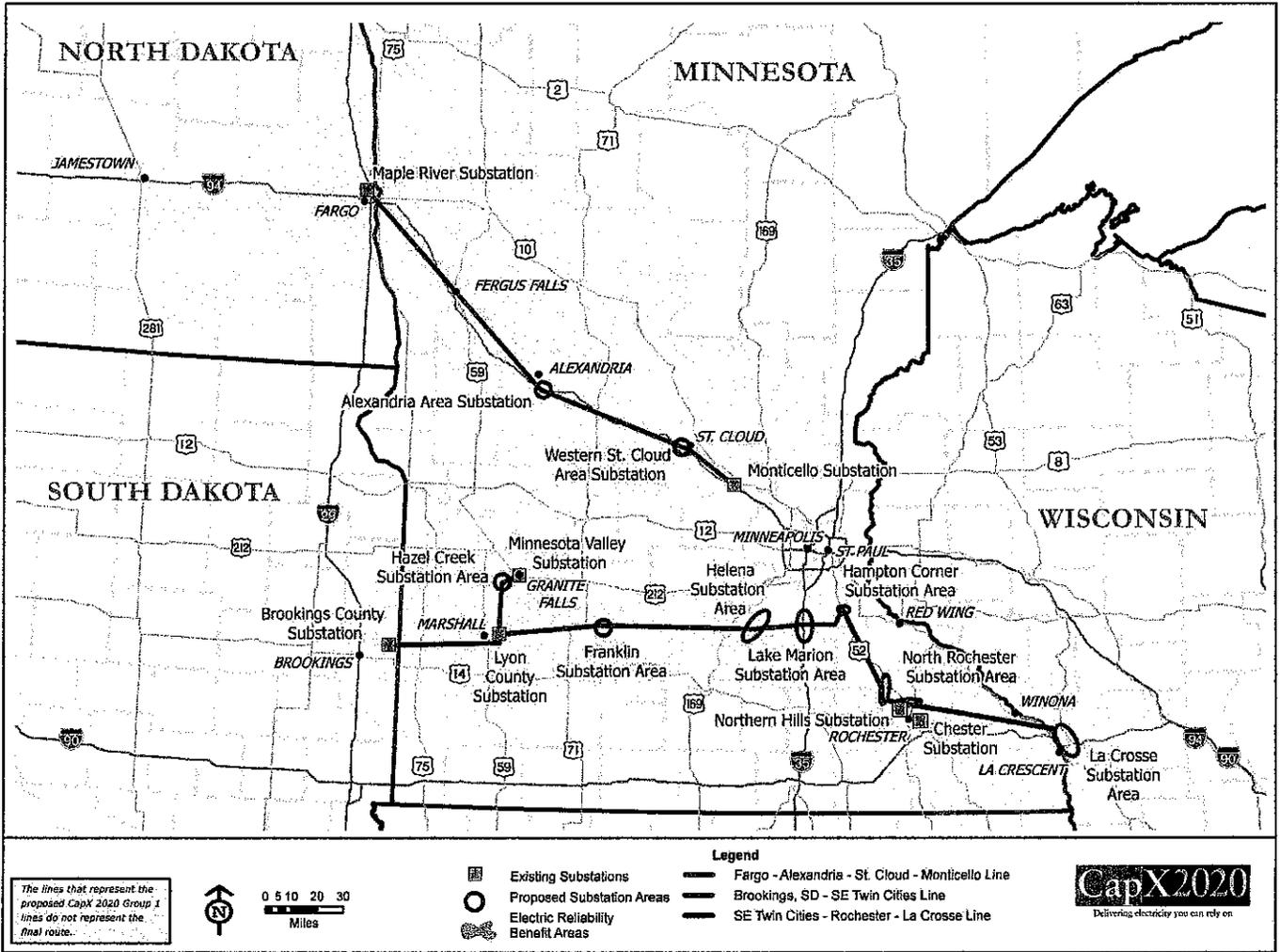
Central Minnesota Municipal Power Agency
 Dairyland Power Cooperative
 Great River Energy
 Minnesota Power
 Minnesota Power Cooperative
 Missouri River Energy Services
 Otter Tail Power Company
 Rochester Public Utilities
 Southern Minnesota Municipal Power Agency
 WPPSI Energy
 Xcel Energy

Delivering electricity you can rely on

Home Projects Regulatory Learn More Calendar Documents

Go Back

CapX 2020 Proposed 345 kV Transmission Line Projects Electric Reliability Benefit Areas



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BROOKINGS-TWIN CITIES DEVELOPMENT PROJECT AGREEMENT

ATTACHMENT 3

PARTICIPANTS AND PARTICIPANT ELECTION SHARES

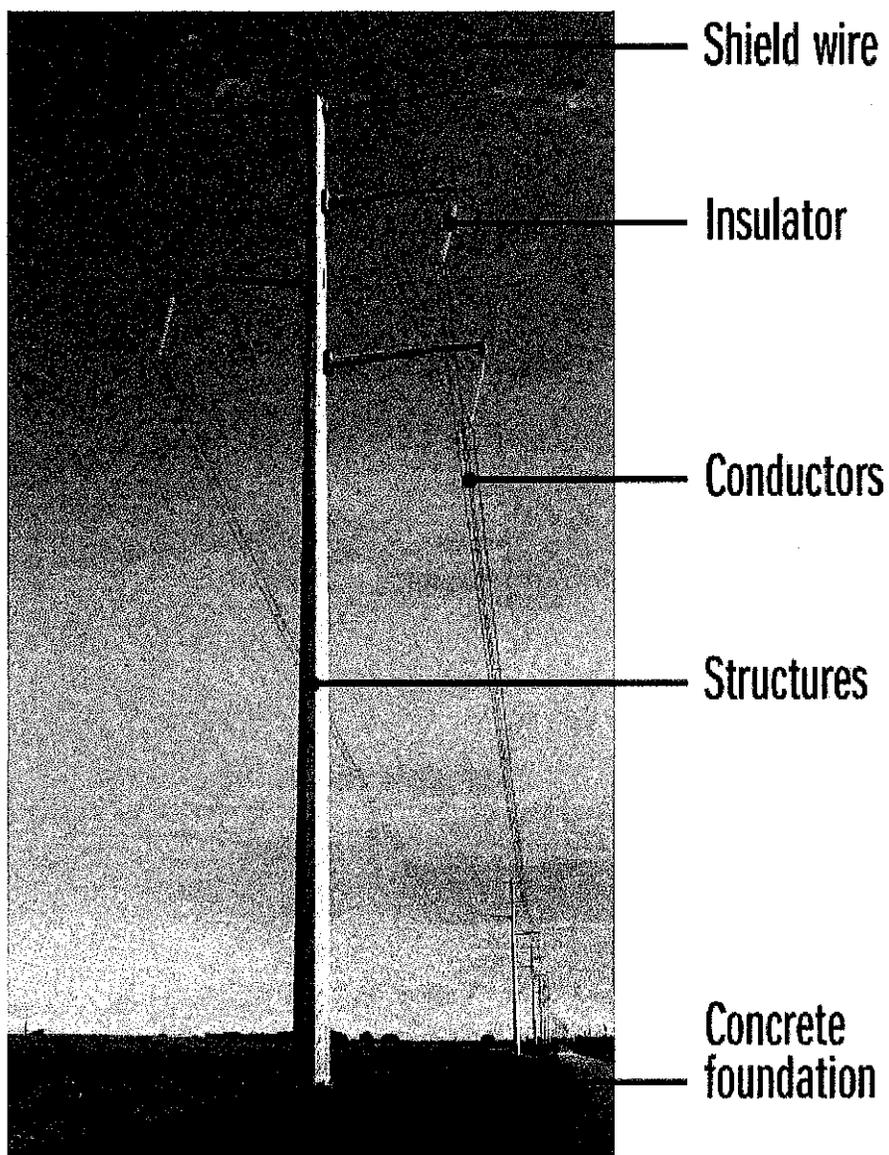
There are sixteen Participants that have entered into Brookings-Twin Cities Development Project Agreements with CMMPA for the Development Project. Ten of the sixteen Participants are Agency Participants and six are Open Participants. The Participants and the Participant Election Shares are listed below:

CapX Participant	Participant Election Share (\$)	Participant Election Share (%)
<i>Agency Participants</i>		
1. Blue Earth Light & Water	\$2,591,732	19.70%
2. Delano Municipal Utilities	695,952	5.29
3. Fairfax City of	177,606	1.35
4. Granite Falls, City of	415,730	3.16
5. Janesville Utilities	184,184	1.40
6. Kenyon Municipal Utility	331,531	2.52
7. Mountain Lake Municipal Utilities	285,485	2.17
8. Sleepy Eye Public Utilities	997,225	7.58
9. Springfield Public Utilities Commission	368,368	2.80
10. Windom, City of	<u>878,821</u>	<u>6.68</u>
Subtotal Agency Participants	<u>\$6,926,634</u>	<u>52.65%</u>
<i>Open Participants</i>		
11. Elk River	\$1,993,134	15.15%
12. Independence Light & Power	248,648	1.89
13. Indianola Municipal Utilities	498,612	3.79
14. Montezuma Municipal Light & Power	99,986	0.76
15. Waverly Light & Power	99,986	0.76
16. Willmar Municipal Utilities	<u>3,289,000</u>	<u>25.00</u>
Subtotal Open Participants	<u>\$6,229,366</u>	<u>47.35%</u>
Total All Participants	<u>\$13,156,000</u>	<u>100%</u>

The Participant Election Share may be subject to adjustment pursuant to the conditions set forth in the following three paragraphs.

1. The Participant Election Share is subject to adjustment pursuant to Section 802 Participant Default, as set forth in this Agreement, and as further provided for in this Attachment 3.

Transmission facilities



5,

345-kV Substation



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Tariff Recovery on Participant-Owned Assets (\$000's)

	Return: On Assets	O/M	A&G	Total
Blue Earth	\$ 162	\$ 81	\$ 19	\$262
Delano	289	3	19	311
Mountain Lake	20	9	3	32
Windom	26	19	13	58
Elk River	47	8	12	67
Total Participant-Owned	\$ 544	\$120	\$ 66	\$730

Comments/Recommendations:
FERC accounting where possible
Assure that no assessments from CMMMPA are included in either transmission capital
assets or transmission operating expenses

UTILITIES PLUS
459 SOUTH GROVE STREET
BLUE EARTH, MN 56013
(507) 526-2183

FIRST BANK BLUE EARTH
306 SOUTH MAIN STREET
BLUE EARTH, MN 56018-2016
75-191/912

13953

12/17/2010

PAY TO THE ORDER OF WINDOM MUNICIPAL UTILITY

\$ **29,661.79

Twenty-Nine Thousand Six Hundred Sixty-One and 79/100

DOLLARS

WINDOM MUNICIPAL UTILITY
444 9TH ST
PO BOX 38
WINDOM, MN 56101

Steve Dwyer
Paul J. Beland

MEMO

⑆013953⑆ ⑆091201915⑆ ⑆415016500⑆

UTILITIES PLUS
WINDOM MUNICIPAL UTILITY

13953

12/17/2010

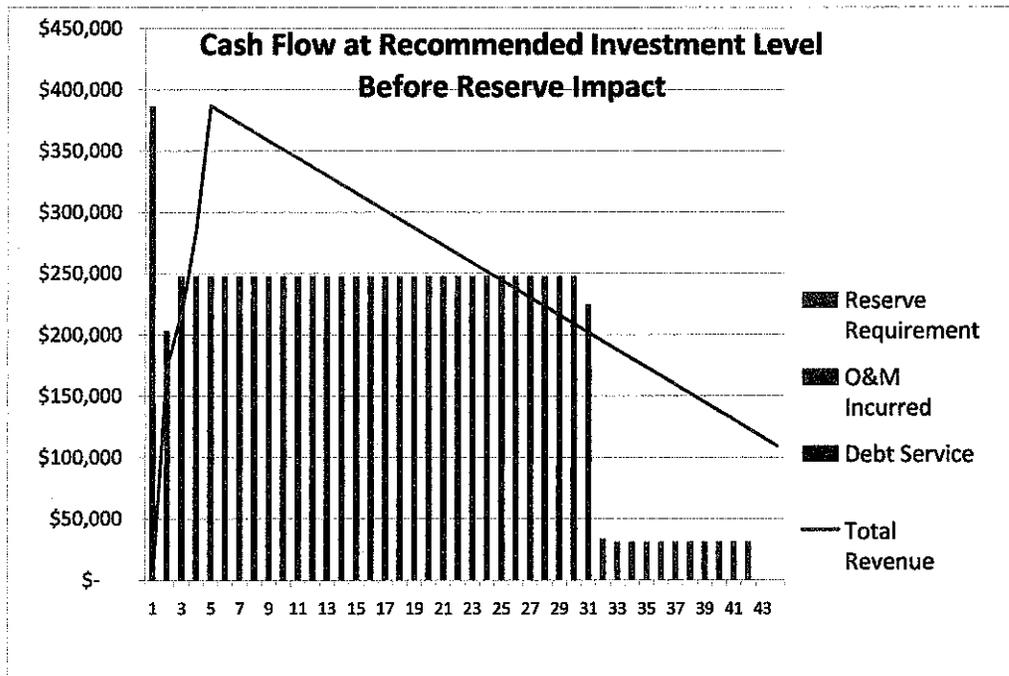
29,661.79

CHECKING ACCT-41

29,661.79

**CMPA CAPX BROOKINGS INVESTMENT OUTLOOK
ORIGINAL RECOMMENDATION VS. REVISED MAXIMUM
WINDOM**

	WINDOM ORIGINAL	WINDOM REVISED MAXIMUM	REVISED MAXIMUM TOTAL CMPA	REVISED MAXIMUM TOTAL PROJECT
DIRECT PROJECT COSTS	\$878,821	\$2,861,173	\$42,831,934	\$ 856,638,689
TOTAL DEBT SUPPORTED	\$990,711	\$3,310,975	\$49,565,500	N/A
AVG RETURN/YR (LIFE OF PROJECT)	\$20,181	\$54,719	\$ 819,154	\$ 16,383,077
ESTIMATED TRANSMISSION TARIFF COE (LIFE OF PROJECT)	\$2,720,048	\$2,720,048	N/A	N/A
CITY-OWNED ASSET RETURNS AVG (REMAINING LIFE)	\$36,326	\$36,326	N/A	N/A



BROOKINGS - TWIN CITIES TRANSMISSION PROJECT AGREEMENT

ATTACHMENT 5 EXAMPLE CALCULATION OF PARTICIPANT PORTION OF MONTHLY TRANSMISSION PROJECT RESULTS

The following is an illustrative format of a Billing Statement that sets forth the Participant Portion of Monthly Transmission Project Revenue and Costs.

Participant Billing – ILLUSTRATION of a month in year 5 of \$1,000,000 Commitment to Estimated Initial Construction Costs

MISO SCHEDULE 9 TARIFF REVENUE ¹	\$12,825.08
MISO SCHEDULE 7 TARIFF REVENUE ²	\$ -
MISO SCHEDULE 8 TARIFF REVENUE ³	\$ -
DEPOSIT TO REVENUE TO MAINTAIN CASH FLOW ⁴	\$ (171.84)
LESS: O/M EXPENSES ⁵	\$ (1,075.86)
DEBT SERVICE ⁶	\$ (7,453.17)
DEPOSIT TO OTHER RESERVES ⁷	\$ -
NET TRANSMISSION RETURN	\$ 4,124.20

Footnotes:

¹ MISO Schedule 9 Tariff Revenue is return based on computed Annual Transmission Revenue Rights via MISO Attachment O filing

² MISO Schedule 7 Tariff Revenue is return computed on Intra Pricing Zone or "Point-to-Point" Transmission Service

³ MISO Schedule 8 Tariff Revenue is return computed on Inter Pricing Zone or "Drive-Thru" Transmission Service

⁴ Cash Flow reserves are required to prevent cash calls throughout the life of the project

⁵ Operating and Maintenance Expenses include both external (Project Operating Manager) and applicable CMPA expenses

⁶ Debt Service includes both principal and interest

⁷ Deposits to reserves for major repairs and replacements could be necessary if the reserve provided by the operating management teams is deemed insufficient

**CITY OF WINDOM
OFFICE OF CITY ATTORNEY**

Daniel M. McDonald - City Attorney
Ronald J. Schramel - Ass't. City Attorney
P.O. Box 505
Windom, MN 56101

Phone (507) 831-1301
Fax (507) 831-4200

February 15, 2011

WINDOM PUBLIC UTILITY COMMISSION
c/o MARV GRUNIG
444 NINTH STREET
PO BOX 38
WINDOMMN 56101

RE: CMMPA Brookings-Twin Cities Project Agreement

Dear Windom Public Utility Commission:

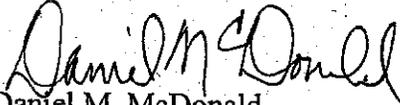
I have now had a chance to review the final draft of the Brookings-Twin Cities Transmission Project Agreement and the most recent changes to that Agreement. If you recall, earlier I had voiced my concerns relative to the fact that the Agreement does not provide for either a specific definition for "TERM" or provision for "Termination of the Agreement". My concern is that absent definite provision for a "Term" and specifics as to "Termination of the Agreement" should any participant default or withdraw as a participant, it would be difficult to ascertain "damages" or the exiting participant's financial obligations (usually tied to these definitions).

Over the past couple of months, there has been some minor revision concerning defining "Termination of the Agreement". More importantly, the final draft in Section 901(b) does address the ability of CMMPA to determine "Termination of the Agreement", and therefore would be able to establish a "Term" for the purpose of determining "damages" or an exiting participant's liability and obligations under the Agreement.

Even though I would have like the Agreement to be more clear concerning both the definition of "Term" and "Termination", considering both the modifications to the Agreement as discussed herein, and the fact that all participants are greatly invested in this project, I do not see any substantial risk in approving this Agreement.

If there are any questions, do not hesitate to contact me. Thank you.

Very truly yours,


Daniel M. McDonald
Windom City Attorney

DMM:bsw

BROOKINGS - TWIN CITIES TRANSMISSION PROJECT AGREEMENT

CENTRAL MINNESOTA MUNICIPAL POWER AGENCY

Brookings - Twin Cities Transmission Project Agreement

With

WINDOM, MINNESOTA

_____, 2011

COPY

BROOKINGS - TWIN CITIES TRANSMISSION PROJECT AGREEMENT

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the _____ day of _____, 2011.

CENTRAL MINNESOTA MUNICIPAL POWER AGENCY

By _____
Bob Elston
Title: President

By _____
Marv Grunig
Title: Secretary

CITY OF WINDOM, MINNESOTA

COPY

By _____
Kirby Kruse
Title: Mayor, City of Windom

By _____
Steve Nasby
Title: City Administrator

WINDOM UTILITIES COMMISSION

By _____
Mike Schwalbach
Title: Utility Commission Chairman

By _____
Chris Johnson
Title: Utility Commission Secretary

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

RESOLUTION APPROVING THE CENTRAL MINNESOTA MUNICIPAL POWER AGENCY "CMMPA" BROOKINGS-TWIN CITIES TRANSMISSION PROJECT AGREEMENT

BE IT RESOLVED by the City Council of the City of Windom, (hereinafter referred to as "City"), as follows:

Section 1. Through the City's prior approval and execution of the Brookings-Twin Cities Development Project Agreement between the Central Minnesota Municipal Power Agency ("CMMPA") and the City (the "Development Project Agreement"), it was previously determined that it is in the best interests of the City to utilize the resources and services of CMMPA to participate in the development and investment in the acquisition, construction, ownership and operation of high voltage transmission of electrical energy and capacity, negotiation of contracts, planning, including transmission needs studies, transmission arrangements, engineering and technical assistance.

Section 2: As contemplated by the terms of the Development Project Agreement, the City now wishes to properly update and supplement its relationship with CMMPA and also authorize the City's participation in the following project:

Brookings - Twin Cities Transmission Project.

Section 3: The City has received and reviewed a signature ready draft of the Brookings-Twin Cities Transmission Project Agreement dated February 14, 2011, and finds such draft to be acceptable.

Section 4: The City Council hereby authorizes participation in the Brookings-Twin Cities Transmission Project and the financing thereof, if any, with CMMPA, with its participation amount related to construction of the Brookings - Twin Cities Transmission Project not to exceed \$3,310,975, without the further action of the City.

Section 5: The Mayor and City Administrator are hereby authorized and directed to execute the Brookings - Twin Cities Transmission Project Agreement for and on behalf of the City, such execution to be final and conclusive evidence of the City's authorization thereof.

Adopted this 1st day of March, 2011.

Kirby G. Kruse, Mayor

ATTEST:

Steven Nasby, City Administrator

2/24/2011

MEMORANDUM FROM:

From: Marv Grunig
Windom Electric Utility Department
444 9th St. PO Box 38
Windom, MN 56101

To: Mayor and City Council

RE: Extended Service Coverage for Caterpillar Generators (Warranty)

As discussed at the Commission meeting, the existing warranty on the Caterpillar generators will expire on March 15th.

The Caterpillar generator project concluded in 2001 with the installation of 3 – 3615B (1825 kW) power producing generators in the Powerhouse. At that time, a nine (9) year warranty extension was purchased for \$36,000 to the one (1) year warranty that came with those units.

Because of the existing warranty and the service contract on those engines, Ziegler Cat is offering an additional warranty of three (3) or five (5) year contracts. I asked the Rep. to send out contracts for the “Platinum Policy” which I have attached for your review.

Three (3) year “Gold” coverage would cost \$26,280 and the five (5) year coverage would cost \$49,350.

Three (3) year “Platinum” coverage would cost \$29,850 and the five (5) year coverage would cost \$56,145.

Please contact my office if there are additional questions,

Respectfully,

Marv Grunig
Electric Utility Mgr.
(507) 831-6151

Covered Components – Electric Power ESC

COMMERCIAL ENGINE "COVERED COMPONENTS"

ITEM	YES/NO
COOLING SYSTEM	
Thermostat Housing	YES
Jacket Water Pump Housing	YES
Jacket Water Pump Seals & Impeller	YES 1
FUEL SYSTEM	
Fuel Injection Pump, Mounting Seal & Governor	YES
Fuel Ratio Control	YES
Fuel Lines	YES
Fuel Nozzles and Injectors	YES 1
Timing Advance	YES
Timing Gears	YES
LUBRICATION SYSTEM	
Oil Pan	YES
Engine Oil Pump	YES
Oil Cooler Housing & Core	YES
Oil Filter Base	YES
HEUI Pump & Injector Act. Pressure Control Valve	YES
ELECTRONIC SYSTEM	
Control Module (ECM)	YES
Transducer & Personality Module	YES
Sensors (Boost Pressure, Atmospheric, Intake Manifold, Air Temp, Oil Pressure, Coolant Temperature, Rack & Timing, Speed Timing, Fuel Temperature, Throttle Position, Engine Speed, and Rack Position)	YES
Rack and Timing BTM	YES
Shutoff Solenoid	YES
MISCELLANEOUS	
Broken Nuts and Bolts attaching a Covered Component (torque is not covered)	YES

All "Covered Components" must pass inspection or be replaced at the proper intervals as prescribed by the Operation and Maintenance Manual by an "Authorized Dealer" to qualify for coverage under this Service Contract. "Your" failure to follow the Operation and Maintenance Manual will result in denial of claims.

ESC LEVEL OF COVERAGE OPTIONS:

- a. "Silver Level Covered Components" are indicated as YES.

Silver Level Additional "Covered Components"

Generator Sets - All engine "covered components" marked YES above plus base radiator, fuel tank, generator-mounted control panel, generator rotor & stator, bearings, exciter, EMCP Module, voltage regulator, and start/stop module.

EPG Power Module - All Generator Set "covered components" listed above plus transfer switch and/or switchgear as shipped from the factory.

- b. "Gold Level Covered Components" are in addition to "Silver Level Covered Components" and indicated as YES 1.

- c. "Platinum Level Covered Components" - All as-shipped consist from the factory with Caterpillar Inc. part numbers excluding filters, fluids, vee belts, hoses, power take-offs, paint, batteries, and clutches. Also, for power modules, excluding containers, undercarriage, ladders, lights, wheels, axles, brakes, tires, stabilizing jacks and fire extinguishers.

Excellent coverage for the cost!

COMMERCIAL ENGINE "COVERED COMPONENTS"

ITEM	YES/NO
AIR INDUCTION & EXHAUST	
Exhaust Manifolds, Studs & Gaskets	YES
Inlet Air Heater Relay	YES
Intake Manifold	YES
Turbocharger	YES 1
CYLINDER HEAD	
Cylinder Head Casting, Sleeves, Bolts & Gaskets	YES
Freeze Plug	YES
Spacer Plate (Block and Head) & Spacer Plate Gasket	YES
Intake and Exhaust Valve, Valve Spring, Insert Guide, Rotocoil & Retainer	YES
Valve Mechanism including Rocker Arm, Brackets, Bridges Dowels, Adjusting Screws, Nuts, Shaft, & Push Tubes	YES
Valve Cover & Base	YES
Camshaft, Camshaft Bearings	YES
Camshaft Lifter Assembly (Followers) Clips	YES
FRONT AND REAR COVERS	
Front Covers & Plate	YES
Front Cover Gasket & Gears	YES
Flywheel Housing & Gasket	YES
SHORT BLOCK	
Cylinder Block Casting	YES
Freeze Plug	YES
Crankshaft Casting	YES
Crankshaft Rod, Main & Thrust Bearings	YES
Connecting Rod Assembly & Bushing	YES
Piston, Wrist Pin, Retainer Clip, & Piston Rings	YES
Oil Jet Tube	YES
Cylinder Liner, Seals & Filler Band	YES
Main Bearing Cap Bolt	YES

AUTOMATIC TRANSFER SWITCHES (ATS)

ATS - Covered Components - All as-shipped consist of the automatic transfer switch are covered under this ESC.

Preventative Maintenance ("PM") Requirements for ATS Units:

- All units - Monthly testing of the ATS Unit's full operational abilities
- All ESC Contract terms greater than 5 (five) years - Authorized Dealer PM Program required
- Authorized Dealer PM Program required for all ATS units except CFX, CTG, CTGD, CTS, CTSD regardless of the ESC Contract Term.

UNINTERRUPTIBLE POWER SUPPLIES (UPS)

UPS - Covered Components - All as-shipped consist of the Uninterruptible Power Supply are covered under this ESC.

THE FOLLOWING REPAIRER TRAVEL AND MILEAGE LIMITATIONS APPLY TO THIS SERVICE CONTRACT:

- For Caterpillar Commercial engines up to and including 7.0 liters displacement; for ATS models up to and including 1200 amperes and for all Olympian models:
 - in marine applications, up to 6 hours and 240 miles travel allowance.
 - in commercial applications (except marine), up to 4 hours and 0 miles travel allowance.
- For other models in all applications, up to 8 hours, and 320 miles travel allowance.



**2010 ELECTRIC POWER
EXTENDED SERVICE COVERAGE**

Electric Power Products Extended Service Coverage (ESC) Registration Certificate

Contract Pricing Effective: January 1, 2010 through December 31, 2010

CUSTOMER NAME: City of Windom (Utility Division) PHONE: 507-831-6151
 ADDRESS: 444 9th ST, PO Box 38 CITY: Windom
 STATE / PROVINCE: MN POSTAL CODE: 56101 COUNTRY: USA

CATERPILLAR DEALER (non-U.S. Provider) ZIEGLER POWER SYSTEMS DEALER CODE: E500
 ADDRESS: 8050 CTY. RD. 101 E CITY: SHAKOPEE
 STATE / PROVINCE: MN POSTAL CODE: 55378 COUNTRY: United States

U.S. Provider: Caterpillar Inc., 2120 West End Avenue, Nashville, TN. Telephone number: 1-800-248-4228. International Provider: See Section XVII for details.

REGISTRATION DETAIL

- New Cat Gen Set with Delivery Date
- New Cat Gen Set without Delivery Date
- Cat Automatic Transfer Switch
- Cat Uninterruptible Power Source Existing CSA
- Advantage ESC for Cat Gen Sets Yes No
- Upgrade Existing Cat Gen Set ESC
- Upgrade Existing Advantage ESC

Application: Prime Standby Diesel:
 Engine Model 3516, C175-16 Gas:
 Serial Number: 7RN01283
 Delivery Date: 03/16/01
 Current Hours: 331
 Advantage Start Date: 03/16/11 *warranty start date*
 Advantage Start Hours: 331

Caterpillar Generator Warranty

EXTENDED SERVICE COVERAGE OPTIONS AND TERMS

Coverage Type:	Coverage Terms:	Special Quote Number:
Silver <input type="checkbox"/>	Coverage Months: <u>36 Months</u>	<u>P301V007660</u>
Gold <input type="checkbox"/>	Total Contract Hours: <u>1500</u>	
Platinum <input checked="" type="checkbox"/>	Average Annual Hours: <u>500</u>	
Platinum Plus <input type="checkbox"/>	Deductible: <u>\$0</u>	

EXTENDED SERVICE COVERAGE FEES

ESC Fee	U.S.\$	<u>9,950</u>
Applicable Taxes	U.S.\$	<u> </u>
Other	U.S.\$	<u> </u>
Total	U.S.\$	<u>9,950.00</u>

Coverage Summary:

Platinum / 36 Months / 1500 Hours / \$0 Ded

LIMIT OF LIABILITY:

The maximum amount we will pay for any single claim will be the reasonable cost to repair or replace the covered equipment, not to exceed Caterpillar's list price for equivalent covered equipment.

I hereby certify that I have read and understand the terms and conditions checked above, and as specified within the additional number of pages indicated on the bottom of this Registration Certificate.

I hereby certify that the engine serial number indicated above is eligible for the extended service coverage as specified on this Registration Certificate and have read and understand the Dealer's responsibilities as specified in the Extended Service Coverage Program Administration Manual.

X
Customer Signature

X
Date

Chuck A. Riedel 1/19/2011
Authorized Dealer Representative Date

This contract is not valid until registered

February 15, 2011

TO: Township Boards, City Councils, and Local Assessors
SUBJECT: 2011 Local Boards of Appeal and Equalization

Below is the schedule of the dates and times for the 2011 Local Boards of Appeal and Equalization Meetings. If the date assigned to your board of equalization will not work for your district, please let me know immediately and we can reschedule it. Please make sure your board members are aware of the district's meeting date and are able to attend.

You will need to post three (3) notices of the meeting in three conspicuous locations at least ten (10) days prior to the scheduled meeting date (enclosed). Each notice should contain the meeting date, time, and location. Please make note of the date that you post these notices for the Board of Equalization record.

As in the past, my office will be taking care of the newspaper advertising for all of the districts. If you have any questions, contact my office.

*Notices
posted
2-16-11
SPW*

Gale Bondhus
Cottonwood County Assessor

Cottonwood County 2011 Local Boards of Appeal and Equalization

Day	Date	Township/City	Time	Location/Assessor
Monday	April 18, 2011	Amboy Township	9:00-9:30 a.m.	Amboy Town Hall
Friday	April 22, 2011	Amo Township	1:00-1:30 p.m.	Storden Community Center
Tuesday	April 19, 2011	Ann Township	9:00-9:30 a.m.	Doreen Osland Home
Wednesday	April 20, 2011	Carson Township	9:00-9:30 a.m.	JoAnn Nickel Home
Wednesday	April 20, 2011	Dale Township	6:30-7:00 p.m.	Gail Maras Home
Tuesday	April 19, 2011	Delton Township	5:00-5:30 p.m.	Delton Town Hall
Tuesday	April 19, 2011	Germantown Township	11:00-11:30 a.m.	Sanborn ADM Elevator
Thursday	April 21, 2011	Great Bend Township	9:00-9:30 a.m.	Cottonwood County LEC
Friday	April 22, 2011	Highwater Township	11:00-11:30 a.m.	Storden Community Center
Wednesday	April 20, 2011	Lakeside Township	3:00-3:30 p.m.	Lakeside Town Hall
Wednesday	April 20, 2011	Midway Township	11:00-11:30 a.m.	Mountain Lake Fire Department
Wednesday	April 20, 2011	Mountain Lake Township	1:00-1:30 p.m.	Mountain Lake Town Hall
Thursday	April 21, 2011	Rosehill Township	5:00-5:30 p.m.	Rosehill Town Hall
Monday	April 18, 2011	Selma Township	11:00-11:30 a.m.	Selma Town Hall
Thursday	April 21, 2011	Southbrook Township	1:00-1:30 p.m.	John Tibodeau Home
Friday	April 22, 2011	Springfield Township	9:00-9:30 a.m.	Springfield Town Hall
Friday	April 22, 2011	Storden Township	3:00-3:30 p.m.	Storden Community Center
Friday	April 22, 2011	Westbrook Township	5:00-5:30 p.m.	Westbrook Town Hall
Monday	April 11, 2011	Bingham Lake City	6:30-7:00 p.m.	Bingham Lake City Hall
Monday	April 18, 2011	Comfrey	7:00-7:30 p.m.	Comfrey City Hall
Wednesday	May 4, 2011	Jeffers	5:00-5:30 p.m.	Jeffers City Hall
Thursday	May 12, 2011	Mountain Lake City	5:30-6:00 p.m.	Mountain Lake City Hall
Tuesday	May 3, 2011	Storden City	5:00-5:30 p.m.	Storden Community Center
Monday	May 2, 2011	Westbrook City	5:30-6:00 p.m.	Westbrook City Hall
Monday	May 9, 2011	Windom	4:30-5:00 p.m.	Windom City Hall
Tuesday	June 14, 2011	County Equalization	6:00 p.m.	Cottonwood County Courthouse Commissioners Room

ASSESSMENT NOTICE

NOTICE IS HEREBY GIVEN, THAT THE BOARD OF REVIEW OF THE CITY OF WINDOM, COTTONWOOD COUNTY, MINNESOTA, WILL MEET AT THE WINDOM CITY HALL IN SAID TOWNSHIP OR CITY, AT 4:30 TO 5:00 O'CLOCK PM ON MONDAY THE 9TH DAY OF MAY, 2011. THE PURPOSE OF REVIEWING AND CORRECTING THE ASSESSMENT OF SAID TOWNSHIP OR CITY FOR THE YEAR 2011.

NO COMPLAINT THAT ANOTHER PERSON IS ASSESSED TOO LOW WILL BE ACTED UPON UNTIL THE PERSON SO ASSESSED, OR HIS AGENT, HAS BEEN NOTIFIED OF SUCH COMPLAINT.

GIVEN UNDER MY HAND THIS _____ 15TH _____ DAY OF _____ FEBRUARY _____, 2011



COTTONWOOD COUNTY ASSESSOR



WINDOM POLICE DEPARTMENT

PO BOX 38, 444 NINTH STREET
WINDOM, MN 56101

Kevin L. Patterson Sgt.

PHONE: (507)831-6134 / FAX: (507)831-1957



To: Windom City Council, City Administrator and Mayor
From: Sgt. Kevin Patterson
Subject: Nixle Alerts

At some recent training I was made aware of a communication service that is made available to police agencies around the country. It allows for agencies to connect with residents via text messaging, email, fax, or the web. This service is made available by a company called Nixle. Their web site is www.nixle.com. This service would allow us to send out alerts to the community for the purpose of public safety and information.

This service would allow us to notify residents of things such as road closures, safety reminders, criminal activity, and snow emergency notifications, etc... It would also allow us to seek tips from the public to help solve crimes.

This service is easy for the residents to sign up for. When they sign up they can indicate which of the available methods they want to receive the alerts. One good thing about the service is that it is free for the city and its residents. Although standard text rates would apply for those receiving the alerts via text.

I have spoken with Chief Jeff Shirkey and Sheriff Jason Purrington regarding this service. Both of them have indicated they would be in favor of implementing Nixle. The Sheriff would also like to extend the service so that it could be used county wide.

I have attached some information regarding Nixles service and would encourage you to visit their website and view some of the many examples where nixle assisted law enforcement agencies across the country.

I am asking for the city councils approval and support in implementing this service.

If you have any questions let me know.

Thanks,

Kevin Patterson
Windom Police Dept.

nixle

Download Nixle for iPhone, iPod Touch and iPad »



Apple iPhone

Registered Citizens [Sign In Here](#)

[Home](#) **The Municipal Wire**

[Register for Nixle](#)

Real Examples of Nixle's Success

New Police Service Used During Las Cruces Phone Outage. One form of emergency communication that remained functional for many residents during Tuesday's loss of Qwest telephone and Internet service was law enforcement's use of Nixle - the communications service that can keep residents informed of vital information via cell phone text messaging service."

- [KRWG News](#) | [Read more »](#)

Missing West Covina boy found safe in Pasadena parking garage.

"I'm happy to report that at approximately 10:40 p.m. Sunday, young Dylan Kurihara was located in a parking garage at 572 E Green Street by a home town hero and resident, Rowdy Metzger. Rowdy received several Nixle alerts from PPD and took it upon himself to search for Dylan. When Rowdy found Dylan he was still in his child car seat (asleep) and appeared to be in good physical condition given the length of his ordeal. Dylan was examined by the Pasadena Paramedics at the scene and will be transported to Huntington Memorial Hospital for further medical evaluation," Pasadena Police Chief Phillip Hernandez said in a written statement."

- [Pasadena Star](#) | [Read more »](#)

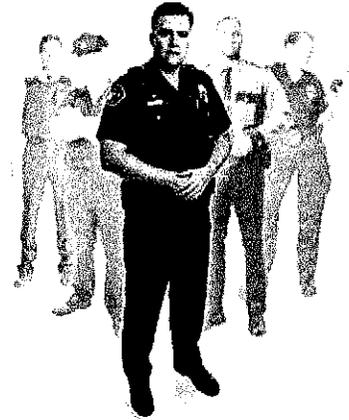
Fayetteville police credit social networking initiative in recent arrests. Police are hailing the success of a social networking initiative that has resulted in the arrest of at least three people in recent weeks."

The initiative, called Nixle, allows law enforcement to e-mail and text alerts about people who are being sought in crimes, according to Dan Grubb, a

Nixle's Municipal Wire is the nations leading identity-certified and secure mass communication service that allows public safety agencies and municipal governments to connect with residents by text messages, email and web.

Since Nixle launched publicly in March in 2009 over 4,600 public safety entities and other government agencies throughout the country use Nixle to communicate everything from emergency situations to community services and announcements. Included in this list are agencies from cities both large and small, including:

- ✕ Los Angeles County Sheriff's Department
- ✕ Los Angeles Police Department
- ✕ Chicago Police Department
- ✕ Baltimore Police Department
- ✕ Minneapolis/St. Paul
- ✕ Chicago Police Department
- ✕ Scottsdale Police Department
- ✕ Dallas Police Department
- ✕ Hawaii Police Department



This list extends to agencies in all 50 states as the mere existence of this type of technology mandates it use as elected officials and empowered officers strive to fulfill the obligation they uphold to protect their citizens.

Why use Nixle for your community?

- ✕ Identity certified authentication ensuring end-users receive TRUSTED information
- ✕ Most secure server environment (all servers located at Nlets, the International Justice and Public Safety Network)
- ✕ Single standardized source for all agencies throughout the United States
- ✕ NO advertising or Spam
- ✕ Fastest and most reliable text messaging system available
- ✕ Easy & effective publication and management tools
- ✕ Most precise neighborhood-level, geographically-targeted system available
- ✕ All information is immediately available by text message, email & web
- ✕ Most cost effective product on the market today

There is no installation or training required. For further information and pricing, please call 1.877.NIXLENA

Inter-Operability

Department."

- [Fay Observer](#) | [Read more »](#)

Nixle Software pinpoints

geographical areas for messaging.

Nixle had the Chula Vista, Calif., police department test its system in December.

When a woman with Alzheimer's disease went missing, the department used the system to send out an alert to Chula Vista residents who had signed up to use the system and lived within one mile of her address.

No one found her, so the department sent out another alert, this time to users within five miles of her address. That got her located."

- [Philadelphia Business Journal](#) | [Read more »](#)

Inter-Operability is a "Keyword" text messaging solution that makes it easy to communicate with residents for very specific occurrences during emergencies, special events or on a day-to-day basis. As the Municipal Wire relates to geographically relevant information, Inter-Operability is built for interest-based communications but also is available with Geographic Functionality.

The Benefits of Inter-Operability

Immediate - Instantly create keywords that can be released to the public through the media at any time and then simply deactivate the keyword after its use.

For example, you create and advertise the keyword "cityfest" to promote the city's annual festival. Residents will text "cityfest" to 888777 to receive updates on vendors, special activities and parking before and during the event.

Special Events Management

Use Inter-Operability to gather support, increase awareness and attendance at your community events. It can also facilitate communications between public and private agencies, staff and volunteers during the event.

Public Safety

Keep all your residents informed of emergencies and alerts. Whether it's an earthquake, flooding, tornado or hurricane warning or a terrorist attack, your residents will have up to the minute details and action steps. And nearly 100% of your messages will be read because people have their phones at all times.

Secure Internal Communications

Inter-Operability can deliver authenticated, secure communications internally. Administrators can chose words that may be only be used by specific groups of employees. [Click here to learn more.](#)

Effective

Nearly 100% of all text messages are read.

Social Network

Inter-Operability also connects with your social network accounts. Write your message, check the Twitter box, and send it to everyone with one click.

Scheduled Messages

Messages can also be scheduled for future delivery with Nixle's easy to use simple calendar feature.

Trusted & Secure

Nixle is the only company of its kind that has a strategic relationship with Nlets, (www.nlets.org) the International Justice and Public Safety Network

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- **Philadelphia Business Journal** | [Read more »](#)

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Continual Support

Nixle is staffed with marketing and technology professionals who will help you gain the biggest benefit from using Nixle.

Nixle is the only company in its space that can state it is **“Trusted by The People You Trust”**.



Nixle Gains Momentum and Popularity With Stories of Success

SAN FRANCISCO, Dec 08, 2009 /PRNewswire via COMTEX/ ---Nixle, the community information service that delivers authenticated, real-time updates and alerts to citizen subscribers, is quickly becoming the alert method of choice for law enforcement agencies across the country. Within the past few weeks, the system has been used to help bring a fugitive into custody, locate an elderly Alzheimer's patient and provide details on availability of H1N1 flu vaccination supplies. In just short of 8 months, more than 3,000 municipalities and police departments in 49 states have signed up with the service, and that number is steadily growing on a daily basis.

The identity-certified communication service is provided FREE to local, county and state law enforcement and government agencies, allowing them to effectively connect with local residents. Of the many success stories, most recently the Amarillo Police Department in Texas used Nixle to help capture a violent fugitive. Their Crime Stoppers department sent out an alert with a photo of a suspect who was wanted for aggravated robbery and probation violation. A Nixle subscriber received the alert while shopping at a local mall and immediately contacted police. Police working holiday patrol were able to locate and apprehend the suspect.

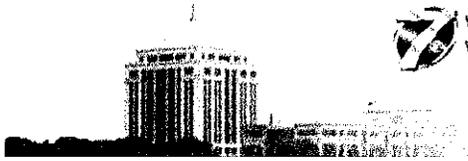
Another win for Nixle involved the successful recovery of a missing Alzheimer's patient in Denton, Texas. The Denton, Texas Police Department received a call about a missing 84 year old with Alzheimer's, and although officers searched the area, they were unable to locate the missing person. They published an alert via Nixle, and within an hour, a neighbor who received the alert spotted the man and called local police.

"We're enthused by the success we've had helping law enforcement partner with the community to help solve crimes and locate missing people," said Craig Mitnick, founder and CEO of Nixle. "And this rapid popularity has led us to a whole new world of opportunities for citizens to stay connected via Nixle. Imagine heading out the door on a typical shopping day before Christmas, and receiving a text that reminds you to lock your car door in the parking lot of a busy mall. Then, you re-direct your route based on a text that alerts you to a traffic accident, and later, you call and schedule an H1N1 vaccination appointment for your kids based on another alert letting you that your county health department has received a new supply," added Mitnick. "These are just a few small examples of how Nixle becomes an integral part of your day, enabling you to make smart decisions based on the information it can disseminate."

Nixle's service is built on the most secure, reliable, and high-speed distribution platform, ensuring that the information is trusted, immediate, and geographically relevant. Information is available via cell phone by text message, by email, and over the web. Accounts can also be customized so users receive only the information that matters most to them.

More than 3,000 agencies in 49 states have signed on to publish updates via Nixle since March, 2009 and the number is steadily growing. Big cities, such as Los Angeles, Baltimore, Pittsburgh, New York and Dallas, have been successfully 'Nixling' information to subscribers in their community to spread the word about important safety concerns and alerts. For example, at the high-profile 2009 G-20 Summit, Nixle's services enabled the Pittsburgh police department to communicate with 30 agencies for the event, quelling protester hot spots and keeping the damage to the city at a minimum.

"There is no limit to what Nixle can offer its subscribers in terms of critical information and updates about the things that matter most," said Mitnick. "All you have to do is sign up, and leave the rest of us." Mitnick added that the communication service will soon look much different as it opens up to a wider set of real-time location based information.



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Temp. 70.0 F (21.1 C)
More Weather

Wisconsin Downtown Airport, WI

Wisconsin Rapids Police Department Launches New Program Designed to Keep You Safe

Posted: 4:08 PM Aug 4, 2009

Last Updated: 6:44 AM Aug 5, 2009

Reporter: Matt Behrens

Text messages and e-mails can be a lot of fun, but coming from the right people, they can also be used to keep you safe.

That's exactly what the Wisconsin Rapids Police Department is using Nixle for.

The community information service allows them to send alerts of missing people, dangerous situations or any other condition via e-mail or text message.

The police department says this will increase public safety, as they can communicate with people quicker than ever before.

"From the moment you send it to the moment you actually receive it, for those who are signed up on a cell phone to receive it, you're talking 15 seconds, so it's really just a matter of entering the information," says Patrol Sgt. Brian Krzykowski of the Wisconsin Rapids Police Department.

The service is completely free to all government agencies, meaning it didn't cost the police department anything to sign up, and if you'd like to receive these alerts, it's also free for subscribers.

For more information on Nixle, the Wisconsin Rapids Police Department will be holding an informative meeting Tuesday from 5:00pm to 8:00pm at Baker Street Community Church in Wisconsin Rapids.

OMG! Denton residents can get alerts from the police department by e-mail or text message.

OMG! Denton Police Use "Cops Only" Messaging Site

By OLIVIA VILLASFRANCA

Updated 11:14 PM CDT, Tue, Jun 2, 2009



Denton police weren't happy when a fake Twitter page showed up online. Instead, the department turned to an alternative service. **OMG! Denton Police Use "Cops Only" Messaging Site.** It's like Twitter, but for cops.

The Denton Police Department has started using Nixle.com, a site that only allows real cops to sign up.

"I had to fax them a copy of my police ID to prove that I was really who I said I was," said Officer Ryan Grelle, who is in charge of the department's Nixle page.

Nixle allows departments to send out e-mails or text-message alerts on everything from traffic problems to missing adults and kids, crime warnings and weather hazards.

The Web site's template makes it easy for officers to point, click, type a few words and send away. It even has an option to send to a Twitter page.

Grelle said the Nixle allows residents to know the information isn't bogus.

"They know that the information coming off this Web site is the Denton Police Department," he said.

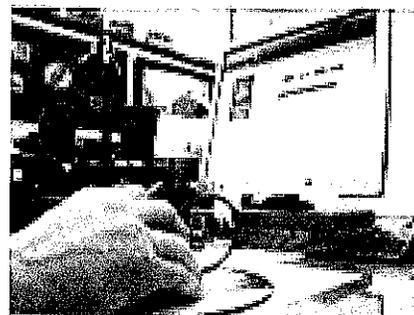
Denton police and the Krum Police Department are the only two law enforcement operations going "live" with the system. Grelle said other departments are just testing the program.

Nixle allows residents to sign up free of charge. They provide some information and choose how they want the alerts sent to them -- either by text or e-mail. Grelle said the site is also free to use for the police department and free for residents to receive alerts, although standard text-messaging rates apply. If users have a plan with "unlimited" texts, it won't cost them a dime.

Grelle said the site can also send out alerts to certain specific areas based on address. The program allows the officers to send alerts from within a half-mile to 20-mile radius of where something is happening.

To sign up for the service, log on to Nixle.com.

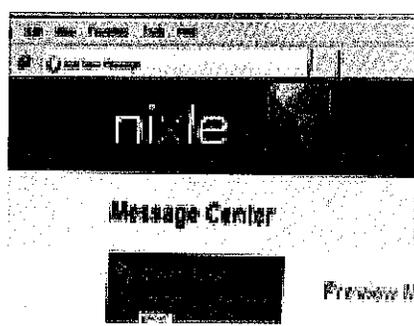
Belvidere police use new community alert system



Posted: Dec 18, 2009 5:56 PM

By Katie Nilsson

BELVIDERE (WREX) - Belvidere police urge people who live there to sign up for a new community notification service. It's called "Nixle" and it sends messages to people to alert them about things happening in the city. "Nixle" allows officers to send text messages and emails out to people to keep them up to date on certain things going on in the community. Deputy Chief Butch Falkenstein says it's a win for the department and the people who live in or around Belvidere. "We are just a few eyes and ears out there on the streets, so the more we can pull citizens in and get them involved in keeping their own community safe and giving us information about what's going on in their community the better it is"



Falkenstein gave us several examples of how they'll use the "Nixle" system. One allows them to get critical information out to hundreds of people at once, like if someone goes missing. "We could send it to all subscribers of a specific area and tell them a description of what's going on we just multiplied our force by about 200%"



They're also using it to let people know about crimes happening in certain neighborhoods, so people can be extra vigilant against it. "We want them to be aware of that and report any suspicious activity and give them an idea of where it's occurring at."

The department just launched the "Nixle" program Thursday. Officers have been building up their database of who it goes out to for months. They want everyone in the community to sign up. It's free, but standard text messaging rates apply. You control whether you get a text or an email, or both. "You subscribe to what you want you can turn it off and you can turn it back on."

If you'd like to sign up go to www.nixle.com. Several other police and fire departments in the Rockford area are on there too.

Southern Pines Police Department Announces Arrest Assisted By Citizens Using Nixle

November 30, 2010

The Southern Pines Police Department announces the arrest of Jessie Lane Burns, 23 years of age of Pinebluff, North Carolina. Jessie Burns has been charged with one count of Credit Card Fraud, and one count of Financial Identity Fraud. This arrest stems from the investigation into illegal use of a credit card that had been reported lost in Southern Pines on September 23, 2010. The owner of the credit card reported to the Southern Pines Police Department that unauthorized activity was taking place on her credit card account. An investigation by the Patrol and Investigation Divisions of the Southern Pines Police Department determined that the credit card was used at the Quality Mart, Old U.S. Highway 1 in Southern Pines on September 23, 2010.

A photo of the suspect and a vehicle was obtained from a second location where the credit card was additionally used. These surveillance system photographs were placed on NIXLE, the community notification service utilized by the Southern Pines Police Department. The NIXLE alert requested the help of the community in identifying the suspect and vehicle.

Within four hours of broadcasting the NIXLE alert requesting assistance from the community in identifying the suspect, the Investigation Division of the Southern Pines Police Department received information from the community which identified the suspect as Jessie Lane Burns. Further investigation was conducted that led to the arrest.

Jessie Lane Burns appeared before a Moore County Magistrate and was released on a Written Promise To Appear, pending a hearing on December 2, 2010 in Moore County District Court.

The NIXLE community notification system for the Southern Pines Police Department is free of charge and citizens are encouraged to join by visiting www.nixle.com. For further information on NIXLE, please contact Bob Temme, the Community Services Coordinator for the Southern Pines Police Department at 910-692-2732 ext. 2852.



Nixle Catches a Criminal

A new community website you've probably never heard of is helping police catch criminals.

Reporter: Chris Papst

POSTED: Thursday, August 19 at 9:00 p.m.

A new community website you've probably never heard of is helping police catch criminals.

The website is called Nixle, and it's becoming a very useful law enforcement tool.

This is a website police say more people need to sign up for.

Last month, 47-year-old Gordon Fitzpatrick was charged for Lewd and Lascivious Behavior after he was arrested in Reedsburg for flashing a number of people. Thursday he was supposed to show up for court, but he didn't. Reedsburg Police began a search immediately. To help locate him, they turned to a relatively new community notification website called Nixle. At Nixle.com people can sign up for alert messages from any participating community in 49 states. The free alerts can go to emails, cell phones or any electronic device.

When police sent out the page, an employee at the Pamida Store in Reedsburg, who recently signed up for Nixle, got the message.

"Police attempt to locate Gordon Fitzpatrick - 47," said Jamie Stolte as she read the text off her phone.

"We know who he is. He was in the paper not too long ago. So, we knew what he looked like."

Stolte signed up for Nixle a couple months ago. One of her fellow employees told her about it and she thought it could be helpful. She says she gets about five text messages a week on her cell phone.

"It had the stuff about the search for that Joey Anderson, they tell you if roads are blocked and whether or not construction is going on, accidents and stuff like that. [I'm glad I signed up for it]"

And so are police, because not long after they sent out the first Nixle message about Fitzpatrick, they were able to send out this one.

"Fitzpatrick apprehended within minutes of Facebook and Nixle posting," read Stolte.

Lieutenant Rob Sinden with the Baraboo Police Department said every law enforcement agency in Sauk County now uses Nixle. Baraboo Police have been using it for about a year, and he says it's a great tool to inform the public.

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
CITY OFFICE	STEVE NASBY	EXPENSE	155.04
CITY OFFICE	U S POSTAL SERVICE	POST OFFICE BOX	11.74
	Total for Department 103		166.78*
P & Z / BUILDING OFF	JIM KARTES	EXPENSE	172.38
	Total for Department 106		172.38*
CITY HALL	JAY KUEHL	SNOW REMOVAL	30.00
CITY HALL	MN ENERGY RESOURCES	HEATING	1,846.99
	Total for Department 115		1,876.99*
POLICE	U S POSTAL SERVICE	POST OFFICE BOX	11.73
POLICE	JEFFREY SHIRKEY	EXPENSE	66.33
POLICE	UNICEL	TELEPHONE	193.83
	Total for Department 120		271.89*
FIRE DEPARTMENT	JAY GRANDPREY	MILEAGE	74.42
FIRE DEPARTMENT	U S POSTAL SERVICE	POST OFFICE BOX	11.73
	Total for Department 125		86.15*
STREET	MN ENERGY RESOURCES	HEATING	1,994.51
STREET	U S POSTAL SERVICE	POST OFFICE BOX	11.74
STREET	QUALITY OVERHEAD DOO	MAINTENANCE	168.33
STREET	SCOTT'S SNOW REMOVAL	SNOW REMOVAL	350.00
STREET	LEONARD KEUTINCK	SNOW PLOW DAMAGE TO VEHI	108.34
	Total for Department 140		2,632.92*
PARKS	U S POSTAL SERVICE	POST OFFICE BOX	11.73
	Total for Department 165		11.73*
	Total for Fund 01		5,218.84*
LIBRARY	COTTONWOOD COUNTY SO	RECYCLING PICK UP	144.00
LIBRARY	JAY KUEHL	SNOW REMOVAL	30.00
	Total for Department 171		174.00*
	Total for Fund 03		174.00*
POOL	U S POSTAL SERVICE	POST OFFICE BOX	11.73
	Total for Department 175		11.73*
	Total for Fund 12		11.73*
AMBULANCE	TIM HACKER	EXPENSE	118.54
AMBULANCE	Verizon Wireless	TELEPHONE	90.27
AMBULANCE	U S POSTAL SERVICE	POST OFFICE BOX	11.73
AMBULANCE	STACY MATHIS	REFUND - AMBULANCE	368.10
	Total for Department 176		588.64*
	Total for Fund 13		588.64*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MULTI-PURPOSE BUILDI	HAGEN DISTRIBUTING	MERCHANDISE	71.40
MULTI-PURPOSE BUILDI	U S POSTAL SERVICE	POST OFFICE BOX	11.73
	Total for Department 177		83.13*
	Total for Fund 14		83.13*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	4,563.75
LIQUOR	EXTREME BEVERAGE, LL	MERCHANDISE	134.00
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	4,419.06
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	5,252.75
LIQUOR	A H HERMEL CANDY & T	MERCHANDISE	408.91
LIQUOR	JOHNSON BROS.	MERCHANDISE	3,783.89
LIQUOR	PBC - PEPSI BEVERAGE	MERCHANDISE	194.00
LIQUOR	U S POSTAL SERVICE	POST OFFICE BOX	11.73
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	2,053.52
LIQUOR	WINE MERCHANTS	MERCHANDISE	186.00
	Total for Department 180		21,007.61*
	Total for Fund 60		21,007.61*
WATER	GOPHER STATE ONE CAL	2011 ANNUAL ASSESSMENT	16.67
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	143.75
WATER	U S POSTAL SERVICE	POST OFFICE BOX	11.74
	Total for Department 181		172.16*
	Total for Fund 61		172.16*
	ELECTRIC FUND	REFUND - UTILITY PREPAYM	300.00
	ELECTRIC FUND	REFUND- UTILITY PREPAY-C	300.00
	BRIAN BRAND	REFUND - UTILITY PREPAYM	300.00
	NICOLE JOHNSON	REFUND - UTILITY PREPAYM	125.00
	Total for Department		1,025.00*
ELECTRIC	CENTRAL MINNESOTA MU	CIP SERVICE ASSESSMENT	4,083.00
ELECTRIC	CENTRAL MINNESOTA MU	POWER COST	219,040.19
ELECTRIC	GOPHER STATE ONE CAL	2011 ANNUAL ASSESSMENT	16.67
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	143.75
ELECTRIC	U S POSTAL SERVICE	POST OFFICE BOX	11.74
ELECTRIC	BANK MIDWEST	RETURNED CHECK	45.00
ELECTRIC	TOM BONNEVILLE	ENERGY REBATE	50.00
ELECTRIC	JIM SCHUUR	ENERGY REBATE	25.00
	Total for Department 182		223,415.35*
	Total for Fund 62		224,440.35*
SEWER	GOPHER STATE ONE CAL	2011 ANNUAL ASSESSMENT	16.67
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	143.75
SEWER	MN ENERGY RESOURCES	HEATING	582.36
SEWER	U S POSTAL SERVICE	POST OFFICE BOX	11.74
	Total for Department 183		754.52*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 63			754.52*
ARENA	FERRELLGAS	GAS	103.67
ARENA	U S POSTAL SERVICE	POST OFFICE BOX	11.73
Total for Department 184			115.40*
Total for Fund 64			115.40*
ECONOMIC DEVELOPMENT	U S POSTAL SERVICE	POST OFFICE BOX	11.73
Total for Department 187			11.73*
Total for Fund 67			11.73*
	BRIAN BRAND	REFUND - STATEMENT CREDI	.66
	BRAD DUNHAM	REFUND - STATEMENT CREDI	1.14
	FARM BUREAU	REFUND - STATEMENT CREDI	.53
Total for Department			2.33*
TELECOMMUNICATIONS	BLUEHIGHWAYS	SUBSCRIBERS	41.18
TELECOMMUNICATIONS	COMCAST MEDIA CENTER	SUBSCRIBER	16.25
TELECOMMUNICATIONS	GOPHER STATE ONE CAL	2011 ANNUAL ASSESSMENT	49.99
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	431.25
TELECOMMUNICATIONS	MN ENERGY RESOURCES	HEATING	392.09
TELECOMMUNICATIONS	U S POSTAL SERVICE	POST OFFICE BOX	11.73
TELECOMMUNICATIONS	RFD TV	SUBSCRIBERS	194.69
TELECOMMUNICATIONS	TOWER DISTRIBUTION C	SUBSCRIBER	221.68
TELECOMMUNICATIONS	BRIAN BRAND	REFUND - STATEMENT CREDI	9.62
TELECOMMUNICATIONS	BRAD DUNHAM	REFUND - STATEMENT CREDI	16.66
TELECOMMUNICATIONS	FARM BUREAU	REFUND - STATEMENT CREDI	11.62
TELECOMMUNICATIONS	NANCY GUZMAN	REFUND - TELECOM	4.38
Total for Department 199			1,401.14*
Total for Fund 69			1,403.47*
	LAW ENFORCMENT LABOR UNION	DUES	294.00
	LOCAL UNION #949	UNION DUES	1,507.52
Total for Department			1,801.52*
Total for Fund 70			1,801.52*
Grand Total			255,783.10*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	CONVENT. & VISTOR BU	LODGING TAX	1,574.50
	Total for Department 101		1,574.50*
CITY OFFICE	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.95
CITY OFFICE	LEAGUE OF MN. CITIES	REGISTRATION	120.00
CITY OFFICE	SELECTACCOUNT	PARTICIPANT FEE	183.00
	Total for Department 103		696.95*
P & Z / BUILDING OFF	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
P & Z / BUILDING OFF	WINDOM AUTO VALU	MAINTENANCE	26.90
P & Z / BUILDING OFF	BEST BUSINESS PRODUC	MAINTENANCE	48.20
	Total for Department 106		468.97*
CITY HALL	JAY KUEHL	SNOW REMOVAL	30.00
	Total for Department 115		30.00*
POLICE	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
POLICE	GRAFIX SHOPPE	MAINTENANCE	495.00
POLICE	FLEET SERVICES DIVIS	LEASE CAR	2,488.68
	Total for Department 120		3,377.55*
FIRE DEPARTMENT	MN STATE FIRE CHEF A	DUES	185.00
FIRE DEPARTMENT	SMOKE EATERS	SUBSCRIPTION	203.00
	Total for Department 125		388.00*
STREET	AMOCO OIL COMPANY	GAS	511.32
STREET	AMUNDSON DIG	MAINTENANCE	340.00
STREET	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
STREET	WINDOM AUTO VALU	MAINTENANCE	259.86
STREET	PETERSON SMITH GRAVE	MAINTENANCE	255.00
	Total for Department 140		1,760.05*
RECREATION	LEAGUE OF MN. CITIES	REGISTRATION	20.00
	Total for Department 150		20.00*
PARKS	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
	Total for Department 165		393.87*
	Total for Fund 01		8,709.89*
LIBRARY	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
LIBRARY	JAY KUEHL	SNOW REMOVAL	30.00
LIBRARY	MN ENERGY RESOURCES	HEATING	1,216.37
	Total for Department 171		1,640.24*
	Total for Fund 03		1,640.24*
	CONSTRUCTION BULLETI	AD FOR STREET SHOP	208.25
	Total for Department		208.25*
	Total for Fund 04		208.25*

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

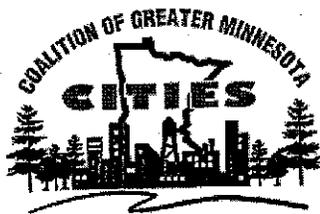
Department	Vendor Name	Description	Amount
AMBULANCE	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
AMBULANCE	LONDA FOSHEIM	EXPENSE	34.41
AMBULANCE	TIM HACKER	EXPENSE	26.65
AMBULANCE	SUBWAY	EXPENSE	49.16
	Total for Department 176		504.09*
	Total for Fund 13		504.09*
MULTI-PURPOSE BUILDI	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
MULTI-PURPOSE BUILDI	MN ENERGY RESOURCES	HEATING	1,948.40
	Total for Department 177		2,342.27*
	Total for Fund 14		2,342.27*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	1,790.50
LIQUOR	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	2,158.30
LIQUOR	JOHNSON BROS.	MERCHANDISE	529.28
LIQUOR	GENE LENNING	MILEAGE FOR 2010	130.00
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	796.24
	Total for Department 180		5,798.19*
	Total for Fund 60		5,798.19*
WATER	AMUNDSON DIG	MAINTENANCE	212.50
WATER	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
WATER	DATA-PAC MAILING SYS	MAIL METER RENTAL	52.25
WATER	GOPHER STATE ONE CAL	LOCATE	1.45
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	162.50
WATER	MN RURAL WATER ASSOC	REGISTRATION	175.00
WATER	MN ENERGY RESOURCES	HEATING	777.49
	Total for Department 181		1,775.06*
	Total for Fund 61		1,775.06*
ELECTRIC FUND	REF-UT PREPAY-J	PALODICH	207.70
ELECTRIC FUND	REF-UT PREPAY-M	GARCIA	71.97
ELECTRIC FUND	REF-UT PREPAY-R	OBREGON	209.87
ELECTRIC FUND	REF-UTILITY PREPAY-S	INS	300.00
SCOTT BEYER	REFUND - UTILITY	PREPAYM	20.00
CHRISTENSEN FARMS	REFUND - UTILITY	PREPAYM	125.00
MARCO GARCIA	REFUND - UTILITY	PREPAYM	228.03
DARCY BOLTJES HOFFMA	REFUND - UTILITY	PREPAYM	20.00
DELORES HORKEY	REFUND - UTILITY	PREPAYM	125.00
KEVIN JOHNSON	REFUND - UTILITY	PREPAYM	125.00
DON KERKAERT	REFUND - UTILITY	PREPAYM	10.00
HEATHER VOCK MAGYAR	REFUND - UTILITY	PREPAYM	20.00
ROMALDO OBREGON	REFUND - UTILITY	PREPAYM	90.13
DAN ORTMAN	REFUND - UTILITY	PREPAYM	125.00
KATHLEEN SMITH	REFUND - UTILITY	PREPAYM	125.00

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	JILLIAN PENROD/NATE	REFUND - UTILITY PREPAYM	125.00
	JASON DALODICHUK	REFUND-UTILITY PREPAYMEN	92.30
		Total for Department	2,020.00*
ELECTRIC	AMOCO OIL COMPANY	GAS	593.11
ELECTRIC	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.89
ELECTRIC	DATA-PAC MAILING SYS	MAIL METER RENTAL	52.25
ELECTRIC	GOPHER STATE ONE CAL	LOCATE	1.45
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	162.50
ELECTRIC	MN ENERGY RESOURCES	HEATING	976.01
ELECTRIC	BANK MIDWEST	NSF CHECK	214.57
		Total for Department 182	2,393.78*
		Total for Fund 62	4,413.78*
SEWER	AMOCO OIL COMPANY	GAS	282.70
SEWER	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
SEWER	DATA-PAC MAILING SYS	MAIL METER RENTAL	52.25
SEWER	GOPHER STATE ONE CAL	LOCATE	1.45
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	162.50
SEWER	WINDOM AUTO VALU	MAINTENANCE	96.14
		Total for Department 183	988.91*
		Total for Fund 63	988.91*
ARENA	AMOCO OIL COMPANY	GAS	74.91
ARENA	COCA-COLA BOTTLING C	MERCHANDISE	286.35
ARENA	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
ARENA	MN ENERGY RESOURCES	HEATING	1,863.07
		Total for Department 184	2,618.20*
		Total for Fund 64	2,618.20*
	ELECTRIC FUND	LOAN-EDA SPEC BLDG PROJE	706.77
	BANK MIDWEST	LOAN PAYMENT	1,544.51
		Total for Department	2,251.28*
ECONOMIC DEVELOPMENT	TYLER TECHNOLOGIES	MAINT AGREEMENT	393.87
ECONOMIC DEVELOPMENT	ELECTRIC FUND	LOAN-EDA SPEC BLDG PROJE	242.72
ECONOMIC DEVELOPMENT	BANK MIDWEST	LOAN PAYMENT	2,455.49
ECONOMIC DEVELOPMENT	BEST BUSINESS PRODUC	MAINTENANCE	48.21
ECONOMIC DEVELOPMENT	WGTN REG ECONOMIC DE	REGISTRATION	125.00
		Total for Department 187	3,265.29*
		Total for Fund 67	5,516.57*
	NATIONAL CABLE TV CO	EQUIPMENT	3,069.00
		Total for Department	3,069.00*
TELECOMMUNICATIONS	AT & T	USAGE CHARGES	16.03

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
TELECOMMUNICATIONS	TYLER TECHNOLOGIES	MAINT AGREEMENT	1,181.61
TELECOMMUNICATIONS	DATA-PAC MAILING SYS	MAIL METER RENTAL	156.75
TELECOMMUNICATIONS	DISH NETWORK	SERVICE	3,400.00
TELECOMMUNICATIONS	E-911	MONTHLY 911 SERVICE	43.95
TELECOMMUNICATIONS	GOPHER STATE ONE CAL	LOCATE	4.35
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	487.50
TELECOMMUNICATIONS	QWEST COMMUNICATIONS	LEXIS BILLING SERVICE	199.17
TELECOMMUNICATIONS	NEUSTAR, INC.	MAINTENANCE	603.85
TELECOMMUNICATIONS	DAN OLSEN	FUEL	87.65
TELECOMMUNICATIONS	NECA	SERVICE	144.15
		Total for Department 199	6,325.01*
		Total for Fund 69	9,394.01*
	AFLAC	INSURANCE	372.64
	JOHNSON COUNTY COURT	PAYROLL DEDUCTION CDDM01	1,202.00
	MN BENEFIT ASSOCIATI	INSURANCE	228.74
		Total for Department	1,803.38*
		Total for Fund 70	1,803.38*
		Grand Total	45,712.84*



Coalition of Greater Minnesota Cities

CGMC in Brief

February 24, 2011

Contact: Tim Flaherty
651-225-8840

Mayors ask for bipartisan support of governor's LGA proposal

On Wednesday, CGMC mayors and city officials held a state Capitol press conference with Minneapolis Mayor R.T. Rybak, St. Paul Mayor Chris Coleman and Richfield Mayor Debbie Goettel to voice support for local government aid and the program's ability to hold down property taxes and fund critical services that keep communities strong. The mayors thanked Gov. Dayton for protecting LGA funding in his budget proposal, and said they are optimistic that a bipartisan agreement on the program can be reached with the help of rural Republicans.

A very special thank you to the following CGMC members for attending: CGMC President and Mayor of Park Rapids Nancy Carroll, Mayor of Cloquet Bruce Ahlgren, Mayor of Glencoe Randy Wilson, Mayor of Janesville Mark Novak and Red Wing Finance Director Marshall Hallock.

CGMC staff meets with rural Republican legislators, testifies before tax committees

Over the past week, CGMC staff have held several productive meetings with Republican greater Minnesota legislators. Attorney/lobbyists Tim Flaherty and Bradley Peterson met with Rep. Greg Davids (R-Preston), Rep. Rod Hamilton (R-Mountain Lake), Rep. Tim O'Driscoll (R-Sartell) and Rep. Linda Runbeck (R-Circle Pines). Rep. Runbeck, who chairs the House Property and Local Tax division, noted that there were currently no plans to make major changes to the LGA distribution formula for 2012, but that legislators will be evaluating it over the summer. Rep. Davids, who chairs the House Tax Committee, explained that the omnibus tax bill will be due at the same time as all other budget bills—March 25—which is a change from previous years. CGMC staff will adjust our lobbying efforts to reflect this earlier deadline. In particular, we are asking members to tentatively plan for a lobbying day in St. Paul on March 10. Stay tuned for further details.

In other lobbying news, senior policy analyst Steve Peterson testified in front of both the House and Senate tax committees in support of Gov. Dayton's proposed aids and credits budget. Under the governor's budget, cities would not see a reduction in Local Government Aid or in their Market Value Credits reimbursement. Steve testified that if the governor's budget passed, local governments would have zero pressure from the state to increase property taxes to pay for needed services.

Commerce dept. releases study on broadband

On Thursday, the state Commerce Department and the organization Connect Minnesota released a comprehensive report on the current state of broadband in Minnesota. The report provides a detailed view of broadband availability in Minnesota intended to "spark discussion" on the strategies needed to expand broadband access.



TIF extension bill introduced

According to Minnesota Public Radio, “[w]hile nearly 100 percent of households in the Twin Cities metro area can obtain speeds of 3 megabits per second or faster if they want it, the percentage is half that for some outstate counties.” The report notes that broadband availability is “on average lower across rural counties and greatest in highly populated urban areas.” A full copy of the report can be found at www.connectmn.org.

This week, legislation was introduced in the Senate to extend the expanded TIF provisions passed in the 2010 “jobs” bill by two-years. Sen. Dave Senjem (R-Rochester) is the chief author, joined by Senators Roger Chamberlain (R-Lino Lakes), Tom Bakk (DFL-Cook), Gary Dahms (R-Redwood Falls) and Ann Rest (DFL-New Hope). A House companion is expected soon. Expansion of the TIF provisions is a CGMC policy position.

The 2010 “jobs” bill (Ch. 216) included a temporary expansion of TIF provisions to any type of project (office, retail, housing, etc.) if there was a finding of job creation, the construction began by 7/1/11 and there was a request for certification by 6/30/11. The jobs bill also temporarily suspended various rules limiting use of tax increment revenues under certain conditions.

To help with our lobbying efforts in support of this bill, we are looking for examples of where the TIF extensions helped cities, and where extra time is needed. Specifically, we are asking CGMC members to tell us:

- What, if any, construction projects occurred or are occurring in your city because of the new TIF laws from last session?
- What, if any, construction projects *might* occur if the TIF sunsets were extended by two years?

Please respond with your answers by emailing J.D. Burton at jdburton@flaherty-hood.com.

Municipal laboratories bill moves forward in House with CGMC assistance

On Wednesday, the House Health and Human Services Reform Committee advanced H.F. 367, the bill regarding Municipal Environmental Laboratories, to the House Health & Human Services Finance Committee. Flaherty & Hood attorney/lobbyist Elizabeth Wefel testified on behalf of CGMC in favor of the bill. CGMC members Scott Gilbertson, Melrose’s Water and Wastewater Supervisor, and Shauna Johnson, Waite Park city administrator, testified in favor of the bill.

The bill seeks to remove the burdensome 2009 NELAP accreditation requirements that were placed on WWTF that operate their own laboratories. These requirements have resulted in increased fees to wastewater treatment facilities as well as significant increases in time, labor and money spent on paper work and record keeping tasks.



Bill affecting city's authority over wells passes through first committee

H.F. 135, the bill that would remove cities' authorities to regulate private wells within their borders, passed through its first committee, Health & Human Services Policy Reform, this week. The bill could have a detrimental effect on cities because large users could sink their own wells with no restriction from the cities, potentially harming the financial viability or quality of city water supplies. The bill passed to the House Government Operations and Elections Committee without a recommendation on a party line vote. "Without recommendation" means that this committee voted to allow the next committee to consider it, but it was not deciding whether the bill should pass.

We encourage cities to voice their concerns about this bill to their legislators, particularly those on the House Government Operations & Elections Committee.

CGMC testifies in support of Lake Pepin phosphorus bill

Last Thursday, the Senate Environment Committee held a hearing on S.F. 161. This bill was drafted to address the looming conflict between Wisconsin and Minnesota water quality standards for rivers that flow into Lake Pepin. The bill would require the Minnesota Pollution Control Agency to coordinate with Wisconsin on this issue and advocate in favor of a summer-only standard that considers the impact of nutrients on algae growth. Elizabeth Wefel testified in support of the bill. The MPCA did not originally intend to testify, but responded to questions to the bill. At that time, MPCA stated that it believes a summer-only (June through September) standard is scientifically sound and that it will advocate on that topic with Wisconsin. The bill passed out of committee and has moved to the State Government Innovation Committee. We are pleased that MPCA has now stated on the record that it will be taking the direction that we have been advocating on this matter.

Reminder: Greater Minnesota Advocate

As a reminder, CGMC launched a weekly newsletter to legislators this session about important policy issues from a rural perspective. To read the latest issue and back issues, click here: <http://bit.ly/icwNBP>.





Proposed Property Tax Freeze Extended

An amendment extends the proposed freeze to cover 2012 and 2013 city budgets.

(Published Feb 24, 2011)

HF 481 ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF481&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF481&ssn=0&y=2011)) (**Rep. Linda Runbeck** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10575](http://www.house.leg.state.mn.us/members/members.asp?id=10575)), R-Circle Pines) would freeze property taxes for cities, counties, and special taxing districts. The bill excludes school districts and the state of Minnesota, and is silent on township levies.

As introduced, the bill would impose the freeze for 2012 only. But at a Feb. 23 hearing, Rep. Runbeck offered an amendment to extend the freeze to 2013. The **House Property and Local Tax Division** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87022](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87022)) approved the amendment.

Details of the amended bill

Under the amendment, the bill would prohibit cities from increasing property tax levies in 2012 or 2013 over the 2011 level, except for increases for funding increasing debt service costs on pre-existing debt. Cities that annex property where the annexation is effective for the first time during taxes payable year 2012 or 2013 would be permitted to raise additional property taxes, but the increase would be limited to an amount equal to the taxable value of the newly annexed property multiplied by the city's 2011 tax rate. In addition to these allowable levy increases, cities could increase their 2012 or 2013 levies if approved by the voters at a general or special election, as allowed in *Minnesota Statutes*, section 275.73.

As a result of the freeze, cities would not have to certify a preliminary levy for truth-in-taxation statements. However, even without changes in a city's property tax levy, individual property owners could experience an increase or decrease in their tax bills in 2012 or 2013 due to changes in property values. Cities would also be prohibited from incurring any new debt if the debt service would require payments beginning in 2012 or 2013.

The bill includes a further restriction that specifies that no city can increase its 2012 or 2013 levy to amortize the unfunded pension liability over the amount for that purpose for taxes payable in 2011.

For counties, the bill includes additional limitations. After March 1, 2011, no county sheriff and no county attorney may exercise the salary and budget appeal authorizations authorized under county statutes to the extent that the salary or budget increase sought in the appeal would result in an increase in county expenditures in calendar year 2012 or 2013 above the level in calendar year 2011 for the same purpose.

City concerns

City officials have contacted the League with concerns about a property tax freeze. As a result of the

recent economic downturn, cities have imposed very limited tax increases over the past several years, and these cities expressed concern that they are being frozen at a very low level.

Other cities expressed concern that the new debt service levy freeze would create problems for projects that were scheduled to be initiated in the near future. One city mentioned that it has a tax increment district that will be decertified this year, and the development would have provided the city with additional tax base beginning in 2012 to cover the cost of public services to the new development, but that will now be frozen under the bill.

Read the current issue of the Cities Bulletin (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

Your LMC Resource

Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

gcarlson@lmc.org (*Link to: <mailto:gcarlson@lmc.org>*)

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Bill Requires Arbitrators to Consider Financial Condition of City

The bill, which the League supports, would require arbitrators to consider a city's or county's financial condition when awarding a labor contract.

(Published Feb 24, 2011)

On Feb. 22, the **House Government Operations and Elections Committee** (*Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009>) heard and passed a bill that would require arbitrators to consider the financial condition of the city or county when awarding pay increases in labor contracts.

The bill, **HF 501** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF501&ssn=0&y=2011*)

(Rep. Linda Runbeck (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10575>*), R-Circle Pines), was passed to the **House Civil Law Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87003>*) on a 7-6 roll call vote.

Under the state's Public Employment Labor Relations Act (PELRA), "essential employees"—mostly public safety, health care, and correctional workers—do not have the right to strike. When an employer and a union cannot resolve labor contract disputes, the parties go to arbitration.

The bill would require arbitrators to give "substantial weight" to issues like local government aid cuts, property tax burdens, and the impact of levy limits. It would also forbid them from considering an employer's budget reserves when determining their ability to pay. Finally, it would prevent arbitrators from awarding increases above what other unions get from the same employer.

The League testified in favor of the bill, citing recent cases—one in Brainerd, the other in Edina—where the "nonessential" city workers agreed to wage freezes, and arbitrators awarded pay increases for essential employees who went to arbitration. In both cases, the arbitrators overlooked the pattern that had been set in the city for 0 percent wage increases and ordered 3 percent wage increases.

Union leaders and some DFL legislators on the committee called the legislation an attack on public employees' collective bargaining rights, and said it would compromise the effectiveness of PELRA.

Read the current issue of the Cities Bulletin (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

Your LMC Resource

Contact Anne Finn

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

afinn@lmc.org *(Link to: <mailto:afinn@lmc.org>)*

Contact Laura Kushner

Human Resources Director

(651) 281-1203 or (800) 925-1122

lkushner@lmc.org *(Link to: <mailto:lkushner@lmc.org>)*

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Council on Local Results and Innovation Releases Final Report

The council recommends that cities and counties be allowed to adopt the performance measures that best fit their own circumstances.

(Published Feb 24, 2011)

The Council on Local Results and Innovation has released its final report to the Legislature.

This group was charged with presenting to the Legislature 10 performance measures for cities and 10 for counties. Under current law, those cities and counties that implement performance measures as adopted by the Legislature will be eligible for a per capita grant and will be exempt from any future levy limits.

Access the transmittal letter and final report on the state auditor's website *(Link to:*

<http://www.osa.state.mn.us/default.aspx?page=20100916.000>)

The group received significant feedback from city officials on their proposed measures and discussed that feedback at length during its last meeting. Much of the feedback centered on concerns that the performance measures were not appropriate for comparing cities and that they would eventually be used to distribute state aid.

Jay Kiedrowski, chair, drafted the transmittal letter to accompany the measures. In that letter, he makes clear that the group has performed its duty of identifying 10 measures for both cities and counties, but that it is recommending that cities and counties be allowed to adopt the performance measures that best fit their circumstance even if they are not among the 10 suggested. The letter stresses that performance measures should not be used to compare cities or tied to aid distributions. The group was unanimous in supporting performance measurement for local government as a way to manage and to perform trend analysis and opposing it as a way to compare cities.

Over the next year, the group will continue meeting to discuss performance measurement systems.

Read the current issue of the Cities Bulletin *(Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)*

Your LMC Resource

Contact Rachel Walker

Manager, Policy Analysis

(651) 281-1236 or (800) 925-1122

rwalker@lmc.org *(Link to: <mailto:rwalker@lmc.org>)*

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Main Identity

From: "O'Rourke, Jennifer" <JORourke@lmc.org>
To: "General legislative" <legislative@listserv.lmc.org>
Cc: "David Campbell" <ppcity@midwestinfo.com>
Sent: Friday, February 18, 2011 3:51 PM
Subject: [legislative] LMC Friday Fax February 18, 2011

Local TIF and sales tax authorization bills need to be introduced by March 7th

Any city seeking special legislation for a change to the current tax increment statutes, or desiring an authorization for local option sales taxes--needs to meet with their legislator for a potential bill soon. House tax committee staff has reached out to League lobbyists to let cities know that the date to hear ALL of these type of local bills is March 9th for the House committee. Several sales tax authorizations and one tax increment bill have been introduced. An article appeared in this week's *Cities Bulletin* with more information

Questions? Contact Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

Variance bill amended, sent to House floor

HF 52, a bill drafted by the League along with a large group of allies to correct statutes to address the loss of city variance authority and clarify county and municipal variance statutes to lessen the likelihood of future litigation, was heard in the House Government Operations and Elections Committee on Thursday. Over the objections of local government, an amendment was added that leaves the statutory language for how and when conditions may be imposed as part of a variance in different forms for counties than for cities. The League and the Minnesota Association of Townships testified that the legislature should correct this problem to avoid future confusion and litigation. Opponents were not able to explain how the inconsistent language between the two sections is problematic and what conditions counties should be able to apply that cities should not. In its current state, the League is opposing the House bill. The Senate companion bill, **SF 13**, has not yet been set for a hearing. The most recent piece on this issue can be found in the *Cities Bulletin*.

Questions? Contact Craig Johnson at 651.281.1259 or cjohnson@lmc.org

Governor's bonding bill introduced

On Thursday, Rep. Larry Howes (R-Walker) introduced **HF 607**, Governor Mark Dayton's (DFL) capital investment (bonding) package. The proposal had been unveiled by the governor on January 31, and it would invest \$1 billion in public building and infrastructure projects.

Below is a sampling of projects identified by the governor for funding:

- new construction and renovations of state college and university facilities
- flood mitigation efforts in the Red River Valley
- civic center projects in Rochester, Mankato and St. Cloud
- a new Saints ballpark in St. Paul
- improvements to state prisons
- building improvements at state parks
- a Coon Rapids Dam project aimed at controlling Asian carp.

A number of the projects included in Dayton's plan were vetoed by former Gov. Tim Pawlenty (R) in recent years. State Republicans, who hold the majorities in both the House and Senate, swiftly criticized Governor Dayton's plan. Republicans indicated they intend to work first on solving the state's budget deficit before authorizing spending on capital projects. They also expressed concerns about taking on debt during challenging economic times. The governor defended his initiative, saying it will stimulate job growth in the state. A link to the complete list of the projects, a map indicating their geographic reach and a copy of the governor's news release is available here.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org

Sales tax exemption bill introduced in Senate

On Thursday, SF 371 was introduced that would provide local governments with a sales tax exemption under Minn. Stat. 297A.70. The bill is chief authored by freshman Senator Al DeKruif (R-Madison Lake), along with two other freshmen Senator Michelle Benson (R-Anoka) and Senator Jeremy Miller (R-Winona). Senior legislators Senate Tax chair Senator Ortman (R-Chanhassen) signed onto the bill, along with former chair Senator Tom Bakk (DFL-Cook). This perennial issue has been long supported by the League, with discussion every year by the Improving Fiscal Futures committee.

Sen. DeKruif pitched the idea as mandate-relief, and “important and smart reform,” and referenced conversations on mandate relief he had with his own cities and counties. He previously broached the idea of the bill with League staff. The DeKruif bill would not apply the provision of goods or services by a city that are generally provided by a private businesses and the purchases would be taxable if made by a private business engaged in the same activity.

Similar legislation has been brought forward in other bills and amendments this year, notably a possible amendment to Rep. Drazkowski’s (R-Mazeppa) HF 7 general mandate relief bill. A House companion is likely to show up for SF 371 in the coming weeks, and will likely get a hearing in the Tax committees.

Questions, contact Jennifer O’Rourke at 651.281.1261 or jorourke@lmc.org.

League Board of Directors decides to take no position on right-to-work constitutional amendment

Earlier this legislative session, several bills were introduced that include a proposed constitutional amendment referred as “right-to-work.” Legislators have asked the League for our position on the amendment, but our policies as drafted by the policy committees and approved by the Board did not anticipate legislation on this issue.

Under the “right-to-work” constitutional amendment, employees in covered positions would not have to either join the union or pay a “fair share” fee. Current law allows employees to opt out of the union, but they still must pay a fair share contribution. In other words, the constitutional amendment would allow a person to work in a covered position without making any contribution to the union.

The Board’s discussion focused on whether the issue had an impact on cities and therefore should be an issue of concern. After ample discussion, the Board adopted a policy that states: “The League has no position on the right-to-work constitutional amendment legislation because there are no clear benefits to cities from passage.”

The right-to-work constitutional amendment is embodied in HF 65, a bill authored by Representative Steve Drazkowski (R-Mazeppa) and was also originally contained in HF 192, the salary freeze legislation authored by Representative Keith Downey (R-Edina). This latter bill was amended by the author in its first hearing to remove the local government salary freeze requirement and the constitutional amendment known as “right-to-work.” Constitutional amendments only need the approval of the majority of members of the House and the Senate. The governor has no approval or veto power over a constitutional amendment.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org

More legislation being heard to limit local land use authority

Legislation that significantly restricts local authority to use interim use ordinances and development agreements has been scheduled for its first hearing. The Committee on Local Government and Elections of the Senate will hear S.F. 270 (Sen. Ray Vandever, R-Forest Lake) on Monday, February 21 at 1 p.m. in Room 112 of the State Capitol. The House companion of this legislation is HF389 (Rep. Beard, R-Shakopee).

Questions? Contact Craig Johnson at 651.281.1259 or cjohnson@lmc.org

Governor proposes cuts to public safety programs

League staff and public safety advocates who have combed through the budget unveiled by Governor Mark Dayton (DFL) earlier this week have identified some significant cuts to important public safety programs. Two line items that will impact cities involve the Fire Safety Account and the Peace Officer Standards and Training (POST) Board.

One program targeted by the governor is the Fire Safety Account. This is a dedicated account derived from a surcharge on homeowners insurance premiums for the purpose of funding the State Fire Marshal’s Office, firefighter training and regional fire service initiatives. The fund was raided by the legislature and Governor Pawlenty in 2010, when \$15 million was diverted to the state’s general fund. Governor Dayton is proposing to permanently transfer \$5.266 million per biennium from the Fire Safety Account to the general fund. He is also proposing taking \$2.734 million per biennium to fund the public safety officer benefit under Minn. Stat. § 299A.465. This is the account that partially reimburses

local units of government for complying with the mandate of continuing health insurance for police officers and firefighters injured in the line of duty and dependents of those killed.

The second budget area that is being targeted for cuts is the POST Board. The governor is proposing to permanently reduce the biennial training reimbursement budget by \$286,000. This means an estimated \$15 per year reduction in training reimbursement per peace officer. Currently, departments receive about \$358 per officer. The governor is also proposing to permanently reduce the POST Board's biennial operations budget by \$114,000. This is likely to decrease the POST Board's staff by one person.

These reductions have not yet been introduced as legislation. The League will advocate that these cuts may have adverse impacts on cities.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org

Two bills attack public pension plans

Two bills introduced in the House this week by Rep. Mark Buesgens (R-Jordan) would dramatically change public pension plans in Minnesota. HF 542 (Buesgens) would prohibit defined benefit public pension plan coverage for employees hired after July 1, 2011. It also provides that beginning July 1, 2011, employers and employees must contribute an equal percentage of the employee's salary, and that the employer contribution to a pension plan will continue only until the plan is projected to have enough assets to pay estimated liabilities without future employer contributions.

A second bill, HF 594 (Buesgens) would prohibit public pension plan enrollment for new employees. It states that employees hired after July 1, 2011, would be prohibited from participating in a public pension plan. Also, employees who are not vested by June 30, 2011, would be cut from public pension plans after being refunded employee contributions. It contains the same employer contribution language as HF 542—that for vested employees, the employer contribution to a pension plan will continue only until the plan is projected to have enough assets to pay estimated liabilities without future employer contributions.

As of today, neither bill has a Senate companion and neither has been scheduled for a hearing. Further, House appointees have not yet been named to the Legislative Commission on Pensions and Retirement, the joint House and Senate body that makes recommendations pertaining to statewide pension plans. The League will alert members if any hearings are scheduled.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org

City authority to restrict well drilling challenged

The House Health and Human Services Reform committee is currently scheduled to hear HF 135 (Rep. Hackbarth, R – Cedar) on Tuesday, February 22 at 2:30 pm in Room 200 of the State Office Building. The bill, along with its Senate companion, SF 64 (Sen. Jungbauer, R–East Bethel) limits city authority to public wells to allow property owners to sink their own irrigation wells and circumvent paying for public water. We have heard from cities that a single large user has drilled their own well and removed 15% of the utility's rate base, meaning that the remaining customers will see rates increase to cover the debt payment and operations and maintenance costs being stranded by that change. These wells can also pose a threat to local groundwater quantity and quality, and are being promoted as a way to get around water conservation efforts. The League opposes this legislation, and cities concerned about the impacts this could have on their communities and utilities should contact their state legislators as soon as possible. For more details on this issue, refer to the most recent article on the topic in the *Cities Bulletin*.

Questions? Contact Craig Johnson at 651.281.1259 or cjohnson@lmc.org

Letter from Representative Runbeck on LGA

Many cities recently received a letter from House Property and Local Sales Tax Division Chair Linda Runbeck (R-Circle Pines) requesting thoughts and ideas on local government aid (LGA) reform.

Runbeck has formed a bipartisan ad hoc working group to discuss LGA, county program aid (CPA) and market value homestead credit (MVHC) reforms. According to Runbeck, the letter is intended to gather ideas for reforms to the three systems. The ad hoc group has been meeting every Monday at 11:00 am and will meet this coming Monday in Room 400 north of the State Office Building.

The League has been participating in the early meetings of the ad hoc group and the effort during the first meetings has largely been focused on understanding the three programs. The League will be providing the ad hoc group with our policy principles on LGA, MVHC and reforms to those two programs. The League's policies related to LGA and MVHC as developed by our policy committees are FF-3 (Funding LGA and MVHC), FF-4 (LGA Reform) and FF-8 (Restructuring the Market Value Homestead Credit).

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org or Rachel Walker at 651-281-1236 or rwalker@lmc.org

State budget forecast to be released on February 28

The Department of Management and Budget (MMB) will release the final official projections of state revenues and expenditures on February 28 according to Commissioner Jim Showalter. The forecast will serve as the final set of revenue and expenditure projections upon which the 2012-2013 biennial budget will be constructed.

Around the Capitol, many legislators, staff and lobbyists are speculating that the recent improvements in the economy could reduce the state's current projected \$6.2 billion deficit. Recent actual monthly tax collections have generally exceeded the monthly forecasted amounts, however, MMB is quick to warn that monthly variances in revenue collections should not necessarily be considered long-term trends. That said, each month when actual collections exceed monthly forecasted amounts is clearly good news for the overall state budget.

Stay tuned. The February 28 announcement will kick the legislative budget negotiations in to high gear in order to meet the legislative fiscal committee deadline of March 25.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org

Prohibition on continuing appropriations

On Thursday, Representative Mark Buesgens (R-Jordan) introduced HF 544, a bill that would amend the state constitution to prohibit the legislature from enacting appropriations that continue beyond the fiscal biennium. The bill raises issues with the six-month offset between the state and city fiscal years. Under current law, the state distributes local government aid (LGA) and market value homestead credit reimbursements (MVHC) in the last half of the city fiscal year which is the first half of the state's fiscal year.

Every other year, this creates a situation where the state must set an appropriation for the ensuing biennium. For example, the 2010 legislature effectively set the 2011 LGA and MVHC formulas and funding levels for the calendar year 2011 distributions even though those distributions do not occur until the state's FY2012 budget year. In other words, if the constitutional amendment would have been in place during the 2010-2011 biennium, cities would have had to set their 2011 budgets and property tax levies without knowing how much LGA and MVHC they would receive in calendar year 2011.

The League will communicate our concerns to Representative Buesgens and highlight these concerns should the bill receive a hearing.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org

League prepares to introduce legislation to preserve city boundaries during restricting and improve efficiency/ lower costs for conducting elections

The League is working with legislative committee chairs and staff to move forward with elections legislation that puts forward LMC policies calling for:

- Preserving cities boundaries within legislative and congressional districts during redistricting;
- Ending in-person absentee voting at city offices at 3 p.m. on the Saturday immediately preceding a primary, special or general election;
- Allowing cities with wards that have odd-year elections to redraw ward boundaries after the legislature has been redistricted;
- Authorizing cities to combine polling places for contiguous precincts in the same city;
- Providing a new remedy requiring courts, to the extent practicable, to issue a final order for relief to ensure timely printing of ballots in response to errors and omissions petitions where the allegation relates to the placement of the name or description of a candidate on the ballot; and
- Authorizing election judges to approach within six feet of the precinct electronic vote tabulator or electronic voting equipment when monitoring equipment operation during voting activity at the polls on Election Day.

The legislation is expected to be introduced in both the House and Senate next week.

Questions? Contact Ann Higgins at 651-281-1257 or ahiggins@lmc.org

Heather Cederholm | Member Outreach Coordinator
Intergovernmental Relations Department
Tel: (651) 281-1256 | Fax: (651) 215-4113
hcederholm@lmc.org | www.lmc.org

League of Minnesota Cities
145 University Ave. West | St. Paul, MN 55103

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 [Web](#)  [Facebook](#)  [Twitter](#)  [Blog](#)

Jennifer O'Rourke | Intergovernmental Relations
Tel: 651.281.1261 | Toll free: 800.925.1122 | Fax: 651.215.4119
jorourke@lmc.org | www.lmc.org
League of Minnesota Cities
145 University Avenue West | Saint Paul, MN 55103

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Dayton's Budget Proposal Calls for No Additional City Cuts

Gov. Dayton's 2012-2013 budget recommendations include revenue increases totaling \$4.1 billion and cuts to existing state appropriations of \$950 million.

(Published Feb 15, 2011)

Note: The full details of Gov. Dayton's recommendations were unavailable due to a state web server malfunction. This article is based on information provided at the governor's budget release.

The Legislature has been in session for six weeks, but the state budget process will now begin in earnest with the release on Feb. 15 of Gov. Dayton's proposed budget for the 2012-2013 state biennium. The state is facing a projected \$6.2 billion deficit, and the governor was required to present a proposal for a balanced state budget for the upcoming biennium.

Dayton's recommendations include revenue increases totaling \$4.1 billion and cuts to existing state appropriations of \$950 million. In addition, he extends the K-12 school shift, which will delay the repayment of school payments for two additional years and save an estimated \$1.455 billion for the 2012-2013 biennium. His plan also includes \$465 million in new expenditures for K-12 education, public safety, and health and human services related to increased provider reimbursements associated with health care surcharges.

City impact

For cities, the governor's budget recommends that the state fulfill its fiscal year 2012-2013 budget commitment and distribute the current law's budgeted amounts of local government aid (LGA) and market value homestead credit (MVHC) reimbursement for distributions in calendar year 2011 and 2012. Although the governor is not proposing reductions in 2011 or 2012 LGA and MVHC reimbursements, the appropriations for both programs for those years were actually reduced during the 2010 session in the supplemental budget bill (**Chapter 215** (Link to: <https://www.revisor.mn.gov/laws/?id=215&doctype=Chapter&year=2010&type=0>)) by a total of \$56 million per year.

In his budget documents, the governor states that state aids and credit reimbursements to local units of government have been volatile and that, overall, these programs have been reduced below 2002 levels, which have resulted in increased reliance by local governments on the property tax. The documents also indicate that local governments will have "at least two years of stable state payments," which will result in "less pressure to increase regressive local property taxes." The document goes on to state that "accountability for increased property taxes will rest squarely with local officials."

Revenue increases

The governor's revenue increases are predominantly focused on income taxes. He is proposing a permanent new fourth tier income tax bracket that would tax married, joint filers earning more than \$150,000 in taxable income at a 10.95 percent rate. The top tax rate currently in effect for tax year 2011 is 7.85 percent on taxable income over \$134,171. The new fourth tier is estimated to generate \$1.89 billion for the 2012-2013 biennium.

The governor is also proposing a temporary income tax surcharge of 3 percent on incomes over \$500,000, which will generate an additional \$918 million for the biennium. The other major tax increases include the application of the state property tax to homes valued at over \$1 million (+\$84 million), closing corporate and other tax loopholes (+\$430 million), and health care surcharges (+\$77 million).

Gov. Dayton's budget also places an emphasis on improving state agency performance. He is recommending a "results management initiative" to improve state agency performance, and reforms to expediting regulatory review. He is also recommending that state agencies use shared services opportunities for the smallest state agencies and use initiatives to engage private sector partners to increase government productivity and reduce costs.

Legislative reaction

The most controversial aspects of the governor's proposed budget will likely be his plan to raise state revenues by \$4.1 billion. Gov. Dayton's approach, which he states will increase taxes on only five percent of taxpayers, will almost assuredly run headlong into a Legislature that has focused its budget solution on reducing state expenditures to live within existing projected state revenues.

The different approaches to the deficit began playing out just last week when legislators sent the governor **HF 130** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF130&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF130&ssn=0&y=2011)), a bill that would have addressed roughly 15 percent of the state's projected \$6.2 billion deficit. That bill included cuts to cities of roughly \$300 million over the two years. Gov. Dayton vetoed the bill, raising concerns about the effects of cuts to cities and counties on property taxes.

Today's release of the governor's budget and last week's vetoed initial budget bill certainly make it appear that the governor and legislators have a long way to go to reach a budget compromise.

The next big event after today will be the release of the state budget forecast in about two weeks. That forecast will analyze the state's economy and the state's existing budget and update the \$6.2 billion deficit projection. Everyone is hoping that the forecast will predict better economic times and a somewhat smaller state deficit.

Webinar on Dayton's budget

For more League analysis of Gov. Dayton's budget proposal and its potential impact on cities, listen to the League's live webinar on Friday, Feb. 18.

- **Read more and register for the webinar, Gov. Dayton's 2012-2013 Budget Proposal** ([Link to: http://www.lmc.org/page/1/webinar-govbudget11.jsp](http://www.lmc.org/page/1/webinar-govbudget11.jsp))

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Your LMC Resource

Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

gcarlson@lmc.org ([Link to: mailto:gcarlson@lmc.org](mailto:gcarlson@lmc.org))



House Committee to Hear Local Sales Tax Bills

Several cities have worked with their legislators to introduce local sales tax proposals, and a House committee will consider them on March 9.

(Published Feb 16, 2011)

Since the 2011 session began, several cities have worked with their local legislators to introduce legislation to authorize local sales taxes or sales tax extensions. The **House Property and Local Tax Division** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87022>*) now plans to hear these bills in one hearing on March 9.

Any other city interested in asking for a local sales tax must have the legislation introduced by March 7.

To date, there have been four city sales tax bills introduced. The first bill, **SF 23** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0023&ssn=0&y=2011*), was introduced by **Sen. Tom Saxhaug** (*Link to:*) (DFL-Grand Rapids) and, unlike most other local sales tax proposals, it would allow the City of Grand Rapids to impose up to a one-cent sales tax for general city operations. That bill includes an offset to the city's local government aid (LGA) distribution based on the sales taxes collected in the previous year. The bill currently has no House companion.

The second proposal would allow the City of Fergus Falls to impose a sales tax of up to a half cent to fund the costs of the acquisition and betterment of a regional community ice arena facility. The bills, **HF 49** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF49&ssn=0&y=2011*) / **SF 53** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0053&ssn=0&y=2011&ls=87*), were introduced by **Rep. Bud Nornes** (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10467>*) (R-Fergus Falls) and **Sen. Gretchen Hoffman** (*Link to:*) (R-Vergas).

A third proposal was recently introduced on behalf of the City of Hutchinson. The city has worked with **Rep. Ron Shimanski** (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=15257>*) (R-Silver Lake) and **Sen. Scott Newman** (*Link to:*) (R-Hutchinson) to introduce **HF 377** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF377&ssn=0&y=2011*) / **SF 276** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0276&ssn=0&y=2011&ls=87*), which would authorize the city to impose up to a half-cent sales tax to be used toward financing the costs of constructing the water treatment facility and renovating the wastewater treatment facility in the city.

Finally, the City of Marshall worked with **Sen. Gary Dahms** (*Link to:*) (R-Redwood Falls) to introduce **SF 312** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0312&ssn=0&y=2011*), a bill that would allow the city to impose up to a half-cent sales tax to fund new and existing facilities of the Minnesota Emergency Response and Industry Training Center and all or part of the costs of the new facilities of the Southwest Minnesota Regional Amateur Sports Center. This bill currently does not have a House companion.

Rep. Ann Lenczewski ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10369](http://www.house.leg.state.mn.us/members/members.asp?id=10369)) (DFL-Bloomington), who previously authored a now-expired moratorium on local sales taxes, has introduced her own bill, **HF 336** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF336&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF336&ssn=0&y=2011)), which would allow cities to impose local sales and use taxes, with the approval of voters, that could be used for any general city purpose. However, the bill would require that any city imposing a tax under this authorization would have their annual LGA distribution reduced by 50 percent.

The League is working on an alternative local sales tax authorization that could be used for public capital improvements. Additional city-specific local sales tax proposals are expected to emerge in the next several weeks.

Read the current issue of the Cities Bulletin ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))

Your LMC Resource

Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

gcarlson@lmc.org ([Link to: mailto:gcarlson@lmc.org](mailto:gcarlson@lmc.org))

Contact Jennifer O'Rourke

IGR Representative

(651) 281-1261 or (800) 925-1122

jorourke@lmc.org ([Link to: mailto:jorourke@lmc.org](mailto:jorourke@lmc.org))



2010 Fire Incident Reports Due Feb. 28

The state fire marshal is reminding fire departments that eligibility for grants is contingent on incident reporting.

(Published Feb 16, 2011)

State Fire Marshal Jerry Rosendahl issued an alert on Feb. 15 reminding all fire departments that the deadline for reporting fire incidents for 2010 is Feb. 28. The Fire Marshal's Office hopes to collect reports from 100 percent of departments by the deadline. The Fire Marshal's Office also released a list of fire departments that have not yet reported.

According to the alert, there are a few grants available to the Minnesota fire service that use timely reporting as one measure of eligibility. The data is used to fully assess the impact of fire in Minnesota so the office can design appropriate public education and fire code enforcement strategies to reduce our fire losses.

For more information, contact State Fire Marshal Jerry Rosendahl at (651) 201-7201 or **Jerry.Rosendahl@state.mn.us** *(Link to: <mailto:Jerry.Rosendahl@state.mn.us>)*.

Read the current issue of the Cities Bulletin *(Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>)*

Your LMC Resource

Contact Anne Finn

Assistant IGR Director

(651) 281-1263 or (800) 925-1122

afinn@lmc.org *(Link to: <mailto:afinn@lmc.org>)*

For More Information

Contact Jerry Rosendahl

State Fire Marshal

(651) 201-7201

Jerry.Rosendahl@state.mn.us *(Link to: <mailto:Jerry.Rosendahl@state.mn.us>)*



Levy Freeze Bill Introduced

Proposal would aggressively restrict the ability of cities and counties to increase property taxes in 2012.

(Published Feb 16, 2011)

On Feb. 14, **Rep. Linda Runbeck** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10575](http://www.house.leg.state.mn.us/members/members.asp?id=10575)) (R-Circle Pines) introduced **HF 481** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF481&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF481&ssn=0&y=2011)), a bill that would freeze property taxes in 2012 for cities, counties, and special taxing districts. The bill excludes school districts and the state of Minnesota, and is silent on township levies.

Under the freeze, cities would be prohibited from increasing property tax levies in 2012, except for increases for funding increasing debt service costs on pre-existing debt. Cities that annex property where the annexation is effective for the first time during taxes payable year 2012 would be permitted to raise additional property taxes, but the increase would be limited to an amount equal to the taxable value of the newly annexed property multiplied by the city's 2011 tax rate. In addition to these allowable levy increases, cities could increase their 2012 levies if approved by the voters at a general or special election, as allowed in *Minnesota Statutes, section 275.73* ([Link to: https://www.revisor.mn.gov/statutes/?id=275.73](https://www.revisor.mn.gov/statutes/?id=275.73)).

As a result of the freeze, cities would not have to certify a preliminary levy for truth-in-taxation statements. However, even without changes in a city's property tax levy, individual property owners could experience an increase or decrease in their tax bills in 2012 due to changes in property values.

Cities would also be prohibited from incurring any new debt if the debt service would require payments beginning in 2012.

The bill includes a further restriction that specifies that no city can increase its 2012 levy to amortize the unfunded pension liability over the amount for that purpose for taxes payable in 2011.

For counties, the bill includes additional limitations. After March 1, 2011, no county sheriff and no county attorney may exercise the salary and budget appeal authorizations authorized under county statutes to the extent that the salary or budget increase sought in the appeal would result in an increase in county expenditures in calendar year 2012 above the level in calendar year 2011 for the same purpose.

The bill has not yet been scheduled for a hearing, but a separate levy limit repeal bill, **HF 155** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF155&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF155&ssn=0&y=2011)), authored by **Rep. John Benson** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15270](http://www.house.leg.state.mn.us/members/members.asp?id=15270)) (DFL-Minnetonka) is scheduled to be heard on Feb. 16, and it is possible that HF 481 could be added to that agenda. The League's legislative policies clearly oppose state restrictions on local budget decisions.

Read the current issue of the Cities Bulletin ([Link to: http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp](http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp))





Removal of City Well Regulation Authority Proposed

Legislation would remove city authority to have ordinances restricting drilling of private wells within cities.

(Published Feb 16, 2011)

Last fall, after ongoing discussions with the League and other concerned parties, the Minnesota Department of Health (MDH) notified the League that it would no longer tell cities they do not have the legal authority to ban the construction of wells within their jurisdictional authority.

In response to that adjustment of MDH policy, well drillers have had legislation introduced that would limit city authority to public wells and other water supplies within their jurisdiction. HF 135 (Rep, Tom Hackbarth, R-Cedar) and SF 64 (Sen. Michael Jungbauer, R-East Bethel) amends the definition of “works” and “system” in *Minnesota Statutes*, section 110A.02, subdivision 4, to refer to “public” wells, instead of wells. It makes a similar change to *Minnesota Statutes*, section 412.221, subdivision 11, where city authority over waterworks is granted.

The House Health and Human Services Reform Committee is currently scheduled to hear HF 135 on Feb. 22 at 2:30 p.m. in Room 200 of the State Office Building.

Well drillers have increasingly been seeking business within city limits as development of housing outside of city service areas has dwindled over recent years. They have taken advantage of state requirements for water conservation rates and summer water use restrictions to convince large water users to get free water by sinking their own well.

This has led to a serious strain on the financial viability of public water systems where it has occurred. Obviously, if one large water user suddenly stops paying, the capital debt and system operations and maintenance expenses must be paid by the remaining customers. It has also resulted in large increases in water use through those new private wells, which affects future water availability for the public water supply.

Because of the negative impact on utility revenues and the added risk to local water quality and quantity, the League is strongly opposing this legislation. The League supports existing law, which recognizes that it should be a local determination on whether private wells are appropriate in any given jurisdiction. League staff are working closely with Minnesota Rural Water, the Minnesota Municipal Utilities Association, the Department of Natural Resources, and the Department of Health to prevent this attempt to circumvent reasonable local restrictions on water use.

Cities and utilities with concerns over this legislation should contact their area legislators as soon as possible and ask them to oppose this legislation.

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2011 Property Taxes Increase by Lowest Amount in More Than a Decade

Collectively, cities reduced their proposed 2011 levies by more than \$23 million when the final levies were certified.

(Published Feb 16, 2011)

Minnesota taxing entities did increase property tax levies from 2010 to 2011, but it was the lowest increase in more than a decade, according to a recent Minnesota Department of Revenue report. The report covers property tax levies of cities, counties, school districts, townships, and special taxing districts. It also includes the state of Minnesota, which has levied a property tax since 2002.

According to the report, certified property taxes for all taxing entities statewide in 2011 are increasing by \$149.8 million, or 1.9 percent. Just last year, the total increase for all property taxing entities was \$243.9 million, or 3.2 percent.

The increases to cities and counties are particularly notable given the depth of local government aid (LGA) and market value homestead credit (MVHC) reimbursement in 2008, 2009, and 2010. In 2010 alone, cities experienced a cut in LGA and MVHC reimbursements that totaled \$180 million. In addition, many city councils indicated that they faced difficult challenges when considering tax increases on homes and businesses in the wake of the “Great Recession.”

Over the last three years, which includes the recession, the average total annual increase in property taxes (from 2007 to 2010) was 5.3 percent while the 10-year average (from 2000 to 2010) was 5.1 percent. The 10-year percent increase figure was effectively reduced by the 2001 “Big Plan” reforms that assumed a greater share of school funding. Without those reforms, the 10-year average annual property tax increase was actually 6.3 percent, according to the Department of Revenue.

The table below reports the final property tax levy increases of the major property taxing authorities. These final figures represent a \$49 million reduction from the preliminary levies set last September and used to compute the annual truth-in-taxation statements.

Certified Levy Increases by Taxing Jurisdiction (2010-2011)

(\$ in millions)

	Cert. 2011 Levy	% Change	\$ Change
State	\$800	+2.8%	+\$22.0
Counties	\$2,658	+1.2%	+\$30.1
Cities	\$1,867	+2.1%	+\$39.2
Towns	\$216	+3.4%	+\$7.2
Schools	\$2,243	+1.9%	+\$42.2
Special Districts	\$315	+3.0%	+\$9.1
Total	\$8,099	+1.9%	+\$149.8

For cities, the final certified 2011 levies reflect a 2.1 percent increase over the 2010 aggregate level. In 2010, the final certified city levies were a 4.0 percent increase over the 2009 levels. The average city levy increase from 2007 to 2010 was 5.5 percent while the 10-year average from 2000 to 2010 was 7.9 percent, which included the effect of the net loss of state aid in the 2001 “Big Plan” reforms. According to the report, more than one in three cities, or 38 percent of all cities, had a flat or decreasing levy for

2011 while only about one in 10 cities, or 10 percent, had a levy increase greater than 10 percent.

Read the current issue of the Cities Bulletin (*Link to: <http://www.lmc.org/page/1/cities-bulletin-newsletter.jsp>*)

Your LMC Resource

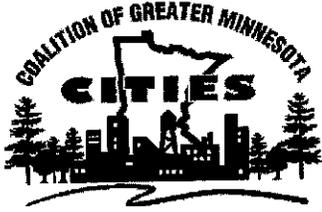
Contact Gary Carlson

IGR Director

(651) 281-1255 or (800) 925-1122

gcarlson@lmc.org (*Link to: <mailto:gcarlson@lmc.org>*)

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Coalition of Greater Minnesota Cities

CGMC in Brief

February 17, 2011

Contact: Tim Flaherty
651-225-8840

Dayton budget plan protects LGA

On Tuesday, Gov. Mark Dayton released his budget proposal to close the state's \$6.2 billion budget gap. The governor's budget proposes \$4.1 billion in new revenue, a net reduction in state spending of \$485 million and a continuation of the school payment delay to balance the state's \$6.2 billion budget deficit. The governor's budget does not cut LGA or any of the other programs funded under the state's \$3.5 billion Property Tax Aids and Credits budget. The largest spending cuts under the governor's budget are to Health and Human Services (\$349 million, or 3%) and higher education (\$171 million, or 6%). The governor also proposes cutting overall state employment by 6%.

Gov. Dayton's budget raises \$2.9 billion in taxes on roughly 5.5% of Minnesota's most affluent residents. The governor creates a new fourth tier income tax bracket with a rate of 10.95% for taxable income earned above \$150,000 for joint filers and over \$130,000 for head of households. For the next three years, there is also a 3% surtax on income earned above \$500,000 for all filers. Additionally, the governor adds a state property tax for homes valued over \$1,000,000. The governor's office provided the attached chart to illustrate the impacts of their proposed tax increases on Minnesotans.

CGMC responds to governor's budget proposal

In response to the governor's budget proposal, CGMC released the attached statement from our president Nancy Carroll, Mayor of Park Rapids. CGMC staff also sent mayors and city managers the following talking points to use when discussing the governor's proposal:

- The governor's budget protects property taxpayers and ensures that local communities across the state remain strong and able to provide critical services such as police, fire, libraries and street maintenance.
- Gov. Dayton's budget sends a clear message that his administration values the role that greater Minnesota plays in the state's economy.
- The final budget will be a compromise between the legislature and the governor and we hope that both parties work together toward a responsible solution to the state's problems that protects greater Minnesota residents and businesses and avoids the cycle of special sessions and government shutdowns which has become all too common.

Last week, CGMC executive director Tim Flaherty and senior media advisor Glen Fladeboe also embarked on a media tour through Winona, Rochester,



Albert Lea, Austin, Worthington and Mankato to brief editorial writers on the importance of the LGA program in their communities. This media tour produced several positive editorials, which can be found at <http://bit.ly/h52jsg> along with other pro-LGA editorials from the past few weeks.

Legislature sets aggressive deadlines for budget bills

The legislature has set aggressive committee deadlines for policy and spending bills. In a departure from past practices, the deadline for committees to finish work on their budget bills is before the deadline for policy bills. The deadline for House and Senate finance committees to be finished with budget bills is Friday, March 25. This deadline does not apply to the Omnibus Tax Bill (in which LGA would be dealt) or a Capital Investment bill. The first deadline for a policy bill to be acted favorably on by one house of the legislature is April 29.

Do you have a local sales tax or TIF proposal?

For those of you who are contemplating a local sales tax bill or need a special TIF law, your window in the House is quickly closing. Based on conversations with Tax Committee staff, it is our understanding that all local sales tax and TIF bills will be heard in the House Property and Local Tax Division on March 9. This means that your bill has to be introduced by March 7 at the latest in order to be heard on March 9. It is probably safe to say that the timing will be similar in the Senate and we will update you as information becomes available. If you have further questions about these deadlines, please don't hesitate to contact Bradley Peterson at bmpeterson@flaherty-hood.com.

Input needed on TIF provision expansion

The 2010 "jobs" bill (Ch. 216) included a temporary expansion of TIF provisions to any type of project (office, retail, housing, etc.) if there was a finding of job creation, the construction began by 7/1/11 and there was a request for certification by 6/30/11. The jobs bill also temporarily suspended various rules limiting use of tax increment revenues under certain conditions.

In an effort to extend these temporary TIF provisions even further, CGMC has joined the League of Minnesota Cities and other city groups in asking for an extension of these TIF provisions by at least two years. Legislators in support of this expansion, however, need examples of where the extra time helped and where extra time is needed. To help in this effort, we are asking CGMC members to tell us:

- What, if any, construction projects occurred or are occurring in your city because of the new TIF laws from last session?
- What, if any, construction projects *might* occur if the TIF sunsets were extended by two years?

Please respond with your answers by emailing J.D. Burton at jdburton@flaherty-hood.com.



Technical assistance for communities on sustainability

The Environmental Protection Agency recently announced its Sustainable Community Building Blocks Program. Through this program, the EPA will select 20 communities that it will visit later this spring and provide one day's worth of technical expertise "to implement development approaches that protect the environment, improve public health, create jobs, expand economic opportunity, and improve overall quality of life." The application process is simple, but the turnaround is very quick. More details can be found at <http://bit.ly/exSI2S>.

Public well bill could be detrimental to cities

As described in the January 17 edition of the CGMC in Brief, Rep. Tom Hackbarth (R-Cedar) and Sen. Mike Jungbauer (R-Jordan) have introduced legislation (H.F. 135/S.F. 64) that would limit the authority of city councils and rural water user districts to regulate wells and water supply solely to public water supplies. This bill would allow large water users to circumvent city water systems and drill their own wells within city limits, thereby impacting city utility revenues and potentially city water levels. This bill is scheduled for a hearing in the House Health and Human Services Reform Committee on February 22 at 2:00 p.m.

The League of Minnesota Cities is taking the lead in opposing this bill. We urge you to contact your legislator and voice your opposition to this bill, particularly those on the HHS committee. For more information, contact Elizabeth Wefel at eawefel@flaherty-hood.com.

CGMC supports environmental bills

As mentioned in the February 3 edition of the CGMC in Brief, legislators have introduced bills targeting several issues of concern raised by CGMC including the looming conflict between Wisconsin and Minnesota Water Quality Standards on Phosphorus (S.F. 161/H.F. 367) and the NELAP Accreditation standards for Municipal Laboratories (S.F. 162/H.F. 368). CGMC is testifying in support of S.F. 161 in a hearing today before the Senate Environment Committee. The municipal labs bill will be heard in the house on February 22. CGMC will be supporting this bill as well. If you have any questions, please contact Elizabeth Wefel at eawefel@flaherty-hood.com.

Reminder: Greater Minnesota Advocate

As a reminder, CGMC launched a weekly newsletter to legislators this session about important policy issues from a rural perspective. To read the latest issue and back issues, click here: <http://bit.ly/icwNBP>.



Typical Minnesota Single Parent, w/1.5 kids, Adjusted Gross Income of \$24,555, Home Value = Any home value under \$1,000,000

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	-\$143	-\$143	\$0	\$0
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	-\$143	-\$143	\$0	\$0

Typical Minnesota Single, No Kids, Adjusted Gross Income of \$25,389, Home Value = Any home value under \$1,000,000

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$829	\$829	\$0	\$0
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	\$829	\$829	\$0	\$0

Example Single, No Kids, Adjusted Gross Income of \$50,000, Home Value = Any home value under \$1,000,000

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$2,463	\$2,463	\$0	\$0
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	\$2,463	\$2,463	\$0	\$0

Example Single, No Kids, Adjusted Gross Income of \$100,000, Home Value = Any home value under \$1,000,000

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$6,081	\$6,242	\$161	\$121
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	\$6,081	\$6,242	\$161	\$121

Typical MN Household Married Joint Filer, 2 children, Adjusted Gross Income of \$81,500, Average Home Value = \$180,000 (\$260,000 in Metro; \$163,000 Greater MN)

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$3,200	\$3,200	\$0	\$0
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	\$3,200	\$3,200	\$0	\$0

Example Married Joint Filer, 2 children, Adjusted Gross Income of \$200,000, Home Value = Any home value under \$1,000,000

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$11,698	\$11,837	\$139	\$100
Statewide Property Tax	\$0	\$0	\$0	\$0
Total	\$11,698	\$11,837	\$139	\$100

Example Married Joint Filer, 2 children, Adjusted Gross Income of \$500,000, Home Value = \$1.5 million

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$35,083	\$44,457	\$9,374	\$6,093
Statewide Property Tax	\$0	\$5,250	\$5,250	\$3,413
Total	\$35,083	\$49,707	\$14,624	\$9,506

Example Married Joint Filer, 2 children, Adjusted Gross Income of \$1,000,000, Home Value = \$2.0 million

	Current Law State Tax	Gov. Rec State Tax	Total State Tax Change	Change in Total Tax after Federal Deduction
Income Tax	\$72,331	\$109,821	\$37,490	\$24,369
Statewide Property Tax	\$0	\$10,500	\$10,500	\$6,825
Total	\$72,331	\$120,321	\$47,990	\$31,194



Dedicated to a Strong Greater Minnesota

For Immediate Release: February 15 , 2011

Contact: Glen Fladeboe

Coalition of Greater MN Cities

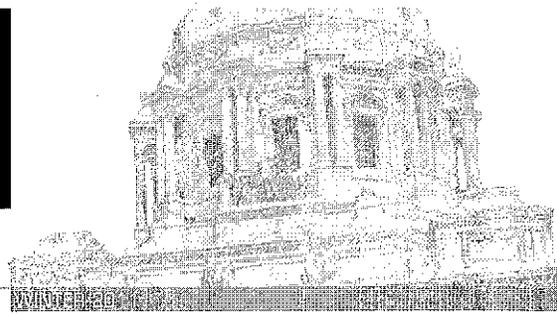
Cell: 651-208-3262

**Statement from Nancy Carroll, Mayor of Park Rapids and
President of the Coalition of Greater MN Cities, on
Governor Dayton's Budget Proposal**

"The past years have been some of the most challenging times greater Minnesota communities have ever faced. The continued cuts to local government aid have taken a very heavy toll on our communities--city property taxes have skyrocketed 77% since 2002 and communities have been forced to make very painful cuts in core services like police, fire, libraries and snow plowing.

"Today, Governor Dayton's budget is changing the direction Minnesota was heading in by saying 'enough is enough' of the property tax increases and cuts that are crippling communities. Governor Dayton's budget not only sends the message that Greater Minnesota will stay open for business, but that the entire state--whether you live in Warroad, Worthington or Woodbury--is a valued part of the future of Minnesota."

###



Governor's bonding bill includes projects for Flaherty & Hood clients

As the legislative session begins, interest groups, legislators and the new Dayton Administration are all searching for ways to jump-start the economy. The Dayton Administration is placing considerable emphasis on state bonding as a way to create jobs and infuse more energy into the economy. Even though 2011 is not a traditional year for a bonding bill, Gov. Dayton has proposed that a billion dollar bonding bill be passed as soon as possible. In an unusual move, Gov. Dayton identified \$531 million worth of projects that he would like funded, but left \$470 million open for the legislature to fund their priorities.

Included in Gov. Dayton's proposal are several projects which are priorities for Flaherty & Hood clients, including the Rochester Mayo Civic Center, the Mankato Civic Center and the Greater Minnesota Business Development Public Infrastruc-

ture Grant Program, which is advocated for by the Coalition of Greater Minnesota Cities.

For their part, legislative leaders were cool to Gov. Dayton's proposal, insisting that solving the state budget crisis should be tackled first, and that if there are resources to address a bonding bill after that, the bill should focus on a limited number of "emergency" projects.

Only time will tell if a sizeable bonding bill will gain traction or not. It is probable, however, that if it is passed it will be one of the very last items on the agenda as the legislature and governor close out the legislative session.

For more information, contact Bradley Peterson at bmpeterson@flaherty-hood.com.

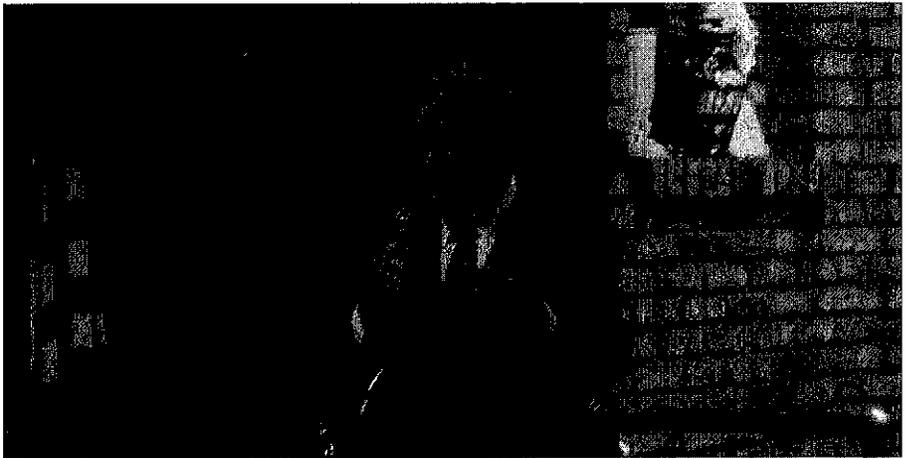
LEGISLATIVE NEWS

Cities descend on the Capitol for Legislative Action Day

On February 9, nearly 100 greater Minnesota city officials gathered in St. Paul for the Coalition of Greater Minnesota Cities' (CGMC) annual legislative action day and reception dinner. This significant turnout represents one of the largest action days in CGMC history. Members were treated to a comprehensive overview of CGMC activities and strategies as well as a legislative leadership panel at the Flaherty & Hood offices. Members then dispersed to the Capitol to meet with their local legislators to discuss CGMC issues and local concerns.

In the evening, the group, along with their legislators, dined at Mancini's Char House and heard remarks from Gov. Mark Dayton, fresh off his State of the State address that afternoon. CGMC was pleased to hear the governor commit anew to the local government aid program, promising cities that his budget (scheduled for release on February 15) would not be balanced on the backs of local property tax payers.

For more information, contact Bradley Peterson at bmpeterson@flaherty-hood.com.



Gov. Mark Dayton addresses CGMC members during the group's annual Legislative Action Day and Reception.

Nuclear waste amendment successfully added to nuclear moratorium bill



Senior attorney/lobbyist **Joe Sullivan**, working closely with freshman Sen. John Howe (R-Red Wing), secured an amendment to S.F. 4 (Koch) that

ensures the costs for long-term nuclear waste storage will be accounted for if the state's nuclear power moratorium is repealed. The amendment also requires the Minnesota Public Utilities Commission to report back to the legislature on the progress of the United States Department of Energy in removing nu-

clear waste from Minnesota. The entire Minnesota Senate passed S.F. 4 as amended by a vote of 50 to 14 on February 3.

For more information, contact Joe Sullivan at jksullivan@flaherty-hood.com.

LEGAL NEWS

Flaherty & Hood, Winona is open for business!

Flaherty & Hood is excited to announce the opening of our Winona office, which will serve southeast Minnesota's legal needs. Although being appointed city attorney for the City of Winona has allowed Flaherty & Hood to expand to our new location, we intend to serve as a regional legal hub to the entire south-east area and handle client matters with the same accessibility, attention to detail and thoroughness that our statewide clients depend on. Our Winona office is located at 111 Riverfront, Suite 306; Winona, MN 55987.

For more information, contact Chris Hood at cmhood@flaherty-hood.com.

Employment past practices:
Binding or not?

Unions frequently submit grievances against employers claiming the employer violated a collective bargaining agreement (CBA) by changing and failing to follow a "past practice" without getting agreement from the union before taking the action. In pursuing these grievances, unions usually assert that a past practice is binding on an employer be-

cause it establishes an implicit agreement on the terms and conditions of employment not contained in the CBA or amends the terms or conditions contained in the CBA.

In order to be binding, a practice must be: 1) clear, 2) consistently done in the past, 3) mutually accepted by both the employer and the union, 4) not contrary to clear and unambiguous language in the CBA, and 5) a major term or condition of employment. If one or more of these elements are not present, then a past practice is likely not binding on the employer nor the union. In that case, an employer may unilaterally change or refuse to follow such practice. If all of these elements are present and the employer desires to eliminate or change the practice, then the employer may only do so under certain circumstances.

Generally, an employer may change or eliminate a past practice without getting agreement from the union by doing one of the following:

- Providing notice to the union employees before the expiration of a CBA of its intent to change the practice following the expiration of the existing CBA;
- Changing the practice because the

underlying basis for the practice has changed or been eliminated; or

- Denying a demand by the union to incorporate language on the practice into the CBA during negotiations for a new CBA.

An employer's authority to change or eliminate a past practice is bolstered if the CBA contains "Zipper" and "Waiver" clauses, which basically provide that the CBA contains all terms and conditions of employment, any matters not addressed in the CBA are in the authority of management to establish, eliminate or modify and the parties waive the right to negotiate over any matter not addressed in the CBA.

A past practice may always be changed or eliminated if the employer and union agree in writing to change or eliminate the practice.

Employers should be aware that determining whether a practice is binding and whether an employer effectively changes or eliminates a binding past practice is based on the circumstances of a specific case and employers should therefore consult legal counsel regarding these issues.

For more information, contact Brandon Fitzsimmons at bmfitzsimmons@flaherty-hood.com.

MEDIA NEWS

CGMC launches newsletter to legislators

On behalf of the Coalition of Greater Minnesota Cities (CGMC), staff at Flaherty & Hood launched the Greater Minnesota Advocate, a weekly informational resource for legislators covering important developments on CGMC program areas—property tax relief and LGA, economic development, land use, the environment, energy, transportation, labor and employee relations—all from a rural perspective. Delivered by hand and via email, Twitter and the CGMC website, the Greater Minnesota Advocate will keep lawmakers informed on policy discussions related to these issues and will also explore potential local and statewide impacts of various proposals. An archive of these newsletters is available at www.greatermncities.org.

For more information, contact Erin Flaherty at enflaherty@flaherty-hood.com.

Albert Lea's opposition to rate hike draws public support, makes news

On behalf of the City of Albert Lea, Flaherty & Hood reached out to Albert Lea area resi-



dents and businesses to ensure high attendance and vocal opposition to Alliant Energy's proposed 22 percent electric rate increase at a Minnesota Public Utilities Commission (MPUC) public hearing (to read more about the rate hike issue, visit <http://bit.ly/hoDCGo>). As a result of these turn-out ef-

forts, senior attorney/lobbyist **Joe Sullivan** notes that nearly 200 people attended the public hearing—some driving as far as two hours away and in treacherous weather—and voiced strong opposition to Alliant Energy's proposed increase with a unified message.

The hearing may have also set a record for highest attendance of any public utility hearing, which is impressive considering other utilities have much larger service areas. Senior media advisor **Glen Fladeboe** ensured that area media was informed of the hearing, which resulted in extensive coverage that can be found online at <http://bit.ly/h2IG2U>.

For more information, contact Joe Sullivan at jksullivan@flaherty-hood.com or Glen Fladeboe at gdfladeboe@flaherty-hood.com.

Northwest MN media tour highlights pitfalls of legislative majority's budget



In late January, shareholder/attorney **Tim Flaherty** and senior media advisor **Glen Fladeboe** embarked on a media tour through the cities of Al-

exandria, Moorhead, East Grand Forks, Thief River Falls and Bemidji to respond to the legislative majority's "Phase 1" budget bill, which cuts roughly \$1 billion in state spending, \$149 million of which comes from city aid programs. Working on behalf of the Coalition of Greater Minnesota Cities (CGMC), Flaherty and Fladeboe joined mayors in discussing city aid programs with local editorial writers and explained that the impact of cutting these programs would fall hardest on rural communities like theirs.

For more information, contact Tim Flaherty at tpflaherty@flaherty-hood.com or Glen Fladeboe at gdfladeboe@flaherty-hood.com.

STAFF NEWS

Flaherty & Hood hires Shaw, Mauk

Paralegal **Roseann Shaw** joined Flaherty & Hood in January and will serve clients out of the firm's Winona office. With over 30 years of experience, Shaw has worked under former Winona city attorneys George Robertson and Rich Blahnik. In addition to assisting with city attorney projects, Shaw also has experience in handling real estate and probate matters. Shaw is a graduate of Winona State University with a B.A. in Paralegal studies and minor in Sociology, and was the 2010 recipient of the Outstanding Woman in Law and Government award given by the local Women in Business organization.

Contact Roseann at rsshaw@flaherty-hood.com.



Jeff Mauk joined Flaherty & Hood in February and will serve as a legislative associate for the 2011 legislative session. In this role, Jeff will assist

lobbyists in monitoring committee meetings, scheduling meetings with legislators and performing other administrative tasks.

Contact Jeff at jemauk@flaherty-hood.com.

Seminars, presentations and education



On January 11, 2011, senior attorney/lobbyist **Elizabeth Wefel** spoke at a CLE seminar for the Ramsey County Bar Association and provided a pre-

view of the 2011 legislative session.

Contact Elizabeth at eawefel@flaherty-hood.com.



Shareholder/attorney **Chris Hood** attended the Minnesota City Attorneys Educational Conference February 11. The event included topics such as em-

ployee discipline, condemnation, municipal contract risk management provisions, interest arbitrations, a criminal law update, quasi-judicial hearings and the future of variances.

Contact Chris at cmhood@flaherty-hood.com.

Flaherty & Hood sponsorships

In January, Flaherty & Hood sponsored a table at the Rochester Community & Technical College's Beat the Odds scholarship awards dinner. The Beat the Odds program provides \$2,500 college scholarships to four area students who have overcome tremendous odds to become personally and academically successful.

Flaherty & Hood was also a sponsor for the Welcome Back Legislators Reception in January. During the annual event, legislators, staff and community members come together at the Ordway Center in St. Paul to celebrate the start of the new legislative session.

Lastly, Flaherty & Hood was pleased to be a sponsor for the 2011 Frozen River Film Festival in Winona. Each year, the festival showcases films that address issues as varied as the environment, sustainable communities, extreme sports, adventure travel and diverse cultures.

Visit Flaherty & Hood @
www.flaherty-hood.com

And while you're at it, visit the other sites we manage for clients!

www.GreaterMNCities.org
www.MNBudget.com
www.ThankLGA.org
www.GMETrust.org
www.ExpandRochester.com
www.ALASDistrict.org
www.USHighway14.com
www.MESERB.org

ATTORNEYS AND STAFF

Attorneys and Staff

Timothy P. Flaherty.....	Shareholder
Christopher M. Hood.....	Shareholder
Steven W. Nyhus.....	Sr. Attorney
Brandon M. Fitzsimmons.....	Sr. Attorney
Robert T. Scott.....	Sr. Attorney
Joseph K. Sullivan.....	Sr. Attorney
Bradley M. Peterson.....	Sr. Attorney
Elizabeth A. Wefel.....	Sr. Attorney
J.D. Burton.....	Assoc. Attorney
Steve M. Peterson.....	Sr. Policy Analyst
Nancy A. Larson.....	Sr. Legislative Associate
Jeff Mauk.....	Legislative Associate
Glen D. Fladeboe.....	Sr. Media Advisor
Erin N. Flaherty.....	Communications Specialist
Colleen F. Millard.....	Office Administrator
Bonnie M. Oaks.....	Legal Secretary
Roseann Shaw.....	Paralegal

Contact Us

Flaherty & Hood, P.A.
525 Park Street, Suite 470
St. Paul, MN 55103

Phone 651-225-8840

Fax 651-225-9088

Email info@flaherty-hood.com

Web www.flaherty-hood.com

This newsletter is provided for general informational purposes only and should not be construed as legal advice or legal opinion on any specific facts or circumstances. You are urged to consult a lawyer concerning any specific legal questions you may have.

NEWS YOU CAN USE

Click the red link to learn more about a recent case decision of interest.

The Minnesota Court of Appeals held that the City of Minneapolis acted arbitrarily when it found a property to be a nuisance, imposed a one-year stay of the demolition order, then lifted the stay to order demolition without first re-evaluating whether the nuisance conditions that originally prompted the demolition order still existed. *Khan v. Minneapolis City Council, No. A10-187 (Minn. Ct. App. December 21, 2010)*

Main Identity

From: "O'Rourke, Jennifer" <JORourke@lmc.org>
To: <legislative@listserv.lmc.org>; "Board of Directors--LMC" <BoardofDirectorsLMC@lmc.org>; "Directors" <Directors@lmc.org>; "IGR" <IGR@lmc.org>
Cc: "David Campbell" <ppcity@midwestinfo.com>
Sent: Friday, February 11, 2011 3:50 PM
Subject: LMC Friday Fax February 11, 2011
Governor Vetoes Phase 1 budget bill

Early Thursday evening, Governor Mark Dayton vetoed Chapter 1 (HF 130) only hours after the Senate approved the conference committee report on the bill by a 37 to 28 vote during their Thursday floor session. The House approved the bill late Wednesday afternoon on a 68 to 61 vote.

The vetoed bill would have reduced state spending over the next 29 months by \$901 million, which would have reduced the state's \$6.2 billion deficit by approximately 15 percent. The \$900 million in total biennial cuts included reductions in funding for local government aid (LGA) of roughly \$102 million per year (or \$204 million over the biennium) and reductions in reimbursements for market value homestead credit (MVHC) of about \$48 million per year (or \$97 million over the biennium). These reductions would have impacted the city aid and credit reimbursement distributions in calendar years 2011 and 2012 which correspond to state fiscal years 2012-2013.

The vetoed bill would have also required the Commissioner of Management and Budget to immediately reduce state agency appropriations for the balance of the current FY2010-2011 biennium by \$100 million and would have also imposed cuts in the upcoming 2012-2013 biennium to higher education, human services, the renters' refund program, and the sustainable forest incentive program as well as the elimination of the political campaign refund program.

In his veto letter, Governor Dayton listed three reasons for his decision. First, he cited an estimated property tax increase of \$428 million over the next two years. Of that increase, \$322 was estimated to be the result of city and county aid and credit reimbursement cuts while \$106 million was due to the reductions in the renters' refund program. Dayton's veto letter indicates that those property tax increases would be disproportionately borne by middle class homeowners and small businesses.

Second, Dayton indicated that the assumptions of the potential savings in state agency budgets over the next five months are undocumented and he criticized the legislature for abdicating their constitutional responsibility to identify the specific budget cuts. He cited recent Supreme Court decision in the challenge to Governor Pawlenty's unallotments as the basis for his conclusion that the \$100 million directive was unconstitutional.

Finally, he reiterated his earlier criticism of HF 130 as an incomplete and piecemeal approach to the state budget deficit. He goes on to state that the solution should be comprehensive and carefully developed with public input through the committee process.

House and Senate Republicans responded to the veto indicating that they were disappointed with the Governor's decision. Since the start of the 2011 session, Republicans have stressed the need to act quickly to resolve the state's \$6.2 billion deficit.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org.

House panel amends and approves state-only salary freeze bill

On Thursday in a hearing room packed with public employees, the House Government Operations and

Elections Committee considered, amended and ultimately approved HF 192 (Rep. Keith Downey, R-Edina), a bill that originally would have prohibited virtually all public employers in Minnesota, including cities, from increasing employee compensation for almost any reason.

In a discussion with League staff on Monday, Representative Downey indicated that he would amend the bill to remove the application of the bill to local units of government. He also indicated that he would remove the constitutional right-to-work amendment that if approved by voters, would have eliminated mandatory employee participation if a union covered the position. Those changes were included in an author's amendment offered at the beginning of the hearing that was approved by the committee.

Since the introduction of this legislation was reported in the Jan. 26 *Cities Bulletin*, many city officials have contacted legislators and the League to say the bill is an unnecessary infringement on local control and could have unintended consequences. Over the past several years, many cities have frozen salaries and made difficult personnel decisions under tight budget conditions. The League has advocated that preserving this local control allows cities to respond to unique circumstances and meet local voters' expectations.

As amended, the bill includes a number of employment provisions, including the temporary salary freeze, that now only apply to employees of the state legislature and executive branch state agencies. The legislation requires the state to institute a private sector compensation comparison requirement that would be used in place of the compensation freeze to adjust salaries.

The bill was sent to the House Ways and Means Committee; and still does not have a Senate companion.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org

Local Sales Tax Proposals

Over the first five weeks of the 2011 legislative session, several cities have worked with their local legislators to introduce legislation to authorize local sales taxes or sales tax extensions.

The city of Hutchinson has worked with Representative Ron Shimanski (R-Silver Lake) and Senator Scott Newman (R-Hutchinson) to introduce HF 377/SF 276 that would authorize the city to impose up to a ½ cent sales tax to be used toward financing the costs of constructing the water treatment facility and renovating the wastewater treatment facility in the city.

The city of Fergus Falls has worked with Representative Bud Nornes (R-Fergus Falls) and Senator Gretchen Hoffman (R-Vergas) to introduce HF 49/SF 53 which would allow the city to impose a sales tax of up to a ½ cent to fund the costs of the acquisition and betterment of a regional community ice arena facility.

In the Senate, Senator Tom Saxhaug (DFL-Grand Rapids) has introduced SF 23, a bill that would allow the city of Grand Rapids to impose up to a 1 cent sales tax for general city operations. That bill includes an offset to the city's LGA distribution based on the sales taxes collected in the previous year.

Representative Ann Lenczewski (DFL-Bloomington), who previously authored a now-expired moratorium on local sales taxes has introduced her own bill, HF 336 that would allow cities to impose local sales and use tax, with the approval of the voters, that could be used for any general city purpose. However, the bill would require that any city imposing a tax under this authorization would have their annual LGA distribution reduced by 50 percent.

The League is working on an alternative local sales tax authorization that would be used for public capital improvements. We expect additional city-specific local sales tax proposals to emerge as the session progresses.

Questions? Contact Gary Carlson at 651-281-1255 or gcarlson@lmc.org.

Liquor questions served up in committee

On Tuesday morning, the Senate Commerce and Consumer Protection committee chair, Senator Chris Gerlach (R-Apple Valley)

used the committee's time for a liquor overview. Presenting were staff from the Dept. of Public Safety's Alcohol and Gambling Division. The information yielded a number of questions, many from senators who have traditionally been seeking changes to the current three-tier system. Some of the questioning was targeted at the topic of Sunday liquor sales, which would be allowed for under a bill introduced last week [SF 197 \(Reinert, DFL-Duluth\)](#). One question was raised dealing with the issue of multiple licenses for a license holder. Another line of questioning came along with the idea of allowing a manufacturer to also sell the product in their own bar or restaurant.

The League does not have a position specific to Sunday sales at this time, but is curious to hear from both city officials with municipal operations, as well as those with private retail stores. Proponents argue convenience and the possibility of more revenues for the state coffers. Opponents worry this is the slippery slope toward wine-in-grocery-stores if the 3.2-providing retailers who can now sell 3.2 beer no longer have a market for that product as everyone goes to a full liquor store for their product. Opponents also worry about the overhead costs of staffing seven days instead of six. Send comments to jorourke@lmc.org.

Questions? Contact Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

Bill would lift state ban on sale and use of explosive fireworks

A bill introduced in the House and Senate this week would lift the ban in place in Minnesota since 1941 on aerial, explosive fireworks. The measure, [HF 452 \(Rep. Larry Howes, R-Walker\)/SF 280 \(Sen. Michael Jungbauer, R-East Bethel\)](#), amends the definition of "consumer fireworks" sold in Minnesota to include "devices, other than ground-based and handheld sparkling devices, novelties, or theatrical pyrotechnic articles, which are intended to produce visible effects, audible effects, or both by combustion, deflagration, or detonation"

The League has long opposed legalized retail sale of fireworks and use of fireworks by the public (see SD-41 of [2011 City Policies](#)). In 2002, despite strong opposition from fire service professionals, the Legislature relaxed the ban by allowing consumer use of non-aerial, non-explosive fireworks such as sparklers and other novelty items. According to data provided by the Minnesota State Fire Marshal's Office injury trends and dollar losses related to fireworks incidents surged after the consumer fireworks ban was lifted. Hospital reports reveal that the number of injuries caused by fireworks rose dramatically in 2002 and remains elevated.

City officials with concerns about this legislation are urged to contact legislators. Neither the House nor the Senate bill have been scheduled for hearings.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org.

Smith introduces bill to protect Fire Safety Account

[Rep. Steve Smith](#) (R-Mound) this week introduced a bill that would prohibit future raids of the Fire Safety Account, a dedicated fund that provides resources for firefighter training and regional efforts. Last year, against the objections of the League and fire service organizations, over \$15 million from the account was diverted for fiscal years 2010 and 2011 to the general fund to aid the state's ailing budget. [HF 474](#) does not restore the funds that were taken from the account, but it protects the account from future transfers by adding a provision stipulating that funds in the account must be appropriated to the commissioner of public safety for the purposes identified in [Minn. Stat. § 299F.012](#).

The Fire Safety Account was created in 2007, under a [statute](#) signed into law by Governor Tim Pawlenty. Homeowners and commercial property owners pay a "fire safety surcharge" of 0.65 percent on insurance premiums. The surcharge, which is listed as a line-item on policyholders' statements, is deposited into the Fire Safety Account. The account is used for firefighter training, state chemical and decontamination response teams, as well as the State Fire Marshall's office. The average homeowner pays \$5.20 into the fund annually.

Questions? Contact Anne Finn at 651.281.1263 or afinn@lmc.org.

Partial discharge of easements bill returns

SF 229 (Sen. Kubly, DFL – Granite Falls) was heard and passed by the Senate Judiciary committee this week, despite opposition from cities, counties and the Department of Transportation.

This same legislation moved rapidly through the Senate last session, but was successfully stopped in the House and was kept from being included in various conference committee reports. The bill allows property owners to petition for the discharge of a portion of an easement acquired by condemnation if they feel any part of that easement is not being used for the purpose for which it was originally taken. Counties and the Department of Transportation have significant concerns about the number of easement challenges they could be forced to deal with, as they have easements that many times appear to be unused even though they are needed for things like drainage, safety margins along roads, future expansion needs, or snow removal space.

Cities could have similar problems, but have the added challenge that many bike and pedestrian pathways are sited in easements initially labeled as 'street' or 'road' easements. This could allow people to challenge the ability of the city to place those types of uses in existing easements, which is the only realistic place available for these types of uses in many cities.

The bill was referred to the Senate Transportation committee and will also be requested by the Senate Environment committee. The bill is not yet introduced in the House.

Questions? Contact Craig Johnson at 651.281.1259 or cjohnson@lmc.org.

Proposal would streamline state agencies

In an effort to "maximize efficiency and minimize overlap and duplication" of state agency operations, Representative Keith Downey (R-Edina) this week introduced HF 419, a bill that would require the Dayton administration to reduce the number of state agencies by consolidating agency operations.

Under the bill, the current 17 broad state departments would be reduced to eight. The agencies that would be eliminated and merged into other departments would be the Departments of Corrections, Employment and Economic Development, Health, Human Rights, Labor and Industry, Management and Budget, Revenue, Transportation and Veterans Affairs.

Those departments would be merged into the remaining entities which include the Departments of Administration, Agriculture, Commerce, Education, Military Affairs, Natural Resources, Public Safety and Human Services. The bill does not specify how the mergers will be structured except that Veterans Affairs would be merged with Military Affairs.

The bill requires that the commissioner of administration, with the approval of the governor, must issue reorganization orders to reassign the duties of the departments abolished under the bill. In addition, the commissioner of administration, in coordination with the commissioners of affected agencies must report to the legislature by January 15, 2012, on efforts to consolidate divisions, programs, and activities within the agencies

Questions? Contact Gary Carlson @651-281-1255 or gcarlson@lmc.org

Important committee deadlines and recess announced

On Thursday night, the House passed a resolution laying out the three committee deadlines for the 2011 session. Finance bills must be out of committee by March 25, and sent to the Ways and Means committee. The first policy deadline is April 29th, meaning a bill must pass entirely out of one body's committees; and the second policy deadline is May 6th and it would have to pass out of both bodies' committees and be reported to the floor. This is different than other year's when the policy committees had the earlier deadlines, leaving the fiscal work for the end of session. The Republicans message on this was that they wanted to get the budget work done first given the state's deficit situation. It may very well make for a busier end of session as policy bills will be alive longer than other years.

Additionally, it is worth noting the legislature set its spring break from April 19-25. With Passover beginning at sundown on April

18th, there will be not legislative business after 3 p.m. on the 18th. Most legislative staff will likely be around, except April 22nd when according to the House website, offices are closed.

Questions? Contact Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

ACTION ALERT on Voter id bill

Local election officials have raised serious concerns about the impact on local government as well as voters, including many who have regularly cast their ballots, of key features of voter photo ID legislation under consideration in the Minnesota House of Representatives. The League is urging the legislature to create a bipartisan working group with broad representation of local election officials to develop alternative proposals that will not raise the costs of conducting elections while providing for added measures to assure the integrity of the election process.

It is most important for cities to contact local legislators now to relay concerns listed below.

- HF 210 (Kiffmeyer, R-Big Lake) requiring use of electronic poll books in more than 3000 precincts is likely to cost the state \$20-40 million to purchase and distribute to cities and increase costs for cities to store, test, operate, and maintain;
- Broadband connections required for electronic poll books to communicate with the state voter registration system (SVRS) are often lacking at polling place sites and will be costly to deploy;
- Many current as well as first-time voters and students without the required form of photo ID must go to state Driver & Vehicle Services (DVS) offices, sometimes located at a distance from where they live, in advance of elections, in order to be eligible to cast their ballot at the polls;
- Elimination of vouching when conducting Election Day Registration will make it likely that new voters or students who have moved since the last election will find it difficult to register on Election Day and add to the complexity of voter registration activities;
- Provisional voting for those without proper photo ID is likely to require additional election judges at the polls and prevent numbers of current voters as well as those who have moved, married or become unable to travel to face new requirements to assure that their ballots will be counted in the days following the election;
- New requirements to store and provide access to more voting materials used on Election Day are expected to require added storage and security.

HF 89 is a second approach to voter photo ID requirements, and is authored by Rep. Mike Benson, (R-Rochester). It has also been recommended to pass and re-referred to the House State Government Finance Committee. It too raises serious concerns among election officials. HF 89 requires counties to provide required voter ID cards despite uncertainty about how the necessary access to the DVS will occur due to security concerns about such extensive use of the state driver license database.

Cities and other local units of government expect to provide analysis of the financial impact of proposed voter ID legislation, but it is already evident that there will be substantial cost increases at the local level if either of the bills moves forward in their current form.

Questions? Contact Ann Higgins at 651.281.1257 or ahiggins@lmc.org.

Jennifer O'Rourke | Intergovernmental Relations
 Tel: 651.281.1261 | Toll free: 800.925.1122 | Fax: 651.215.4119
jorourke@lmc.org | www.lmc.org
 League of Minnesota Cities
 145 University Avenue West | Saint Paul, MN 55103

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