

Council Meeting
Tuesday, March 15, 2011
City Council Chambers
7:30 p.m.



AGENDA

Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes--March 1, 2011
2. Consent Agenda
 - Minutes
 - Tree Committee – February 9, 2011
 - Park & Recreation – February 28, 2011
 - Community Center Commission - February 28, 2011
 - Street Committee – March 3, 2011
 - Library Board – March 8, 2011
 - License Application
 - Exempt Permit – Evangelical Lutheran Church of Our Savior
3. Public Comments
 - Shannon LaCanne – Safe Routes to School
4. Department Heads
5. Des Moines River Dam – Recommended Action
6. Street Department
 - Bid Award – Street Shop Improvement
 - Snow Blower
7. Website Redesign Contract
8. Blandin Minnesota Intelligent Rural Communities (MIRC) Grant – Emergency Services
9. Telecommunications - Cinnamon Mueller Legal Services for Video Services
10. Personnel Committee Recommendation
 - Police Department
 - Street Department
11. Regular Bills
12. Unfinished Business
13. New Business
14. Council Concerns



**Council Meeting
Windom City Hall, Council Chamber
March 1, 2011
6:30 p.m.**

1. Call to Order: The meeting was called to order by Mayor Kruse at 6:30 p.m.

2. Roll Call: Mayor: Kirby Kruse
Council Members: Kelsey Fossing, Corey Maricle and Bradley Powers
Council Members Absent: Dominic Jones and JoAnn Ray
City Staff Present: Steve Nasby, City Administrator; Brigitte Olson, Assistant City Administrator; Marv Grunig, Electric Utility Manager; Bruce Caldwell, Street & Park Superintendent; Kevin Patterson, Police Sergeant; Terry Glidden, Telecom

3. Pledge of Allegiance

4. Approval of Minutes:

Motion by Powers second by Maricle, to approve the City Council minutes from February 15, 2011 as amended. Motion carried 3 – 0.

5. Consent Agenda:

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

- Airport Commission – February 11, 2011
- Housing & Redevelopment Authority – January 12, 2011
- Telecommunications Commission – February 15, 2011
- Utility Commission – February 23, 2011

License applications were received from the following:

- Dance Permit – Windom Fire Department
- Liquor License Renewal – Windom Country Club
- Cigarette License Renewal – Windom Country Club

Motion by Powers second by Maricle, to approve the Consent Calendar as presented. Motion carried 3 – 0.

6. Des Moines River Dam – Informational Briefing\Update:

Rocky Keehn, SEH Engineering, Anthony Heddlesten, U.S. Army Corps of Engineers, Len Kring, U.S. Army Corps of Engineers, Ryan Doorenbos, Minnesota Department of Natural Resources and Tom Kresko, Minnesota Department of Natural Resources introduced themselves.

Keehn said he was the primary engineer working on the Windom Dam project for the City. He briefly discussed the history of the dam and reviewed the eight options and cost estimates from the engineering study completed in November 2008.

Kresko showed a presentation covering the stream power\flow of the river, history of the dam, ecology issues, fish passage, sediment conveyance, stream restoration, dam safety and maintenance and vision for the future. For the DNR dam safety is a key issue and funding has been provided to Windom from both their dam safety account and ecological services totaling about \$217,000, which is in addition to an anticipated grant from the U.S. Fish and Wildlife Service of \$70,000. He discussed the current dam projects in Jackson and Luverne. Both of these projects included the removal of an outdated dam structure and the placement of rock riffles.

Kring and Heddlesten noted that the U.S. Army Corps of Engineers was contacted in 2002 about a possible project in Windom regarding ecological improvements and that is where the federal interest would presently reside. Kring said that a preliminary study estimated that fish cannot pass by the Windom dam 90% of the time, which is detrimental to species that go upstream to spawn. If the City were to use State or local monies these could be used to match federal funds as the U.S. Army Corps of Engineers projects are typically 65% federally funded and the remaining 35% must come from non-federal sources. If the City were to pursue a project the U.S. Army Corps of Engineers may be able to assist with some of the safety and stream restoration efforts. Kring and Heddlesten said they are in contact with City staff and MN DNR representatives and would like to do a project in Windom.

Powers asked how much federal funding could be obtained. Kring said it is a 65\35 match so if the City currently has \$217,000 of State funds this could leverage about \$400,000 of federal funds. Nasby added that some of the work the City and State already did for the engineering work could also count as match.

Powers asked about sediment and how that would impact the rock riffles. Heddlesten said that silt always moves in river systems and some silt would settle at the riffle sites so some on-going maintenance would be needed. Keehn said that they had included anticipated annual maintenance costs in their project estimates. Kresko said that during high water periods the speed of the water would help remove that sediment. Powers asked if that is like a flushing of the sediment out of the rocks. Kresko said that is a reasonable comparison. Kresko and Keehn said that sediment drops when there is little or no velocity in the water so when there are times of high water outside of the channel that is when sediment appears in the grass or along the shores. When the river is flowing normally that sediment is carried along downstream.

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Fossing asked what was the “professional” opinion of what the City should do. Kresko said that the City needs to do something and he would like to see a project similar to the one done in Luverne. Also, he said the City could look for more money to do this type of project and consider what the City wanted to pay.

Powers said that some citizens want a river, others want a large pond\pool and some are concerned about not having to continuously run their sump pumps. Kresko said that the rock riffle option is the most sustainable and would benefit these concerns, but there would not be a pond unless there is extensive dredging. Dredging was planned in Redwood Falls and the project came in way over budget and it has not been able to proceed. Estimates on the sediment for Windom indicated that it would take 15-20 years to re-fill and it would require 200-500 truck loads of sediment to be removed each year just to keep up.

Powers asked if dredged material can be used for levies. Keehn said it cannot not as the materials are not suitable for that type of project. On the Mississippi River there had been some of these levies and they failed in 1993, so since then the specifications on building materials for levies is more stringent.

Kruse asked the Council if there were any other questions. He was going to open the session up to the public for questions or comments following a five minute break.

Paul Buhler said he lives 1-2 miles down stream from Windom and he has first hand experience with the river and is seeing some erosion. He has spoken to the local DNR. Buhler said the Windom City Council needs to do something and encouraged them to take action as this discussion regarding the dam has dragged on for about three years.

Bruce Slocum said that he lives up stream from the dam and the Council should decide to remove the dam and let the river be a river.

Bob Hanson said he lives on 7th Street and groundwater is an issue for him. He likes the idea of the rock riffles or the dam removal options. He said when there is a pool of water it is impacted with a heavy rain as there is already water stored and when there is no pool there is a place for water to go when heavy rains come and this will lessen flooding.

The Council and staff thanked Rocky Keehn, SEH Engineering, Anthony Heddlesten, U.S. Army Corps of Engineers, Len Kring, U.S. Army Corps of Engineers, Ryan Doorenbos, Minnesota Department of Natural Resources and Tom Kresko, Minnesota Department of Natural Resources for their participation in the meeting and all of their work on our project.

7. Department Heads:

None

8. Street Committee Recommendation – Safe Routes to School:

Bruce Caldwell, Street & Park Superintendent, said that the Street Committee had met and discussed the request by the Safe Routes to School group that the yield sign at the intersection of 17th Street and 6th Avenue be changed to a stop sign. Both the Police Chief and Street Committee were supportive of this requested change in the traffic control device.

Motion by Powers, second by Fossing, to approve the installation of a stop sign at the intersection of 17th Street and 6th Avenue. Motion carried 3 – 0.

Nasby said the Safe Routes to School group is planning on attending the March 15 City Council meeting to thank the Council for this action and to inform them and the public of other potential projects.

Caldwell said he had been involved with the discussions on the additional projects and noted that the Council will need to consider the costs of these projects, installation and maintenance. Funds may be available for the initial project, but on-going maintenance could fall back to the City.

9. Minnesota Food Share Month Proclamation:

Kruse said that Kathy Hiley was present representing the Windom Sharing Center. Hiley said that the month of March is critical for the food shelf as some of the donations they get are based on their March numbers. Most of the donations come through corporate sponsors and not from State funds. She encouraged local citizens and groups to become involved and donate or volunteer.

Council member Powers introduced the Resolution No. 2011-09, entitled “MINNESOTA FOODSHARE MONTH PROCLAMATION” and moved its adoption. The resolution was seconded by Maricle and on roll call vote: Aye: Powers, Fossing and Maricle. Nay: None. Absent: Ray and Jones. Resolution passed 3 – 0.

10. Electric Department:

Marv Grunig, Electric Utility Manager, said that he had two items on the agenda. The first one is the potential investment in the CapX transmission project and the second is the extension of warranties for generation equipment.

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.

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Powers asked where the lines would be located connecting Windom to the Brookings County – Hampton CapX 345 kV Transmission Line. Grunig said that Windom will connect through the existing transmission grid so there is not a new line that will connect Windom.

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 \$4,700 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 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. The Windom Utilities Commission has recommended the approval of this project.

Powers asked how long it will would take to repay the debt. Grunig said the bonds are for 30 years.

Powers asked if this time period is the same as the return on investment. Grunig said the return on investment is estimated to be 11 years.

Powers asked about the transmission costs and how much Windom pays. Grunig said the costs fluctuate depending on the load and the congestion in the transmission grid.

Grunig said the down stream agreements between CMMPA and the participating utilities had been completely vetted through reviews by multiple attorneys, utility managers and city staff. He noted the letter in the packet from City Attorney Dan McDonald.

Council member Powers introduced the Resolution No. 2011-10, 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 Maricle and on roll call vote: Aye: Fossing, Maricle and Powers. Nay: None. Absent: Jones and Ray. Resolution passed 3 – 0.

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 Utility Commission’s recommendation was the Gold Policy for three (3) years at a cost of \$26,280. Each of these generators is valued at one million dollars, and that \$26,280 was a reasonable price to pay for the warranty and security as these generators are vital to the community.

Powers noted the contract documents in the packet show the “Platinum” coverage. Grunig said he had originally thought this coverage was necessary, but after looking at the coverage more closely and with our history of use and problems it seemed like the “Gold” coverage was a better deal.

Fossing asked if the electric utility had any major problems with these generators. Grunig said that the generators have had some normal wear and repair, but nothing really major. The utility only uses them, at this time, for peak generation or emergencies as needed so not very many run hours are on them.

Motion by Powers, seconded by Maricle, to approve the warranty extension for the caterpillar generators for three years under the “gold” package. Motion carried 3 – 0.

11. 2011 Board of Appeal and Equalization Meeting:

Nasby said this is a special meeting and needs to be set by the City Council. The May 9th date suggested by the County Assessor was included in the master meeting schedule. Ray is currently the sole City Council person with up to date training and Maricle was interested in attending the training if there are upcoming sessions available.

Motion by Powers, seconded by Maricle, to set the 2011 Board of Appeal and Equalization meeting for May 9, 2011 at 4:30 p.m. Motion carried 3 – 0.

12. Police Department – Public Notifications:

Kevin Patterson, Sergeant, said that he recently learned of the Nixle communications system which is designed and operated to provide electronic notifications or “e-alerts” to

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people that sign up. The alerts can be sent by text, email, fax or internet. Citizens could sign up for the alerts through Nixle and it was free of charge to both the citizen and City; however, if someone without a text plan signed up their wireless provider would charge them. He has spoken to the Cottonwood County Sheriff and Cottonwood County Emergency Management Coordinator and they are supportive of the implementation of this system and may assist with some funding for launching the project with advertising. The Windom Police Chief is also supportive of starting this e-alert system. The system can be used for items like lost person alerts, crime reporting, snow emergencies, community event notices, evacuations or utility outages.

Fossing asked if this was limited to electronic devices so no land lines would be eligible for these notices. Patterson said that was correct.

Powers confirmed that the service is free to the City and the users. Patterson said it was as long as an individual signing up has a text plan, but since the individual has to actively register for the service they would know if it would cost them or not on their wireless plan.

Motion by Maricle, seconded by Fossing, to direct the Police Department to initiate a program of e-alerts for Windom with the Nixle system. Motion carried 3 – 0.

13. Regular Bills:

Motion by Powers, seconded by Maricle, to approve the bills. Motion carried 3 - 0

14. Unfinished Business:

None.

15. New Business:

None.

16. Council Concerns:

Powers asked for the public's patience with pot holes and standing water as spring arrives and the street crews work on repairs.

17. Adjourn:

Kruse adjourned the meeting by unanimous consent at 8:52 p.m.

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

CITY OF WINDOM TREE COMMISSION MEETING
MINUTES February 9, 2011

1. Call to Order: The meeting was called to order by Acting Chair, Joanne Kaiser at 5:17 p.m. in the council chambers at city hall.

2. Roll Call:
Commission Present: Joanne Kaiser, Deborah Polzin, Craig Zimmerman
Commission Absent: Lindsey Cartwright, Eldon Moon
City Staff Present: Bruce Caldwell, City of Windom Tree Inspector
Council Liaisons:
Public Present: David Bucklin

3. Approve Minutes of January 5, 2011
Motion by Craig Zimmerman, seconded by Joanne Kaiser
Motion Carried.

4. Old Business
 - a. New Member: Joanne Kaiser and board extended a welcome to new member, Craig Zimmerman.
 - b. Farm and Home Show Booth: It was decided not to have a booth at the Farm and Home Show as originally discussed. David Bucklin suggested the Cottonwood Soil and Water Conservation District would allow space at their booth for Tree Commission exhibits and handouts. Thank you, Dave.

5. New Business:
 - a. Need More Tree Planting Sites: A number of people have expressed interest in purchasing a tree. Most of the trees ordered would be sold and more could be made available if necessary. Discussion was held of new options to inform the public of tree species available for boulevard planting, who to contact with questions and payment options. All who have expressed an interest must be contacted and boulevard planting sites must be inspected as to suitability.
 - b. Dates for Tree Planting: Tentative time for tree planting would be the third week in May. Gopher State would possibly check the sites for underground wires during the second week in May.

6. Open mike: 2011 budget for the Tree Commission is \$2,000. Public can purchase and donate a tree for a specific area. It was decided not to have a meeting in March but the Commission will meet in April.

7. Meeting adjourned at 5:55 pm.

Next Tree Commission Meeting April 6, 2011 at 5:15 p.m. at Council Chambers.

ATTEST:

Tree Commission President _____

Tree Commission Secretary _____

**PARK AND RECREATION COMMISSION MEETING
MINUTES FEBRUARY 28, 2011**

1. Call to Order: The meeting was called to order by Terry Fredin at 7:05 p.m. in the council chambers at city hall.
2. Roll Call:

Commission Present:	Sherri Zimmerman, Terry Fredin, Jeff LaCanne & Kay Clark
Commission Absent:	Angie Blanshan
City Staff Present:	Recreation Director Al Baloun & Park Superintendent Bruce Caldwell
Council Liaisons:	Corey Maricle attending, JoAnn Ray absent
Public:	Girls Softball Summer Recreation Representative Kristi Maricle
3. Approve Agenda
Motion by LaCanne, seconded by Zimmerman to approve agenda
Motion Carried Unanimous
4. Approve Minutes, Jan 14, 2011 with corrections stating all members did participate
Motion by LaCanne, seconded by Zimmerman
Motion Carried Unanimous
5. Commission Election of Officers and Sub Committees for 2011
 - a. Chair- Terry Fredin
 - b. Vice-Chair Kay Clark
 - c. Secretary Angie Blanshan
6. Appointment of Sub-Committees:
 - a. Ice Hockey- Kay Clark
 - b. Racquetball/Wallyball- Sherri Zimmerman
 - c. Archery-OPEN
 - d. High School- Angie Blanshan
 - e. Summer Programs- Kay Clark
 - f. Fall Programs- Jeff LaCanne
 - g. Swim Lessons/Swimming Pool- Angie Blanshan
 - h. Horse Shows- Kay Clark
 - i. Building and Grounds- Terry Fredin & Jeff LaCanne
 - j. Figure Skating- Angie Blanshan**Motion to Approve 2011 Appointments: Zimmerman, seconded by Clark**
Motion Carried 5-0
7. Girls Softball – Kristi Maricle She asked if the summer recreation program could include a girl's softball program for 1st – 3rd grades this summer. It is felt that there is enough interest to start this plus it would give the girls an opportunity to learn the basics of the game before they start the older girl's softball program. Kristi said she has adult's volunteer instructors that would work for free but there could be some minor costs for additional helpers and equipment. The fees would be similar to the boys' recreation program. The commission gave Baloun and Maricle the go ahead to proceed and they will re-evaluate at the end of the season.

8. Park Superintendents Report – Bruce Caldwell

a. New mower update Toro Z500 was ordered from MTI and it was paid through an equipment airport fund which is 70% & 2011 park department funding at 30%. This unit will be used at both locations. The remaining moneys will be used to purchase other equipment within the city.

b. Island Park Baseball Field New Concessions Building:

Caldwell was contacted by Rahn Larson prior to meeting concerning the construction of a new concessions building at the large ball field. This building would be constructed east of the bleachers by home plate and the present restroom facility. The city would have to give approval for the new construction because it is on city property. Caldwell said he asked Larson if the city could include a new bathroom facility with this building. Larson said he thought that would be doubtful because they have already received grants using their current plans which did not include this option.

A representative of their group also asked prior to the meeting if it was possible to move the campground dump station due to the proximity their new building. Caldwell said he talked to the Windom Planning and Zoning Officer and he said the dump station could not be relocated in the park due to the flooding issues. Caldwell was not in favor of relocating the dump station due to the accessibility to our campground users if we go with another area outside the park.

c. Dam update; the commission was informed the Dam will be discussed at the March 1st Council Meeting starting at 6:30 P.M. DNR, Army Corp of Engineers and SEH Engineering will give the presentation to the council. They will discuss options and costs for either repair or removal.

9. Recreation Director's Report- Al Baloun

a. Recreation Programming and Scheduling the commission reviewed the documents Baloun sent out prior t the meeting stating numbers of participants, expenditures and revenue for the summer recreation programs. Summer programs would begin on May 31 and end on July 15. Tournaments would be held the week of July 11-16.

Baloun went over the following changes in Summer Recreation programs:

1. K T ball and Tykes- Kindergartener's and children entering Kindergarten in Fall 2011. Will remain the same. A second time slot will be on the registration sheet. Program would possibly be held at 9:00 & 10:00 AM.
2. Coach pitch/T Ball- 1st – 3rd Grade- Coaches would pitch to participants and after so many swings the Tee would be used. Program would possibly be held at 9:00 & 10:00 AM. Program would be overseen by baseball Coordinator and 4-6 coaches. Program would possibly be held at 9:00 & 10:00 AM. Sessions would be 1 hour long with 15 minutes daily being used for fundamentals. Tuesday mornings would be fundamentals and Tuesday evening games would be held as previously done.
3. 30/60 League- 4th-6th Grade- Would replace overhand- Anticipate three teams with volunteer coaches. Games would be played with the same communities that have participated in the past. Games would be held on Tuesday and Thursday evenings and participated would be in the 30/60 League tourney on July 16 and one other tourney put in by the Windom Baseball Association in June. Coaches would be allowed to practice with their team at least twice a week.

4. Hershey's Track- Program would begin about the time school gets out. Districts are scheduled for June 18, 2011 at Worthington and State is at Litchfield on June 25, 2011. The district date may conflict with Star of the North games.
5. Fall Soccer- K- 3rd Grade- Would be held in the Fall as has been in the past.
6. Flag Football- 2nd – 6th Grade- Program will have to be reevaluated depending on how many participants will be participating in the schools new tackle football program. Program will be offered if there are enough participants. Baloun has talked to Worthington YMCA about going together and creating a league. Commission members recommended also talking to surrounding communities to see if they are interested in participating in flag football.

Discussion was held about adding the responsibility of maintenance of ball fields to the baseball coordinators position for Summer Recreation programs.

- b. Pool Slide two different slide options were discussed. The commission reviewed the two options and they instructed Baloun to contact the distributor and let them know our budget and ask what they can provide for that amount then report back at the next meeting.
- c. Monster Truck- Baloun informed the commission that he is working with a promoter to bring a Monster Truck show to the Arena on May 1, 2011. A contract has not been signed yet and details have to be worked out for this to take place.

10. Open Mike: Nothing

11. Meeting Adjourned at 9:05 P.M.

Next Park & Recreation Meeting March 14th, 2011 5:15 p.m. Council Chambers

Community Center Commission Minutes
Monday February 28, 2011

1. Call to Order: The meeting was called to order by President Wayne Maras at 5:37 p.m

2. Roll Call: President: Wayne Maras
CC Director: Brad Bussa
Commission Members: Kelly Woizeschke
Dick Jeffrey
Hilary Mathis

Commission Liaisons: Corey Maricle-Absent
Bruce Caldwell
Jo Ann Ray-Absent

EDA Director: Mark Hanson-Absent

3. Approval of Minutes:

Motion by Dick Jeffrey, seconded by Kelly Woizeschke to approve the January 24, 2011 Community Center Commission Minutes. Motion carried 4-0

4. Additions to the agenda:

Nothing to add

5. Correspondence:

Rental survey from Winfield Producer Event was good.

6. President's Report:

Hilary Mathis was sworn in by President Wayne Maras.

7. Director's Report:

A. Policy Review- WCC Director Bussa stated he had been approached about bringing in pop and water when no bar is in use. WCC Commission stated to leave policy as is. When a bar is being used, no outside pop or water allowed in and must be purchased at bar. Pop and water allowed when no bar is being used. WCC Commission stated when bar is being used, it will begin at start of event until conclusion. But if party's that want alcohol sold at certain times that would be alright as long as pop and water are sold at bar and not brought in privately.

A. Sportsman show- in the works.

B. MN Assoc. of Townships- all day meeting March 17, 2011. Event uses the entire building with approx. 300 in attendance. Entire building shut down for the whole day as has been in past years.

8. Resource Management:

Schedule of Events: First 2012 wedding has been booked, lots of summer weddings in 2011.

Income/Expenses: Nothing new to report.

9. Miscellaneous:

Alcohol- discussion on return of kegs to distributors and ordering
Senior Room Lights- noted they had been left on over weekend. WCC President Maras received a call regarding the lock to Senior Door. Discussion followed and it is to stay as is.

10. Open Forum:

Nothing to report

11. Next Meeting:

Monday March 28, 2011 @ 5:30 pm

Adjourn:

Motion by Dick Jeffrey, seconded by Kelly Woizeschke, to adjourn the meeting at 6:27 pm. Motion carried 4-0.

Wayne Maras, WCC President

Hilary Mathis, WCC Secretary

Attest: _____
Brad Bussa, Community Center Director

**STREET COMMITTEE
MINUTES MARCH 3, 2011**

Call to Order: The meeting was called to order at 4:30 P.M. at City Hall.

Members Attending: Committee Members Attending - Brad Powers & JoAnn Ray

City Staff Present: Street Superintendent Bruce Caldwell & City Administrator Steve Nasby

Public: None

1. Snow Emergency Discussion; procedure notification to residence, implementation & duration; after the Snow Emergency Parking Restrictions was implemented there were some issues concerning the length we ran it. Caldwell said Police Chief Jeff Shirkey talked to him recently about a new service available called Nixle. This service would allow us to send out alerts to the community for the purpose of public safety and information which would include snow emergency notifications free of charge except for standard rates for text messaging would apply for those receiving those alerts. 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 alert. The benefits using this method would be the time it takes to implement the Snow Emergency and it would help us determine the length of time we need to keep the parking restriction going. The committee tabled any changes at this time but will review it prior to the next snow season.
2. Snow Plow & Ice Control Policy Discussion & Recommendation for Adoption
The committee reviewed the new policy and agreed there needs to be a few minor changes before they give it to the City Council for approval. Caldwell will report back at the next meeting.
3. Request to purchase snow blower attachment for skid loader with leftover funds from Park CIP account for new mower in the 2011 CIP Park Account the City Council budgeted to purchase a new park department mower. Following that decision the city had the opportunity to purchase this unit using airport funding which was 70% State and 30% city. Due to this savings Caldwell requested that a portion of the leftover monies be used to purchase a new snow blower attachment for the street department skid loader. There was some question on the exact price of the unit which Caldwell will get. The Water Waste Water Department Superintendent Mike Haugen stated earlier in an earlier conversation he would consider helping out on the purchase as they would use it also which was fine with Caldwell.
4. New Staffing due to retirement/resignation notification; Caldwell updated the committee concerning the retirement/resignation notification of one of the full time street department staff. Nasby stated the open position will have to be posted for City union members. If none of the internal applicants meet the qualifications, we would offer this position to one of the applicants we received in the June 2010. If there were internal applicants then interviews may need to be conducted with those applicants. In June 2010 the City had filled another street department full time position due to the retirement of a different staff member. The committee agreed there was one good candidate from that list. They instructed Caldwell to contact that person to see if they were still interested. Caldwell said he would like to start someone by the end of March.
5. Meeting adjourned at 5:25 P.M.

Windom Library Board Meeting
Windom Library
March 8, 2011
5:05 p.m.

1. Call to order: The meeting was called to order by Jan Johnson at 5:05 p.m.

2. Roll Call:
Members Present: Kathy Hiley, Charles Reid, Jan Johnson, Mary Erickson, Beth Fleming, Anita Winkel and John Duscher

Members Absent: None

Library Staff Present: Joan Hunter

City Council Member Present: None

3. Agenda and Minutes
Motion by Charles Reid, seconded by John Duscher to approve the Agenda and the Minutes.

4. Financial Report:
Motion by John Duscher and seconded by Anita Winkel to approve the Financial Report.

5. Librarians Report:
Joan noted that "fines" collected during "Fine Free Month" actually represent copies made or items printed from the computer that are paid for by library patrons.

Dinosaur Days held on February 19th was a great success. The Friends of the Library hosted and there were about 120 people in attendance.

The City applied for a Blandin grant. If grant monies are received, the library has been asked to host "Atomic Learning" on the libraries computer(s). More information will be gathered as to what it is and how it will be implemented.

Joan is working on the annual State Report that is due April 1st.

Motion by Kathy Hiley and seconded by Mary Erickson to approve the librarian's report.

6. Old Business:
In regards to new book shelving for the library, Joan is waiting to hear from the Friends of the Library. The Friends are waiting to receive money from the Myrtle Stroud estate.

7. New Business:

Plum Creek Library System is looking for someone to serve on the Plum Creek board. One board member is needed from a Cottonwood County library. The Plum Creek Board meets on the 3rd Wednesday every other month in Slayton. Joan asked that one of our board members consider volunteering.

9. New Book Suggestions:

The board presented their suggestions.

10. Adjourn:

Motion by John Duscher, seconded by Charles Reid to adjourn.

Meeting adjourned at 5:20 p.m.

Respectfully submitted,

Kathy Hiley, recording secretary

Minnesota Lawful Gambling

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:
- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

Table with 2 columns: Application fee, If application postmarked or received: less than 30 days before the event (\$100), more than 30 days before the event (\$50)

ORGANIZATION INFORMATION

Organization name: The Evangelical Lutheran Church of Our Savior; Previous gambling permit number

Minnesota tax ID number, if any: 9156691; Federal employer ID number, if any: 41-0724057

Type of nonprofit organization. Check one. Fraternal, Religious (checked), Veterans, or other nonprofit organization

Mailing address: 1157 Third Ave.; City: Windom; State: MN; Zip Code: 56101; County: Cottonwood

Name of chief executive officer (CEO): Rev. Paul Sajban; Daytime phone number: 507-831-3522; Email address: lcoos@windomnet.com

Attach a copy of ONE of the following for proof of nonprofit status.

- Do not attach a sales tax exempt status or federal employer ID number as they are not proof of nonprofit status.
[checked] Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.
[] IRS income tax exemption [501(c)] letter in your organization's name.
IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)

GAMBLING PREMISES INFORMATION

Name of premises where gambling activity will be conducted. For raffles, list the site where the drawing will take place. The Evangelical Lutheran Church of Our Savior

Address (do not use PO box): 1157 Third Ave.; City or township: Windom; Zip Code: 56101; County: Cottonwood

Date(s) of activity (for raffles, indicate the date of the drawing): March 27, 2011

Check the box or boxes that indicate the type of gambling activity your organization will conduct: Bingo*, Raffles (checked), Paddlewheels*, Pull-Tabs*, Tipboards*

* Gambling equipment for pull-tabs, bingo paper, tipboards, and paddlewheels must be obtained from a distributor licensed by the Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.
To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, or call 651-639-4000.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

If the gambling premises is within city limits, a city official must check the action that the city is taking on this application and sign the application.

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).
- The application is denied.

Print city name Windom

On behalf of the city, I acknowledge this application.
Signature of city personnel receiving application

Title _____ Date _____

If the gambling premises is located in a township, a county official must check the action that the county is taking on this application and sign the application. **A township official is not required to sign the application.**

- The application is acknowledged with no waiting period.
- The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.
- The application is denied.

Print county name Cottonwood

On behalf of the county, I acknowledge this application.
Signature of county personnel receiving application

Title _____ Date _____

(Optional) TOWNSHIP: *On behalf of the township, I acknowledge that the organization is applying for exempted gambling activity within the township limits. [A township has no statutory authority to approve or deny an application [Minnesota Statute 349.166]]*

Print township name _____

Signature of township official acknowledging application

Title _____ Date _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE

The information provided in this application is complete and accurate to the best of my knowledge. I acknowledge that the financial report will be completed and returned to the Board within 30 days of the date of our gambling activity.

Chief executive officer's signature Rev. Paul Jensen Date March 10, 2011

Complete a separate application for each gambling activity:

- one day of gambling activity
- two or more consecutive days of gambling activity
- each day a raffle drawing is held

Send application with:

- a copy of your proof of nonprofit status, and
- application fee for each event
 Make check payable to "State of Minnesota."

To: Gambling Control Board
 1711 West County Road B, Suite 300 South
 Roseville, MN 55113

Financial report and recordkeeping required

A financial report form and instructions will be sent with your permit, or use the online fill-in form available at www.gcb.state.mn.us. Within 30 days of the activity date, complete and return the financial report form to the Gambling Control Board.

Questions?

Call the Licensing Section of the Gambling Control Board at 651-639-4000.

Print Form

This form will be made available in alternative format (i.e. large print, Braille) upon request.

Data privacy notice: The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your organization's qualifications to be involved in lawful gambling activities in Minnesota. Your organization has the right to refuse to supply the information; however, if your organization refuses to supply this information, the Board may not be able to determine your organization's qualifications and, as a consequence, may refuse to issue a permit. If your organization supplies the information requested, the Board will be able to process your organization's application.

Your organization's name and address will be public information when received by the Board. All other information provided will be private data about your organization until the Board issues the permit. When the Board issues the permit, all information provided will become public. If the Board does not issue a permit, all information provided remains private, with the exception of your organization's name and address which will remain public.

Private data about your organization are available to: Board members, Board staff whose work requires access to the information; Minnesota's Department of Public Safety; Attorney General; Commissioners of Administration, Minnesota Management & Budget, and Revenue; Legislative Auditor; national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies specifically authorized by state or federal law to have access to the information; individuals and agencies for which law or legal order authorizes a new use or sharing of information after this notice was given; and anyone with your written consent.

Reset Form

Date/Time received: 3/2/11 3:00 P.M.

Agenda Request Form

(This form can be used only once a month by the same individual(s). It is not a venue to bypass policies and procedures of city commissions and committees.)

Name: Shannon LaCanne Telephone No: 831-0671 (w)

Address: 2150 Hospital Drive

Date of Council Meeting: March 15th (Agenda item must be turned into the city office by Friday noon preceding the Tuesday meeting.)

Subject: Safe Routes to School

Have you brought this to the attention of the appropriate department head? Yes
Committee? Street Department

Hand-outs, audio-visual materials (These must be simple and set up directly before you speak and taken down directly afterward): _____

This format gives citizens an opportunity to express concerns to the council without expectation of discussion or action. No more than two (2) people should speak on the same topic at one meeting. Remarks should not exceed five (5) minutes per person. They should be directed to the council as a whole and not to any individual member or department head.

Shannon LaCanne
Signature

~~10~~
10

MEMORANDUM



CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council

FROM: City Administrator *SN*

DATE: March 11, 2011

RE: Street Shop Remodeling Project - Financing

Bids on the Street Shop Remodeling Project were opened today and the low bid ranges from \$290,320 to \$341,618 depending on the options selected. The Building Committee is recommending the selection of Everstrong Construction's bid for Option #1 and #4 totaling \$310,278. Contingency and engineering costs will bring the project total to approximately \$350,000.

Should the City Council decide to proceed with the project, the project will need to be funded. Several of the options that were preliminarily discussed are as follows:

- A. Draw down General Fund Reserve Account to pay for the project. The un-audited 2010 financials shows a balance of \$1.5 million of undesignated funds in the General Fund.
- B. Bond for the project in combination with another 2011 project being planned (e.g. waste water main lift station.) The main lift station project is currently being discussed by the Utility Commission. If it were recommended for construction, and approved by the Council (May/June 2011), it will likely provide the City with the bonding opportunity to do the Street Shop Remodeling Project as the wastewater lift station may not receive Minnesota Pollution Control financing. Repayment of the bonds would come from future tax levies for debt service.
- C. Explore the possibility of an inter-fund loan with the Electric Utility. Due to the recent commitment of funds for the CapX project (recommended as a cash & debt deal) the Electric Utility may be hesitant to loan the \$350,000 needed to cover the Street Shop Remodeling Project.
- D. The League of Minnesota Cities Insurance Trust (LMCIT) is still considering the possibility of a loan from their Extra-ordinary Expense fund. Their decision on this project has been held up due to the inability of them to get a structural engineer to Windom to look at the Street Shop roof (the weather has forced the cancellation of two appointments). As such, we do not have a definite decision from the LMCIT.

Each of these options will have to be discussed if the City Council does decide to proceed with the project. If you would like additional information on these options please contact me at 831-6129 or via email at snasby@windom-mn.com.

MEMORANDUM



CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council
FROM: City Administrator *Asnes*
DATE: March 11, 2011
RE: Street Shop Remodeling Project - Financing

Bids on the Street Shop Remodeling Project were opened today and the low bid ranges from \$290,320 to \$341,618 depending on the options selected. The Building Committee is recommending the selection of Everstrong Construction's bid for Option #1 and Option #4 (without insulation) totaling \$304,200. Contingency and engineering costs will bring the project total to approximately \$350,000.

Should the City Council decide to proceed with the project, the project will need to be funded. Several of the options that were preliminarily discussed are as follows:

- A. Draw down General Fund Reserve Account to pay for the project. The un-audited 2010 financials shows a balance of \$1.5 million of undesignated funds in the General Fund.
- B. Bond for the project in combination with another 2011 project being planned (e.g. waste water main lift station.) The main lift station project is currently being discussed by the Utility Commission. If it were recommended for construction, and approved by the Council (May/June 2011), it will likely provide the City with the bonding opportunity to do the Street Shop Remodeling Project as the wastewater lift station may not receive Minnesota Pollution Control financing. Repayment of the bonds would come from future tax levies for debt service.
- C. Explore the possibility of an inter-fund loan with the Electric Utility. Due to the recent commitment of funds for the CapX project (recommended as a cash & debt deal) the Electric Utility may be hesitant to loan the \$350,000 needed to cover the Street Shop Remodeling Project.
- D. The League of Minnesota Cities Insurance Trust (LMCIT) is still considering the possibility of a loan from their Extra-ordinary Expense fund. Their decision on this project has been held up due to the inability of them to get a structural engineer to Windom to look at the Street Shop roof (the weather has forced the cancellation of two appointments). As such, we do not have a definite decision from the LMCIT.

Each of these options will have to be discussed if the City Council does decide to proceed with the project. If you would like additional information on these options please contact me at 831-6129 or via email at snasby@windom-mn.com.

City of Windom
Street Garage Improvements
Bid Abstract
March 7, 2011

Item	Unit	Price	Engineers Estimate Quantity	Amount	Bidder Everstron Construction, Inc.		Bidder Salonek Concrete & Const.		Bidder Tri-state General Contracting	
					Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount
Option 1 - Spray Foam Insulation										
Remove Wall Panel	S.F.	1.00	8500	\$ 8,500.00	\$ 0.60	\$ 5,100.00	\$ 1.25	\$ 10,625.00	\$ 1.10	\$ 9,350.00
Remove Roof Panel	S.F.	1.00	15000	\$ 15,000.00	\$ 0.80	\$ 9,000.00	\$ 1.25	\$ 18,750.00	\$ 1.09	\$ 16,350.00
Remove W. Overhead Door	Each	1,000.00	1	\$ 1,000.00	\$ 300.00	\$ 300.00	\$ 985.00	\$ 985.00	\$ 698.00	\$ 698.00
26 Gauge Wall Panel	S.F.	4.50	8500	\$ 38,250.00	\$ 3.00	\$ 25,500.00	\$ 2.55	\$ 21,675.00	\$ 3.23	\$ 27,985.00
26 Gauge Roof Sheeting	S.F.	4.50	15000	\$ 67,500.00	\$ 2.60	\$ 39,000.00	\$ 2.55	\$ 38,250.00	\$ 1.99	\$ 29,850.00
Wall Insulation	S.F.	2.40	8500	\$ 20,400.00	\$ 2.78	\$ 23,630.00	\$ 2.60	\$ 22,100.00	\$ 3.84	\$ 32,520.00
Roof Insulation	S.F.	2.40	15000	\$ 36,000.00	\$ 2.25	\$ 33,250.00	\$ 2.80	\$ 42,000.00	\$ 3.95	\$ 59,250.00
W. Ventilation System	Each	35,000.00	1	\$ 35,000.00	\$ 73,500.00	\$ 50,903.00	\$ 50,903.00	\$ 71,612.00	\$ 71,612.00	
Moveable Ventilation System	Each	5,000.00	1	\$ 5,000.00	\$ 38,750.00	\$ 38,750.00	\$ 50,903.00	\$ 50,903.00	\$ 50,903.00	
Exterior Doors	Each	5,000.00	3	\$ 15,000.00	\$ 9,143.00	\$ 9,143.00	\$ 50,903.00	\$ 50,903.00	\$ 10,392.00	
Lever Handles	Each	100.00	12	\$ 1,200.00	\$ 275.00	\$ 3,300.00	\$ 1,550.00	\$ 4,650.00	\$ 2,213.00	\$ 6,920.00
Windows:										
72x36	Each	1,000.00	8	\$ 8,000.00	\$ 544.00	\$ 4,352.00	\$ 465.00	\$ 3,720.00	\$ 555.00	\$ 4,440.00
60x36	Each	1,000.00	1	\$ 1,000.00	\$ 532.00	\$ 532.00	\$ 425.00	\$ 425.00	\$ 372.00	\$ 372.00
40x40	Each	700.00	1	\$ 700.00	\$ 507.00	\$ 507.00	\$ 390.00	\$ 390.00	\$ 372.00	\$ 372.00
32x32	Each	700.00	1	\$ 700.00	\$ 481.00	\$ 481.00	\$ 370.00	\$ 370.00	\$ 372.00	\$ 372.00
E. Overhead Door Replace	Each	3,000.00	1	\$ 3,000.00	\$ 4,200.00	\$ 4,200.00	\$ 4,000.00	\$ 4,000.00	\$ 7,191.00	\$ 7,121.00
W. Overhead Door Reinstall	Each	2,000.00	1	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 3,748.00	\$ 3,748.00
1-hr Firewall	L.F.	70.00	60	\$ 4,200.00	\$ 35.00	\$ 2,100.00	\$ 94.00	\$ 5,640.00	\$ 173.00	\$ 10,380.00
40-min. Fire Door	Each	2,000.00	1	\$ 2,000.00	\$ 1,050.00	\$ 1,050.00	\$ 1,500.00	\$ 1,500.00	\$ 1,528.00	\$ 1,528.00
1-hr Overhead Door	Each	10,000.00	1	\$ 10,000.00	\$ 10,085.00	\$ 10,085.00	\$ 13,433.00	\$ 13,433.00	\$ 10,610.00	\$ 10,610.00
Salvage Value of Steel				\$ 277,450.00		\$ 259,320.00		\$ 341,302.00		\$ 340,532.80
				\$ 3,000.00		\$ 1,000.00		\$ 587.00		\$

Option 2 - Fiberglass Insulation With Liner Panel

Item	Unit	Price	Engineers Estimate Quantity	Amount	Bidder Everstron Construction, Inc.		Bidder Salonek Concrete & Const.		Bidder Tri-state General Contracting	
					Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount
Remove Wall Panel	S.F.	1.00	8500	\$ 8,500.00	\$ 0.60	\$ 5,100.00	\$ 1.25	\$ 10,625.00	\$ 1.10	\$ 9,350.00
Remove Roof Panel	S.F.	1.00	15000	\$ 15,000.00	\$ 0.80	\$ 9,000.00	\$ 1.25	\$ 18,750.00	\$ 1.09	\$ 16,350.00
Remove W. Overhead Door	Each	1,000.00	1	\$ 1,000.00	\$ 300.00	\$ 300.00	\$ 985.00	\$ 985.00	\$ 698.00	\$ 698.00
26 Gauge Wall Panel	S.F.	4.50	8500	\$ 38,250.00	\$ 3.00	\$ 25,500.00	\$ 2.55	\$ 21,675.00	\$ 3.23	\$ 27,985.00
26 Gauge Roof Sheeting	S.F.	4.50	15000	\$ 67,500.00	\$ 2.60	\$ 39,000.00	\$ 2.55	\$ 38,250.00	\$ 1.99	\$ 29,850.00
Wall Insulation	S.F.	1.50	8500	\$ 12,750.00	\$ 5.32	\$ 45,220.00	\$ 0.83	\$ 7,065.00	\$ 3.49	\$ 29,665.00
Roof Insulation	S.F.	1.50	15000	\$ 22,500.00	\$ 3.00	\$ 45,000.00	\$ 2.03	\$ 30,450.00	\$ 6.21	\$ 76,150.00
E. Ventilation System	Each	35,000.00	1	\$ 35,000.00	\$ 73,500.00	\$ 50,903.00	\$ 50,903.00	\$ 71,612.00	\$ 71,612.00	
W. Ventilation System	Each	5,000.00	1	\$ 5,000.00	\$ 38,750.00	\$ 38,750.00	\$ 50,903.00	\$ 50,903.00	\$ 50,903.00	
Moveable Ventilation System	Each	5,000.00	1	\$ 5,000.00	\$ 31,143.00	\$ 31,143.00	\$ 50,903.00	\$ 50,903.00	\$ 10,392.00	
Exterior Doors	Each	5,000.00	3	\$ 15,000.00	\$ 9,143.00	\$ 9,143.00	\$ 50,903.00	\$ 50,903.00	\$ 10,392.00	
Lever Handles	Each	100.00	12	\$ 1,200.00	\$ 275.00	\$ 3,300.00	\$ 1,500.00	\$ 4,650.00	\$ 2,472.00	\$ 7,415.00
Windows:										
72x36	Each	1,000.00	8	\$ 8,000.00	\$ 544.00	\$ 4,352.00	\$ 465.00	\$ 3,720.00	\$ 555.00	\$ 4,440.00
60x36	Each	1,000.00	1	\$ 1,000.00	\$ 532.00	\$ 532.00	\$ 425.00	\$ 425.00	\$ 372.00	\$ 372.00
40x40	Each	700.00	1	\$ 700.00	\$ 507.00	\$ 507.00	\$ 390.00	\$ 390.00	\$ 372.00	\$ 372.00
32x32	Each	700.00	1	\$ 700.00	\$ 481.00	\$ 481.00	\$ 370.00	\$ 370.00	\$ 372.00	\$ 372.00
E. Overhead Door Replace	Each	3,000.00	1	\$ 3,000.00	\$ 4,200.00	\$ 4,200.00	\$ 4,000.00	\$ 4,000.00	\$ 7,121.00	\$ 7,121.00
W. Overhead Door Reinstall	Each	2,000.00	1	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 3,748.00	\$ 3,748.00
1-hr Firewall	L.F.	70.00	60	\$ 4,200.00	\$ 35.00	\$ 2,100.00	\$ 94.00	\$ 5,640.00	\$ 173.00	\$ 10,380.00
40-min. Fire Door	Each	2,000.00	1	\$ 2,000.00	\$ 1,050.00	\$ 1,050.00	\$ 1,500.00	\$ 1,500.00	\$ 1,528.00	\$ 1,528.00
1-hr Overhead Door	Each	10,000.00	1	\$ 10,000.00	\$ 10,085.00	\$ 10,085.00	\$ 13,433.00	\$ 13,433.00	\$ 10,610.00	\$ 10,610.00
Salvage Value of Steel				\$ 256,300.00		\$ 321,660.00		\$ 359,247.00		\$ 356,639.80
				\$ 3,000.00		\$ 1,000.00		\$ 587.00		\$

City of Windom
Street Garage Improvements
Bid Abstract
March 7, 2011

Item	Unit	Price	Engineers Estimate Quantity	Amount	Bidder: Everstrom Construction, Inc.		Bidder: Salonek Concrete & Const.		Bidder: Tri-state General Contracting	
					Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount
Remove Wall Panel	S.F.	1.00	8500	\$ 8,500.00	\$ 0.60	\$ 5,100.00	\$ 1.25	\$ 10,625.00	\$ 1.10	\$ 9,350.00
Remove Roof Panel	S.F.	1.00	15000	\$ 15,000.00	\$ 0.60	\$ 9,000.00	\$ 1.25	\$ 18,750.00	\$ 1.08	\$ 16,350.00
Remove W. Overhead Door	Each	1,000.00	1	\$ 1,000.00	\$ 300.00	\$ 300.00	\$ 985.00	\$ 985.00	\$ 698.00	\$ 698.00
26 Gauge Wall Panel	S.F.	4.50	8500	\$ 38,250.00	\$ 3.00	\$ 25,500.00	\$ 2.55	\$ 21,675.00	\$ 3.23	\$ 27,455.00
Wall Insulation	S.F.	1.50	15000	\$ 22,500.00	\$ 2.80	\$ 42,000.00	\$ 2.55	\$ 38,250.00	\$ 1.89	\$ 28,350.00
Roof Insulation	S.F.	1.50	8500	\$ 12,750.00	\$ 3.39	\$ 28,815.00	\$ 0.83	\$ 7,055.00	\$ 1.87	\$ 15,885.00
E. Ventilation System	Each	35,000.00	1	\$ 35,000.00	\$ 2.25	\$ 33,750.00	\$ 1.67	\$ 25,050.00	\$ 2.78	\$ 41,400.00
W. Ventilation System	Each	15,000.00	1	\$ 15,000.00	\$ 373,500.00	\$ 73,500.00	\$ 50,903.00	\$ 50,903.00	\$ 71,612.00	\$ 71,612.00
Moveable Ventilation System	Each	5,000.00	1	\$ 5,000.00	\$ 9,143.00	\$ 9,143.00	\$ 50,903.00	\$ 50,903.00	\$ 35,806.00	\$ 35,806.00
Exterior Doors	Each	1,000.00	3	\$ 3,000.00	\$ 1,680.00	\$ 5,040.00	\$ 1,550.00	\$ 4,650.00	\$ 10,392.00	\$ 10,392.00
Lever Handles	Each	100.00	12	\$ 1,200.00	\$ 275.00	\$ 3,300.00	\$ 90.00	\$ 1,080.00	\$ 79.40	\$ 952.80
Windows:										
72x36	Each	1,000.00	8	\$ 8,000.00	\$ 544.00	\$ 4,352.00	\$ 465.00	\$ 3,720.00	\$ 555.00	\$ 4,440.00
60x36	Each	1,000.00	1	\$ 1,000.00	\$ 532.00	\$ 532.00	\$ 425.00	\$ 425.00	\$ 372.00	\$ 372.00
48x40	Each	700.00	1	\$ 700.00	\$ 507.00	\$ 507.00	\$ 390.00	\$ 390.00	\$ 372.00	\$ 372.00
32x32	Each	700.00	1	\$ 700.00	\$ 481.00	\$ 481.00	\$ 370.00	\$ 370.00	\$ 372.00	\$ 372.00
E. Overhead Door Replace	Each	3,000.00	1	\$ 3,000.00	\$ 4,200.00	\$ 4,200.00	\$ 4,000.00	\$ 4,000.00	\$ 7,121.00	\$ 7,121.00
W. Overhead Door Reinstall	Each	2,000.00	1	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 3,748.00	\$ 3,748.00
1-Hr Firewall	L.F.	70.00	60	\$ 4,200.00	\$ 35.00	\$ 2,100.00	\$ 84.00	\$ 5,040.00	\$ 173.00	\$ 10,380.00
40-min. Fire Door	Each	2,000.00	1	\$ 2,000.00	\$ 1,050.00	\$ 1,050.00	\$ 1,500.00	\$ 1,500.00	\$ 1,528.00	\$ 1,528.00
1-Hr Overhead Door	Each	10,000.00	1	\$ 10,000.00	\$ 10,085.00	\$ 10,085.00	\$ 13,433.00	\$ 13,433.00	\$ 10,610.00	\$ 10,610.00
Salvage Value of Steel				\$ 256,300.00	\$ 293,755.00	\$ 312,307.00	\$ 587.00	\$ 587.00	\$ 305,342.80	\$ 305,342.80
				\$ 3,000.00	\$ 1,000.00	\$ 1,000.00	\$ 597.00	\$ 597.00	\$ -	\$ -

Option 3 - Fiberglass Insulation With Straps

Item	Unit	Price	Engineers Estimate Quantity	Amount	Bidder: Everstrom Construction, Inc.		Bidder: Salonek Concrete & Const.		Bidder: Tri-state General Contracting	
					Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount
Remove Wall Panel	S.F.	1.00	1200	\$ 1,200.00	\$ 0.60	\$ 720.00	\$ 1.25	\$ 1,500.00	\$ 1.10	\$ 1,320.00
Remove Roof Panel	S.F.	1.00	850	\$ 850.00	\$ 0.60	\$ 510.00	\$ 1.25	\$ 1,062.50	\$ 1.08	\$ 926.50
Remove W. Overhead Door	Each	1,000.00	1	\$ 1,000.00	\$ 300.00	\$ 300.00	\$ 985.00	\$ 985.00	\$ 775.00	\$ 775.00
26 Gauge Wall Panel	S.F.	4.50	1200	\$ 5,400.00	\$ 3.00	\$ 3,600.00	\$ 2.55	\$ 3,080.00	\$ 3.23	\$ 3,876.00
Wall Insulation	S.F.	1.50	850	\$ 1,275.00	\$ 2.60	\$ 2,210.00	\$ 2.55	\$ 2,167.50	\$ 1.89	\$ 1,615.50
Roof Insulation	S.F.	1.50	850	\$ 1,275.00	\$ 3.40	\$ 4,080.00	\$ 0.83	\$ 705.00	\$ 1.87	\$ 1,591.50
Exterior Doors	Each	1,000.00	3	\$ 3,000.00	\$ 2.35	\$ 1,987.50	\$ 1.67	\$ 1,419.50	\$ 2.76	\$ 2,244.00
Overhead Door	Each	2,000.00	1	\$ 2,000.00	\$ 1,680.00	\$ 1,680.00	\$ 1,500.00	\$ 1,500.00	\$ 2,215.00	\$ 2,215.00
Salvage Value of Steel				\$ 20,350.00	\$ 19,957.50	\$ 19,957.50	\$ 200.00	\$ 200.00	\$ 20,822.00	\$ 20,822.00

Option 4 - West Storage Shed

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

**A RESOLUTION AWARDED THE CONTRACT FOR A PROJECT ENTITLED
"2011 STREET SHOP IMPROVEMENT PROJECT"**

WHEREAS, pursuant to an advertisement for bids for the project entitled "2011 Street Shop Improvement Project", bids were received, opened and tabulated according to law, and the following bids were in compliance with the advertisement:

Option #1

Everstrong Construction, Inc	\$290,320.00
Salonek Concrete & Construction	\$341,302.00
Tri-State General Contracting	\$340,532.80

Option #4

Everstrong Construction, Inc	\$19,957.50
Salonek Concrete & Construction	\$16,527.50
Tri-State General Contracting	\$20,822.00

AND WHEREAS, it appears that the lowest responsible bidder for the project is as follows:

Everstrong Construction, Inc.	Option #1	\$290,320.00
	Option #4	\$19,957.50

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA, AS FOLLOWS:

1. Pursuant to the bid advertisement, the bids of \$290,320.00 for Option #1 and \$19,957.50 for Option #4 submitted by Everstrong Construction, Inc. are hereby approved for award; and the Mayor and City Administrator are hereby authorized and directed, on behalf of the City of Windom, to enter into a contract with the above contractor for completion of the components of the project, entitled "2011 Street Shop Improvement Project", according to the plans and specifications heretofore approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except for the deposits of the successful bidder and the next lowest bidder which shall be retained until the contract has been signed.

Adopted by the City Council this 15th day of March, 2011.

Kirby G. Kruse, Mayor

Attest:

Steven Nasby, City Administrator

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

RESOLUTION MAKING A DECLARATION OF OFFICIAL INTENT UNDER U.S. TREASURY REGULATIONS SECTION 1.150-2

WHEREAS, the Internal Revenue Code of 1986, as amended, and Treasury Regulations Section 1.150-2 promulgated thereunder (the "Reimbursement Rules"), require that in order for an issuer to use the proceeds of an issue of tax-exempt obligations to reimburse an original expenditure paid before the issue date of the obligations, an issuer must adopt an official intent for the original expenditure not later than 60 days after payment thereof; and

WHEREAS, the City of Windom, Minnesota, (the "Issuer") is a governmental unit with bond issuing powers; and

WHEREAS, the Issuer intends to finance improvements to its public works facility (Windom Street Shop) (the "Project"), from proceeds of an issue of tax-exempt obligations (the "Bonds"); and

WHEREAS, it may be necessary for the Issuer to temporarily finance certain costs of the Project by using either working capital and cash reserves which will be needed for other purposes, or temporary loans from financial institutions or others prior to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, AS FOLLOWS:

1. The maximum principal amount of the Bonds is \$350,000.
2. The Issuer reasonably expects to incur expenditures with respect to the Project in advance of issuance of the Bonds.
3. The Issuer reasonably expects that expenditures for the Project will be reimbursed from the proceeds of the Bonds.
4. The reimbursement will occur not later than 18 months after the later of the date the original expenditure was paid or the date the Project is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.
5. The Issuer has not previously adopted a resolution under the Reimbursement Rules for a project, the costs of which were not paid from the proceeds of an issue of tax-exempt bonds.

Adopted by the City Council this 15th day of March, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator



Bobcat

Product Quotation

Quotation Number: CMS-13960

Date: 2011-03-08 11:42:53

Customer Name/Address: CITY OF WINDOM Attn: BRUCE 1480 8TH AVE WINDOM, MN 56101 Phone: (507) 831-6137 Fax: (507) 831-6157	Bobcat Dealer GDF Enterprises 73 24TH STREET P.O. BOX 101 WINDOM MN 56101-0101 Phone: (507) 831-5342 Fax: (507) 831-2601	Contract Holder/Manufacturer Bobcat Company PO Box 6000 West Fargo, ND 58078 Phone: 701-241-8719 Fax: 701-280-7860 Contact: Crystal Stram Crystal.stram@doosan.com
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Description – for S185 HF	Part No	Qty	Price Ea.	Total
SB240 Snowblower - 72" Width	M7005	1	\$3,959.64	\$3,959.64
--- 9.6 Hyd Motor Package (25 - 31 gpm)	M7005-R01-C04	1	\$747.32	\$747.32

Quote Total - US dollars

\$4,706.96

**Prices per the Minnesota Contract# 442996. Contract Period: 04-26-10 thru 4-30-11*
**Must be a Coop Member to purchase off contract*
**Terms Net 30 Days. Credit cards accepted.*
**FOB Destination within the 48 Contiguous States.*
**Delivery: 90 days from ARO.*
**State Sales Taxes apply.*
**TID# 38-0425350*
***ORDERS MUST BE PLACED WITH: Clark Equipment Company dba Bobcat Company, Govt Sales, PO Box 6000, West Fargo, ND 58078.**

Prices & Specifications are subject to change. Please call before placing an order. Applies to factory ordered units only.

ORDER ACCEPTED BY:

SIGNATURE

DATED

PRINT NAME AND TITLE

PURCHASE ORDER #

SHIP TO ADDRESS: _____

BILL TO ADDRESS (if different than Ship To): _____



MEMORANDUM



CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council
FROM: City Administrator *[Signature]*
DATE: March 9, 2011
RE: City Web Site – Update and Redesign

The City of Windom's current web site has been in place since 2006. As technologies change and more information, research and business is conducted through the internet it is important for us to remain up-to-date. As a fully wired community our web presence should showcase this aspect of the community. Marketing Windom will become a larger function of the new web site along with more integration and coordination with other groups.

Enclosed in the Council packet is a web development contract with Jill Beim LLC. Pricing information was solicited from Revise, Inc. and Beim LLC.

- The options with Revise included a cost estimate of \$5,000 to \$8,000 with no new web pages and City staff doing all of the work to convert and update the current City web pages (200+ pages). This Revise option also required the City to sign a \$150\month web hosting agreement with them. Revise's other option was the purchase of their software for \$25,000.
- The quote from Beim LLC included a cost estimate of \$11,165 to \$18,420 depending upon the amount of work the City requested. The City could continue to provide for the hosting of the site.

Staff is recommending the selection of Beim LLC as the costs appear to be better defined and the City is not locked into purchasing additional software or web hosting services. In addition, Beim LLC was the web developer the City previously used for the creation of the current site as such they are familiar with Windom and has a good working relationship with City staff. The costs of the web site will be divided up among the various City departments and the Economic Development Authority will contribute some of their marketing funds and staff resources to the project.

The City's web site is currently hosted on a server at the Telecom building and maintained by them. Due to the age of that server, on-going maintenance and potential for additional software expenses staff has also solicited pricing information on web hosting. National services such as GoDaddy.com are possible options with monthly costs of approximately \$15\month. Locally, Citizen Publishing provides web hosting and could handle the City's site for approximately \$25\month. Staff is recommending the new City web site be hosted off-site through the Citizen Publishing Company.

Last, the City has applied for some funding support for the web site redesign through Blandin's MIRC grant. We have requested \$9,000 from this grant source and should know if the project is funded on March 16.

WEB SITE DEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement") is entered into on March 15, 2011, between Beim Consulting LLC ("Developer"), with its principal place of business located at 8745 185th Ave SE, Becker, Minnesota, 55308 and City of Windom ("Client"), with its principal place of business located at PO Box 38, Windom, Minnesota, 56101 and shall be effective as of March 15, 2011 (the "Effective Date").

RECITALS

WHEREAS, Developer is engaged in the business of the design and implementation of Internet web sites,

WHEREAS, Client desires to retain Developer for the design and implementation of the web site set forth herein,

NOW THEREFORE, Developer and Client agree as follows:

1. Scope of Services

Developer agrees to design and implement a web site for Client in accordance with the specifications set forth in "Exhibit A" (the "Statement of Work").

2. Price and Payment Terms

Client will pay Developer for the Development Services according to the terms and time frames for completion set forth in "Exhibit A".

3. Term and Termination

Unless terminated as provided herein, this Agreement will extend to and terminate upon completion of the Development Services or until September 1, 2011, whichever is first. In order to complete the project before the termination date of September 1, 2011, Client must supply all required elements or information to Developer as outlined in the Project Milestones/Tasks in "Exhibit A" and defined during Project Set-Up. In the event that Client does not supply the required elements or information to Developer by said date(s), the contract completion date may be extended as agreed upon by Client and Developer in writing.

If Client does not supply the required elements or information to Developer by September 1, 2011, and an alternative completion date CANNOT be agreed upon, Client shall be liable to pay for all work completed up to September 1, 2011 at the hourly rate listed in the "Exhibit A", attached hereto and incorporated by reference.

This Agreement may be terminated upon written notice by mutual consent of both parties, or unilaterally by either party for reasonable cause (impossibility of performance due to such events including, but not limited to death, disability or the loss of facilities/equipment needed to complete the work). In the event of termination, Client agrees to pay Developer for all Development Services performed up to the date of termination and for any reimbursable costs. Either party may terminate this agreement for material breach, provided, however, that the terminating party has given the other party at least twenty-one (21) days written notice of and the opportunity to cure the breach. Termination for breach will not preclude the terminating party from exercising any other remedies for breach.

4. Ownership of Intellectual Property

To the extent that Developer has received payment of compensation as provided in this Agreement, Developer hereby assigns to Client all right, title, and interest in any intellectual property created or developed by Developer for Client under this agreement.

5. Confidential Information

A. All information relating to Client that is known to be confidential or proprietary, or which is clearly marked as such, will be held in confidence by Developer and will not be disclosed or used by Developer except to the extent that such disclosure or use is reasonably necessary to the performance of the Development Services.

B. All information relating to Developer that is known to be confidential or proprietary, or which is clearly marked as such, will be held in confidence by Client and will not be disclosed or used by Client except to the extent that such disclosure or use is reasonably necessary to the performance of Client's duties and obligations under this Agreement.

C. These obligations of confidentiality will continue after the termination of this agreement, but will not apply with respect to information that is independently developed by the parties, lawfully becomes a part of the public domain, or of which the parties gained knowledge or possession free of any confidentiality obligation.

6. Warranty and Disclaimer

Developer warrants that the Development Services will be provided in a workmanlike manner, and in conformity with generally prevailing industry standards. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES (OTHER THAN EXPRESS WARRANTIES OR FITNESS FOR A PARTICULAR PURPOSE) AND ANY ORAL OR WRITTEN REPRESENTATIONS, PROPOSALS OR STATEMENTS MADE ON OR PRIOR TO THE EFFECTIVE DATE OF THIS AGREEMENT.

7. Limitation of Remedies

Client's sole and exclusive remedy for any claim against Developer with respect to the quality of the Development Services will be the correction by Developer of any material defects or deficiencies therein, of which Client notifies Developer in writing within sixty (60) days after the completion of that portion of the Development Services. In the absence of any such notice, the Development Services will be deemed satisfactory to and accepted by Client.

8. Limitation of Liability

In no event will Developer be liable for any loss of profit or revenue by Client, or for any other consequential, incidental, indirect or economic damages incurred or suffered by Client arising as a result of or related to the Development Services, whether in contract, tort or otherwise, even if Client has advised of the possibility of such loss or damages. After the contract has been completed or terminated, Client further agrees that the total liability of the Developer for all claims of any kind arising as a result of or related to this Agreement, or to any act or omission of Developer, whether in contract, tort or otherwise, will not exceed an amount equal to the amount actually paid by Client to Developer for the Development Services during the twelve (12) month period preceding the date the claim arises. Client will indemnify and hold Developer harmless against any claims by third parties, including all costs, expenses and attorneys' fees incurred by Developer therein, arising out of or in conjunction with Client's performance under or breach of this Agreement. Client warrants and represents that it is the rightful owner or licensee of all content that it may provide to Developer for implementation on the web site. Client will indemnify and hold Developer harmless against any claims for infringement of intellectual property, including but not limited to infringement of any copyright, trademark, patent or trade secret made against Developer by any third party.

9. Relation of Parties

The performance by Developer of its duties and obligations under this Agreement will be that of an independent contractor, and nothing herein will create or imply an agency relationship between Developer and Client, nor will this Agreement be deemed to constitute a joint venture or partnership between the parties.

10. Employee Solicitation/Hiring

During the period of this agreement and for twelve (12) months thereafter, neither party will directly or indirectly solicit or offer employment to or hire any employee, former employee, subcontractor, or former subcontractor of the other. The terms "former employee" and "former subcontractor" will include only those employees or subcontractors of either party who were employed or utilized by that party on the Effective Date of this Agreement.

11. Non-assignment

Neither party will assign this Agreement, in whole or in part, without the prior written consent of the other party. This Agreement will inure to the benefit of, and be binding upon the parties hereto, together with their respective legal representatives, successors, and assigns, as permitted herein.

12. Arbitration

Any dispute arising under this Agreement will be subject to binding arbitration by a single Arbitrator with the American Arbitration Association (AAA), in accordance with its relevant industry rules, if any. The parties agree that this Agreement will be governed by and construed and interpreted in accordance with the laws of the State of Minnesota. The arbitration will be held in Minnesota. The Arbitrator will have the authority to grant injunctive relief and specific performance to enforce the terms of this Agreement. Judgment on any award rendered by the Arbitrator may be entered in any Court of competent jurisdiction.

13. Attorneys' Fees

If any litigation or arbitration is necessary to enforce the terms of this Agreement, the prevailing party will be entitled to reasonable attorneys' fees and costs.

14. Severability

If any term of this Agreement is found to be unenforceable or contrary to law, it will be modified to the least extent necessary to make it enforceable, and the remaining portions of this Agreement will remain in full force and effect.

15. Force Majeure

Neither party will be held responsible for any delay or failure in performance of any part of this Agreement to the extent that such delay is caused by events or circumstances beyond the delayed party's reasonable control.

16. No Waiver

The waiver by any party of any breach of covenant will not be construed to be a waiver of any succeeding breach or any other covenant. All waivers must be in writing, and signed by the party waiving its rights. This Agreement may be modified only by a written instrument executed by authorized representatives of the parties hereto.

17. Entire Agreement

This Agreement together with any attachments referred to herein constitute the entire agreement between the parties with respect to its subject matter, and supersedes all prior agreements, proposals, negotiations, representations or communications relating to the subject matter. Both parties acknowledge that they have not been induced to enter into this Agreement by any representations or promises not specifically stated herein.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

Developer Beim Consulting LLC

Client City of Windom

By:



Title: Owner

By: _____

Title: City Administrator

EXHIBIT A: STATEMENT OF WORK

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PREAMBLE

This Statement of Work accompanies an Agreement that has been executed by the parties. All statements of fact contained in this Statement of Work are subject to the terms and conditions set forth in such Agreement. The terms and conditions set forth in the Agreement control in the event of any inconsistency between such terms and conditions and the matters set forth in this Statement of Work.

PROJECT OBJECTIVE

REQUIREMENTS:

The Client has defined the following requirements:

- Redesign on the website to update its look and functionality
- Install and use WordPress as a content management system to update/maintain the site
- Shift the focus of the site to showcase the benefits of living in Windom (more of a marketing feel), but also continue to provide the information for the community about city services.
- Transfer the existing content to the new site

- Update the site's hierarchy/structure – client estimates a 15% change in the existing structure
- Add functionality to have the site translated into Spanish and Somali
- Add the ability to embed videos and pictures – photo galleries and image sliders that will showcase the city of Windom
- Incorporate an events calendar and if possible, attach documents such as council packets to an event in the calendar
- Incorporate an e-alert (mail-subscription) system
- Incorporate an online registration system that also allows for online payment collection
- Add an "Official Public Notices" page to the site
- Incorporate more visual elements into the site – the use of an image slider on the home page; the use of icons to highlight links to other sections of the sites or logos to act as links to external websites, etc.
- Incorporate Website optimization (natural SEO) – adding meta data and using appropriate keywords in page titles, file names, link and image text, headings and the page content.

CONSTRAINTS:

- Site launched by September 1st, 2011 and start date of March 15, 2011
- WordPress as Content Management System
- Decisions on payment system (gateway) must be made before work can begin on online registration with payment collection functionality can be added and the incorporation of e-payments for city utilities
- Language translation of site will be limited to the available language translation plug-ins available for WordPress
- Items needed for website (images, videos, logos, icons, etc.) and Tasks assigned to client must be provided/completed as defined in the project timeline as provided by Developer

KEY TASKS AND MILESTONES

1. Project Set-up: The project has been setup in the online project management system.
 - 1.1. Milestones, tasks, timeline and items needed for project entered and approved by Client and Developer
2. Refine Requirements and Constraints
 - 2.1. Content Management System
 - 2.2. Web Hosting and eMail Server
 - 2.3. e-Payment Solutions Provider
 - 2.4. e-Alert System
 - 2.5. Online Registration and Payment system

3. Preliminary Design Phase
 - 3.1. Wireframes developed and approved
 - 3.2. Website sitemap/navigation (page heirarchy) defined and approved
4. Design Phase
 - 4.1. Web page mock-ups created (homepage and selected sub-pages, such as main pages for departments and special pages, such as contact forms or registration forms).
 - 4.2. Client reviews and revisions implemented
 - 4.3. Final mock-ups approved
5. Development Phase
 - 5.1. Development of WordPress theme
 - 5.1.1. Includes the core PHP files needed for basis WordPress theme, such as the header, footer, main content area, sidebars and specific page templates
 - 5.1.2. Creation of stylesheets/XHTML
 - 5.2. Client review and revision implemented
 - 5.3. Final approval of WordPress theme
 - 5.4. Installation and/or creation of custom WordPress plugins or modules, including but not limited to user login/registration, event calendars, image sliders/slideshows, video players, etc.
 - 5.5. Creation of web pages from existing and new content using the WordPress theme
 - 5.6. Incorporaton of chosen e-payment system as directed by payment processor (vendor)
6. Review and Revisions Phase
 - 6.1. Client review of web site – provides list of changes to implement
 - 6.2. Client changeds addresses and implemented by Developer
 - 6.3. Site compatibility confirmed and any problems resolved
7. Site Launch Phase
 - 7.1. Pre-launch review completed – Client approval
 - 7.2. Site Launched on production/live server
 - 7.3. Post-launch review – any necessary fixes applied
 - 7.4. Final client approval
 - 7.5. Client training conducted

TIME AND COST ESTIMATES

Projected Start Date: March 15, 2011

Projected End Date: September 1, 2011

Beim Consulting, LLC. bills on an hourly basis and not a flat-rate fee. The following is a ballpark estimate based on a website that contains 150-250 pages.

		<i>Low Estimate</i>	<i>High Estimate</i>
Number of Pages to	150-250	\$5,000	\$8,440

convert			
Design	moderately styled (not a highly complex design)	\$2,025	\$2,700
Copywriting	None	0	0
Incorporating Flash or videos, Image manipulation, e-payments for city utilities, online event registration and payment system, e-alert system	Moderate-High	\$1800	\$3600
CMS	Standard Installation and Setup – DB Integration	\$900	\$1350
Training (8 hrs to create training materials/manual and 4-8 hours of training)	Client training by phone and manual (low estimate) – in person (high estimate includes 0.51/mile reimbursement and hotel cost of \$70 per night)	\$540	\$980
Project Management/Setup	Low-moderate	\$900	\$1350
		\$11,165.00	\$18,420.00

The actual amount billed for this project is dependent upon the work specified in the Website Design Agreement and the actual work (hours) completed. For example, the above estimate assumes that Beim Consulting will be converting all of the existing pages of the site into the new site /CMS. If the Client decides to do some of that work themselves, the actual amount of work completed/billed may be less than the above estimate. Likewise, if the Client requests work to be done that was not included in the estimates or conversations preceding this agreement, the actual amount billed may be higher than the estimate. The actual amount billed shall not exceed \$18,420.00 without the written consent of the Client.

Any licenses/fees for images, software, templates, themes, etc. will be billed as reimbursable fees and are not included in the above estimate.

PRICE AND PAYMENT

Developer is being hired on an hourly basis at a rate of \$45.00 per hour to perform the Services according to this Statement of Work. This Statement of Work is subject to a nonbinding estimate of total labor costs to complete this work. Client accepts that a stable scope of work is critical to achieving the price estimates. Testing and debugging work is considered a normal part of work performed under this Statement of Work at the rates

specified. Developer will maintain daily records of hours and tasks performed, which will be submitted to Client upon request. All work schedules will be considered reasonably accurate estimates, subject to revision.

INVOICES AND PAYMENT

Services will be invoiced bi-weekly (every 2 weeks) and sent electronically to the Client.

Payment is due upon receipt of invoice. Client may not withhold any amounts due hereunder and Developer reserves the right to cease work without prejudice if amounts are not paid when due. Payments will be considered late if not received within 15 days of the date of the invoice. Any late payment will be subject to any costs of collection (including reasonable legal fees) and will bear interest at the rate of one (1) percent per month or fraction thereof until paid.

PROJECT MANAGEMENT

Developer will set up the project plan with milestones and tasks in an online project management system. Client will have access to this system and will be able to communicate with the Developer through this interface. Task and Milestone completions, Client approvals, Developer time and expense reporting will be recorded here. The interface will also allow the sharing of documents, images and the like through the interface.

EXPENSES AND TAXES

Prices quoted for Services do not include and Client will reimburse Developer for its reasonable and necessary cost of travel and out-of-pocket costs for software and image licenses, web hosting fees, photocopying, overnight courier, unusual long distance telephone and the like. All non-local trips must be approved by Client before commencing. Any applicable sales tax is to be paid by Client.



Memo

To: Mayor and Council Members
From: Denise Nichols
CC: Steve Nasby
Date: 3/10/2011
Re: Blandin Grant Funding – Emergency Services

The City of Windom, through the Blandin Minnesota Intelligent Rural Communities Grant program (MIRC), has been awarded a grant in the amount of \$27,250 for emergency services to purchase thirteen computers, mounting brackets, software and also includes the installation of the equipment. The City of Windom and Cottonwood County Sheriff Department will install the equipment in the two fire rigs, three Windom Police squad cars, five Sheriff's squad cars and three ambulance rigs.

The grant funding will allow for the expansion of the capabilities of law enforcement and emergency responders within the City of Windom and Cottonwood County by providing portable technology in public safety vehicles. The use of computers and web-based technology will supplement the ability of local law enforcement, ambulance services and fire response members to serve the public more effectively. Broadband information will be used when responding to natural disasters, emergency and law enforcement situations. These computers, along with a broadband connection, will facilitate completion of reports and enhance records management.

The total project cost is \$54,362. The grant requires a 1:1 match. The match may be comprised of both cash and in-kind funding. Attached is the final budget for the grant including information detailing project cost and matching funds.

Requested Action: None – Informational only. On March 2, 2010, the Council previously approved the application of the initial grant for the City of Windom as a Demonstration Community for the Blandin Minnesota Intelligent Rural Communities (MIRC) Project. The Emergency Services project was a part of this grant application.

BLANDIN MIRC PROJECT BUDGET

13 – Dell lap top computers	\$1,500 each	\$19,500
13 – Mounting brackets	\$ 500 each	\$ 6,500
13 –Power Supply	\$ 50 each	\$ 650
13 – Microsoft software	\$ 200 each	\$ 2,600
13 – Installation	\$ 500 each	<u>\$ 6,500</u>

Equipment Total \$35,750

Training – (includes cost for personnel to attend training) \$10,500

Wireless Subscription 13 units @ 24 months \$624 each \$ 8,112

PROJECT TOTAL \$ 54,362

LESS MATCHING FUNDS

In kind match – (Training of 60 Emergency Service Personnel)	\$ 10,500
Cash match - Wireless Subscription	\$ 8,112
Cash match - \$100 per computer	\$ 1,300
Cash match – installation of Ambulance & Fire	\$ 5,000
Cash match - Ambulance – software	<u>\$ 2,100</u>

Total Match 50% -\$ 27,012

Grant Request Amount \$27,250

In-Kind Match - Training

Cottonwood County	\$3,000
Police Dept	\$2,000
Ambulance Dept	\$2,400
Fire Dept	<u>\$3,100</u>
	\$10,500

Cash Match –

1) 2 year wireless subscription	
Cottonwood County	\$3,120
Police Dept	\$1,872
Ambulance Dept	\$1,872
Fire Dept	<u>\$1,248</u>
	\$8,112

2) Contribution for Computers = \$100 per computer	
Cottonwood County	\$ 500
Police Dept	\$ 300
Ambulance Dept	\$ 300
Fire Dept	<u>\$ 200</u>
	\$1,300

3) Installation and brackets	
Ambulance	\$3,000
Fire Dept	<u>\$2,000</u>
	\$5,000

4) Software	
Ambulance Dept	\$2,100

CM CINNAMON MUELLER

A Professional Limited Liability Company

307 North Michigan Avenue, Suite 1020
Chicago, Illinois 60601
Telephone: 312-372-3930
Facsimile: 312-372-3939

Bruce E. Beard
Admitted in Illinois and Missouri
bbeard@cm-chi.com

Washington, D.C. Office
1333 New Hampshire Ave
Floor 2
Washington D.C., 20036

March 9, 2011

John Schultz
President
U-reka Broadband Ventures LLC
176 Rutherford Road
Stillwater, MN 55082

Dan Olsen
Windomnet Telecommunications
443 10th Street
Windom, MN 56101

Re: Southwest Minnesota Broadband Services ("SMBS"); City of Windom /Windomnet Telecommunications ("City"); Proposal for Legal Services

Dear John and Dan:

We are delighted to make this proposal to represent SMBS and the City in developing a strategy for providing video services through the facilities deployed through the ARRA/BIP grant. We provide a Scope of Work divided into distinct steps with an estimated cost of each. If the proposal is acceptable, we suggest a phone call to discuss how you would like to handle the billing arrangements. We will then prepare the appropriate engagement letters.

Scope of work

- **Structure Analysis** - Analyze and develop a strategy for the provision of video services by City throughout the SMBS service area.
 - Review the City's direct programming, NCTC programming and broadcast contracts.
 - Review ARRA/BIP provisions regarding the lease of funded facilities.
 - Review the City's organizational documents for any restrictions on expansion beyond city limits.
- **Permitting** - Consultation regarding permit issues, including obtaining necessary franchises for Windomnet Telecommunications service area expansion and FCC CUID filings.
- **Contracting** - Draft facilities lease agreement between SMBS/SMBS members and City.
 - Analyze ARRA/BIP requirements and draft necessary provisions.
 - Analyze programming requirements and draft necessary provisions.
- **Cable and Broadband Counsel** - Provide the City with ongoing consultation on programming, operational and regulatory matters as requested.
- **Timing** - We are prepared to commence the project upon acceptance of this proposal and completion of the engagement letters.

Fees and Payment Terms

DRAFT

We propose billing on an hourly basis and provide below our good faith estimate of fee ranges for each phase of the project.

Structure Analysis - \$8,000 - \$11,000
Permitting - \$5,000 - \$7,500
Contracting - \$4,000 - \$5,000
Cable and Broadband counsel – as requested

Given the custom nature of the project, and the likely need to coordinate with multiple entities, there is the possibility that fees for portions of the project could exceed the estimates above. To help you control costs, we can commit to providing advance notice of anticipated overages, allowing you to adjust the budget or scope of work.

Our current hourly rates are \$265-\$315 for partners, \$165-\$265 for associates and \$120 for paralegals, comparing very favorably with similarly situated cable and telecommunications regulatory firms. We bill monthly and request payment within 30 days of invoicing. If SMBS and the City require different payment terms due to BIP requirements, we can certainly accommodate that.

Because this is the first representation of SMBS and the City, we would request an initial retainer of \$5,000. As legal services are performed and expenses incurred, the fees and expenses will be credited against the retainer amount. Once the fees and expenses exceed the amount of the retainer amount we will bill you on a monthly basis as described above.

Statement of Qualifications

As noted on our call, the ability of the City to expand its service area over SMBS facilities will depend on the terms of the programming and broadcast agreements, the structure of the relationship and obtaining proper authority. Similarly, the ability of SMBS to lease facilities will be dependent on the structure of the transaction and the ARRA/BIP regulations. Our firm is uniquely positioned to assist with this project.

CM is a nationally-recognized provider of legal services to small and medium-sized cable and telecommunications companies. CM is involved in the negotiation of programming agreements and retransmission consent agreements on an almost daily basis. In addition, we work closely with the National Cable Television Cooperative on behalf of our clients. We are nationally recognized authorities on the regulation and negotiation of video programming, retransmission consent and video franchise agreements. Our experience includes representing cable clients in over 1,000 cable and telecommunications franchise renewals, transfers and related disputes and negotiations.

We are also experienced in dealing with ARRA/BIP and BTOP regulations and grants. We have presented webinars and other presentations in conjunction with the American Cable Association and NCTC, in addition to advising and assisting several clients with their applications. We are currently assisting grant recipients on compliance issues and expansion of existing footprints and service offerings, including provision of video services for the first time.

More information about CM can be found on our website: <http://www.cinnamonmueller.com>.

Conflict of Interest Waiver

DRAFT

As discussed on our call, SMBS, its members, and the City are likely to be parties to one or more agreements between each other, presenting a conflict of interest for us. We have determined that, subject to your consent, our representation of each party would not adversely affect the representation of the other. To proceed with the project, we would need the parties to waive the conflict.

We would be delighted to assist SMBS and the City with this project. If this proposal is acceptable, please sign below and return a copy to us. We should also set up a call to discuss billing arrangements and the execution of appropriate engagement letters.

Sincerely,



Bruce E. Beard

cc: Christopher C. Cinnamon
Heidi I. Schmid

Accepted:

By: _____
Name: John Schultz
Title: President, U-reka Broadband Ventures LLC
Date: _____

Accepted:

By: _____
Name: Dan Olsen
Title: _____, City of Windom/Windomnet Telecommunications
Date: _____

CINNAMON MUELLER

MEMORANDUM



CITY OF WINDOM
444 9th Street
Windom, MN 56101
Phone: 507-831-6129
Fax: 507-831-6127
www.windom-mn.com

TO: City Council

FROM: Personnel Committee

DATE: March 10, 2011

RE: Retirement Resignations and Staffing – Police Department and Street/Parks Department

On March 9, 2011 the Personnel Committee met to discuss the retirement resignations of two employees. Both Jeff Shirkey, Police Chief and Barry Marcy, Street Department Foreman have been with the City of Windom since 1978. The Personnel Committee also discussed the requests made by these employees for use of their vacation time and the re-filling of these positions.

Police Chief Shirkey presented his resignation to the Civil Service Commission (please see attached) and they have recommended the re-hiring of the Windom Police Chief's position as soon as possible. Chief Shirkey has requested that his last work day in the office be May 27, 2011 and then use his vacation time until his last official day on or about September 2, 2011. The Personnel Committee is recommending to the City Council that Chief Shirkey's request to use vacation time be approved and that the Police Chief's position be advertised immediately.

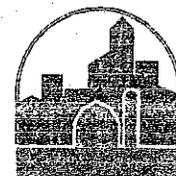
Barry Marcy, Street Department Foreman, has requested that his last work day in the office be May 27, 2011 and then use his vacation time until his last official day on or about July 31, 2011 (please see attached). The Personnel Committee is recommending to the City Council that Mr. Marcy's request to use vacation time be approved and that the Street Department Foreman's position (Grade 7) be internally advertised following Mr. Marcy's last day on July 31, 2011.

The Street Department will advertise for a Street Maintenance worker (Grade 6), internally as required by union contract, and also review the top candidates from summer 2010 when the last position in the Street Department was filled. This position would be filled as soon as possible.



WINDOM POLICE DEPARTMENT

444 9th St., P. O. Box 38
Windom, MN 56101
(507) 831-6134
Fax: (507) 831-1957



Jeffrey A. Shirkey, Chief

February 7, 2011

Windom Police Civil Service Commission
Windom City Council
City Administrator

With this letter, and long thoughts, I am officially announcing my intention to retire from the Windom Police Department, effective September 2, 2011. I realize that this date is several months in the future, but it is my desire to allow for a smooth transition from my leadership to that of the next chief.

The summer of 1978 seems like yesterday, and yet 33 years later, I still have the honor and privilege of serving the citizens of the City of Windom. Through the years there have been many changes in the field of Law Enforcement, in terms of procedures, policies and structure. One thing that has remained the same is the pride and dedication of the officers that serve to keep the citizens of Windom safe. The citizens of Windom have a Police Department that they can be proud of!

I would like to thank the citizens of Windom for allowing me to serve them for my entire 33 year career, starting out as a patrolman and working through the rank of Sergeant and the last 10 years as Chief of Police. I would also like to thank the past and present Windom Police Civil Service Commission members and City Council members who have also taken the time to serve the citizens of Windom and have given their all to make Windom a safe city to live and raise a family in. In addition, I would like to thank all of the employees of the City of Windom who work with great pride to make Windom a city to be proud of. I will miss working side by side with all of you!

Law Enforcement will be a career that I will greatly miss, but I am looking forward in exploring employment in the private sector, in a community that I am very proud of and honored to have been given the opportunity to have served.

Sincerely;

Jeffrey A. Shirkey, Chief
Windom Police Department

Windom Police Civil Service Commission

DATE: February 7, 2011

SUBJECT: Windom Police Civil Service Commission Meeting

COPY

Attendance: Dean Schoeb
Keith Lohse
Kathleen Kretsch
Mayor Kirby Kruse
Chief Jeff Shirkey

Meeting was called to order at 5:02 p.m., by President Dean Schoeb. The reason for the meeting was the annual election of officers. President Schoeb nominated Keith Lohse to be President and Kathleen Kretsch to be Secretary, which they both accepted.

President - Keith Lohse
Secretary - Kathleen Kretsch

Member - Dean Schoeb
Council Contact - Mayor Kirby Kruse

Chief Shirkey informed the commission that Officer Cory Hillesheim continues to excel, and has been a perfect fit for their department, Officer Joshua Partlow who started 12-1-10, is doing extremely well and was able to accelerate through his training, due to his prior experience, which has proved to be an asset already, due to Officer Wallace who has been out on sick leave after surgery on her elbow, from a non-work related injury. Out from 12-27-10 to 2-27-11.

Sgt. Patterson officially started his duties today, 2-7-11, but had already stepped up since Sgt. Toninato's retirement, by taking over his duties. He also completed CLEO & Command school this past week, which is geared toward new or future Chiefs of Police.

Chief Shirkey informed the commission that it was necessary to put the Snow Emergency Parking ordinance into effect due to all of the snow that we have received and that everything has gone smoothly, so far.

The last thing that Chief Shirkey brought to our attention was his pending retirement and presented us with his letter of intent to retire. He informed us that his last day of work would be May 27, 2011, with his last official day being September 2, 2011, pending approval by the city council.

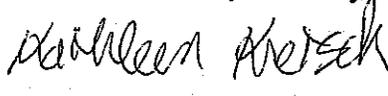
In discussing this with Chief Shirkey, we the Windom Police Civil Service Commission recommend that the City of Windom, immediately advertise and start the process to hire Chief Shirkey's replacement. (See attached Chief of Police job description).

Meeting was adjourned at 5:51 p.m..
Respectfully;

Keith Lohse, President



Kathleen Kretsch, Secretary



Dean Schoeb, Member



To whom it may concern;

COPY

After having served the City of Windom as an employee of the street department since March 13, 1978, I intend to resign effective July 31, 2011. My intent is to work my last day on or about the 27th of May, 2011. I would then draw on my accumulated vacation time, comp. time, free day, and holidays (Memorial Day and the 4th of July) until dismissal. If this does not meet with your approval, please let me know and I can refigure my last day of employment. If this does meet with your approval, please consider this my letter of resignation.

Thank You


Barry Marcy

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	COALITION OF GREATER	REGISTRATION	195.00
	Total for Department 101		195.00*
CITY OFFICE	MII LIFE	VEBA	198.40
CITY OFFICE	MN NCPERS LIFE INSUR	INSURANCE	80.00
	Total for Department 103		278.40*
P & Z / BUILDING OFF	Verizon Wireless	TELEPHONE	34.12
P & Z / BUILDING OFF	MII LIFE	VEBA	148.80
P & Z / BUILDING OFF	MN NCPERS LIFE INSUR	INSURANCE	24.00
	Total for Department 106		206.92*
CITY HALL	SANDRA HERDER	CLEANING	305.60
CITY HALL	JOE'S LAWN CARE	BOILER INSPECTION	37.50
CITY HALL	JAY KUEHL	SNOW REMOVAL	60.00
CITY HALL	MELISSA PENAS	CLEANING	305.60
CITY HALL	SECR REV FUND/CITY O	SUPPLIES	1.77
	Total for Department 115		710.47*
POLICE	LEAGUE OF MN. CITIES	SUBSCRIPTION	680.00
POLICE	MII LIFE	VEBA	1,584.64
POLICE	MN BOARD OF PEACE OF	SERVICE	270.00
POLICE	MN NCPERS LIFE INSUR	INSURANCE	144.00
POLICE	SECR REV FUND/CITY O	POSTAGE	56.24
	Total for Department 120		2,734.88*
FIRE DEPARTMENT	Verizon Wireless	TELEPHONE	34.10
FIRE DEPARTMENT	UNITED MEDICAL CLINI	PHYSICALS	864.00
	Total for Department 125		898.10*
STREET	Verizon Wireless	TELEPHONE	37.88
STREET	MII LIFE	VEBA	841.92
STREET	MN NCPERS LIFE INSUR	INSURANCE	80.00
	Total for Department 140		959.80*
PARKS	MII LIFE	VEBA	185.68
PARKS	MN NCPERS LIFE INSUR	INSURANCE	16.00
	Total for Department 165		201.68*
	Total for Fund 01		6,185.25*
LIBRARY	DAWN AAMOT	SUPPLIES	52.25
LIBRARY	SANDRA HERDER	CLEANING	305.60
LIBRARY	JOE'S LAWN CARE	BOILER INSPECTION	37.50
LIBRARY	JAY KUEHL	SNOW REMOVAL	60.00
LIBRARY	MELISSA PENAS	CLEANING	305.60
LIBRARY	WORTHINGTON DAILY GL	SUBSCRIPTION	159.35
	Total for Department 171		920.30*
	Total for Fund 03		920.30*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	CONSTRUCTION BULLETI AD		208.25
	Total for Department		208.25*
	Total for Fund 04		208.25*
AIRPORT	SO. CENTRAL ELECTRIC POWER COST		1,307.54
	Total for Department 174		1,307.54*
	Total for Fund 11		1,307.54*
AMBULANCE	KATE AXFORD	TRAINING EXPENSE	85.00
	Total for Department 176		85.00*
	Total for Fund 13		85.00*
MULTI-PURPOSE BUILDI	Verizon Wireless	TELEPHONE	34.10
MULTI-PURPOSE BUILDI	MII LIFE	VEBA	284.88
MULTI-PURPOSE BUILDI	MN NCPERS LIFE INSUR	INSURANCE	32.00
	Total for Department 177		350.98*
	Total for Fund 14		350.98*
N IND PARK	SO. CENTRAL ELECTRIC POWER COST		43.68
	Total for Department 147		43.68*
	Total for Fund 18		43.68*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	5,256.00
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	1,797.51
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	6,875.10
LIQUOR	A H HERMEL CANDY & T	MERCHANDISE	557.72
LIQUOR	JOHNSON BROS.	MERCHANDISE	1,817.90
LIQUOR	MII LIFE	VEBA	371.36
LIQUOR	MN NCPERS LIFE INSUR	INSURANCE	32.00
LIQUOR	MN ENERGY RESOURCES	HEATING	529.07
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	861.20
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	6,929.76
LIQUOR	BANK MIDWEST	NSF CHECK	32.95
	Total for Department 180		25,060.57*
	Total for Fund 60		25,060.57*
WATER	JEFF CHRISTIANS	REGISTRATION	45.00
WATER	GODFATHER'S PIZZA	EXPENSE	19.62
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
WATER	Verizon Wireless	TELEPHONE	57.07
WATER	MII LIFE	VEBA	374.54
WATER	MN NCPERS LIFE INSUR	INSURANCE	40.00
WATER	RED ROCK RURAL WATER	WATER	23.50
WATER	SECR REV FUND/CITY O	POSTAGE	2.41

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount

WATER	WENCK ASSOCIATES, IN LANDFILL		1,403.96
	Total for Department 181		2,132.77*
	Total for Fund 61		2,132.77*
	SECR REV FUND/CITY O REFUNDS-UTILITY PREPAYME		520.00
	VERA GLIDDEN ARMENDA RE-ISSUE LOST CHECK		10.00
	Total for Department		530.00*
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
ELECTRIC	Verizon Wireless	TELEPHONE	39.44
ELECTRIC	MII LIFE	VEBA	1,049.86
ELECTRIC	MN NCPERS LIFE INSUR	INSURANCE	96.00
ELECTRIC	SECR REV FUND/CITY O	POSTAGE	15.54
ELECTRIC	BRAD BUSSA	CLEANING	184.60
	Total for Department 182		1,552.11*
	Total for Fund 62		2,082.11*
SEWER	GODFATHER'S PIZZA	EXPENSE	19.62
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
SEWER	Verizon Wireless	TELEPHONE	57.07
SEWER	MII LIFE	VEBA	931.58
SEWER	MN NCPERS LIFE INSUR	INSURANCE	56.00
	Total for Department 183		1,230.94*
	Total for Fund 63		1,230.94*
ARENA	Verizon Wireless	TELEPHONE	68.46
ARENA	MII LIFE	VEBA	371.36
ARENA	MN NCPERS LIFE INSUR	INSURANCE	32.00
	Total for Department 184		471.82*
	Total for Fund 64		471.82*
ECONOMIC DEVELOPMENT	Verizon Wireless	TELEPHONE	34.10
ECONOMIC DEVELOPMENT	MII LIFE	VEBA	235.28
ECONOMIC DEVELOPMENT	MII LIFE	VEBA GRANT (MARK HANSON)	675.00
ECONOMIC DEVELOPMENT	MN NCPERS LIFE INSUR	INSURANCE	8.00
	Total for Department 187		952.38*
	Total for Fund 67		952.38*
	MN 9-1-1 PROGRAM	911 SERVICE	1,104.08
	Total for Department		1,104.08*
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	499.99
TELECOMMUNICATIONS	Verizon Wireless	TELEPHONE	239.99
TELECOMMUNICATIONS	MII LIFE	VEBA	665.78
TELECOMMUNICATIONS	MN NCPERS LIFE INSUR	INSURANCE	64.00

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
TELECOMMUNICATIONS	QUEST	TELEPHONE	110.30
TELECOMMUNICATIONS	SECR REV FUND/CITY O	POSTAGE	7.95
		Total for Department 199	1,588.01*
		Total for Fund 69	2,692.09*
	MN NCPERS LIFE INSUR	INSURANCE	32.00
		Total for Department	32.00*
		Total for Fund 70	32.00*
		Grand Total	43,755.68*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	SW MN HOUSING PARTNE	GRANT FOR SW MN HOUSING	53,980.50
	Total for Department 101		53,980.50*
CITY OFFICE	ELECTRIC FUND	UTILITY BILLING	193.50
CITY OFFICE	STEVE NASBY	MILEAGE	41.16
CITY OFFICE	BANK MIDWEST INSURAN	SURETY BOND	75.00
	Total for Department 103		309.66*
P & Z / BUILDING OFF	ELECTRIC FUND	UTILITY BILLING	55.84
P & Z / BUILDING OFF	VET'S WHOA N'GO	GAS	56.98
	Total for Department 106		112.82*
CITY HALL	ELECTRIC FUND	MAINTENANCE	1.46
CITY HALL	ELECTRIC FUND	UTILITY BILLING	509.37
	Total for Department 115		510.83*
POLICE	ELECTRIC FUND	UTILITY BILLING	77.93
POLICE	KENT F. KELLY	HOLSTER	48.69
POLICE	VOYAGER FLEET SERVIC	GAS	291.64
	Total for Department 120		418.26*
FIRE DEPARTMENT	ELECTRIC FUND	UTILITY BILLING	27.89
FIRE DEPARTMENT	VET'S WHOA N'GO	GAS	46.89
	Total for Department 125		74.78*
STREET	ELECTRIC FUND	UTILITY BILLING	3,362.26
STREET	ERICKSON OIL CO	GAS	2,263.23
STREET	PETERSON SMITH GRAVE	MAINTENANCE	403.75
STREET	VET'S WHOA N'GO	GAS	1,168.61
STREET	VOYAGER FLEET SERVIC	GAS	68.61
	Total for Department 140		7,266.46*
PARKS	ELECTRIC FUND	UTILITY BILLING	15.16
PARKS	ERICKSON OIL CO	GAS	81.27
	Total for Department 165		96.43*
	Total for Fund 01		62,769.74*
LIBRARY	ELECTRIC FUND	UTILITY BILLING	252.18
	Total for Department 171		252.18*
	Total for Fund 03		252.18*
2003 IMPROVEMENT BON	U S BANK TRUST NATIO	ADMINISTRATION FEE	258.76
	Total for Department 169		258.76*
	Total for Fund 05		258.76*
POOL	BANK MIDWEST INSURAN	SURETY BOND	25.00
	Total for Department 175		25.00*

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 12			25.00*
AMBULANCE	JIM AXFORD	EXPENSE	41.79
AMBULANCE	VAUGHN CORWIN	EXPENSE	47.43
AMBULANCE	WDR - DEPUTY REGISTR	TITLE - AMBULANCE	52.00
AMBULANCE	ELECTRIC FUND	UTILITY BILLING	25.79
AMBULANCE	TIM HACKER	EXPENSE	47.50
AMBULANCE	BUCKWHEAT JOHNSON	EXPENSE	20.95
AMBULANCE	ROBIN SHAW	EXPENSE	39.37
AMBULANCE	VET'S WHOA N'GO	GAS	1,237.18
Total for Department 176			1,512.01*
Total for Fund 13			1,512.01*
MULTI-PURPOSE BUILDI	ELECTRIC FUND	UTILITY BILLING	1,008.41
MULTI-PURPOSE BUILDI	EXTREME BEVERAGE, LL	MERCHANDISE	100.50
MULTI-PURPOSE BUILDI	A H HERMEL CANDY & T	MERCHANDISE	184.07
MULTI-PURPOSE BUILDI	BANK MIDWEST INSURAN	SURETY BOND	50.00
Total for Department 177			1,342.98*
Total for Fund 14			1,342.98*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	4,111.43
LIQUOR	ELECTRIC FUND	UTILITY BILLING	896.77
LIQUOR	EXTREME BEVERAGE, LL	MERCHANDISE	134.00
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	9,819.75
LIQUOR	JOHNSON BROS.	MERCHANDISE	2,124.05
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	2,386.60
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	5,075.83
LIQUOR	THE AMERICAN BOTTLIN	MERCHANDISE	1.76
LIQUOR	VOYAGER FLEET SERVIC	GAS	7.19
LIQUOR	BANK MIDWEST INSURAN	SURETY BOND	75.00
Total for Department 180			24,632.38*
Total for Fund 60			24,632.38*
WATER	ELECTRIC FUND	UTILITY BILLING	3,158.60
WATER	GOPHER STATE ONE CAL	LOCATES	.48
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	161.46
WATER	U S BANK TRUST NATIO	ADMINISTRATION FEE	107.81
WATER	VOYAGER FLEET SERVIC	GAS	472.54
WATER	BANK MIDWEST INSURAN	SURETY BOND	25.00
Total for Department 181			3,925.89*
Total for Fund 61			3,925.89*
CRA PAYMENT CENTER		MAINTENANCE	1,537.93
DALTON WALL		REFUND - UTILITY PREPAYM	300.00
EMMA LADEBHOFF		REFUND - UTILITY PREPAYM	20.00
Total for Department			1,857.93*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	ELECTRIC FUND	MAINTENANCE	102.23
ELECTRIC	ELECTRIC FUND	UTILITY BILLING	275.92
ELECTRIC	ERICKSON OIL CO	GAS	117.21
ELECTRIC	GOPHER STATE ONE CAL	LOCATES	.48
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	161.46
ELECTRIC	VET'S WHOA N'GO	GAS	54.47
ELECTRIC	VOYAGER FLEET SERVIC	GAS	136.89
ELECTRIC	DEPARTMENT OF ENERGY	POWER COST	91,100.92
ELECTRIC	BANK MIDWEST INSURAN	SURETY BOND	41.00
		Total for Department 182	91,990.58*
		Total for Fund 62	93,848.51*
SEWER	ELECTRIC FUND	UTILITY BILLING	13,001.31
SEWER	GOPHER STATE ONE CAL	LOCATES	.48
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	161.45
SEWER	U S BANK TRUST NATIO	ADMINISTRATION FEE	64.68
SEWER	VOYAGER FLEET SERVIC	GAS	114.07
SEWER	BANK MIDWEST INSURAN	SURETY BOND	25.00
		Total for Department 183	13,366.99*
		Total for Fund 63	13,366.99*
ARENA	ELECTRIC FUND	MAINTENANCE	41.07
ARENA	ELECTRIC FUND	UTILITY BILLING	6,255.68
ARENA	VET'S WHOA N'GO	GAS	121.76
ARENA	BANK MIDWEST INSURAN	SURETY BOND	50.00
		Total for Department 184	6,468.51*
		Total for Fund 64	6,468.51*
ECONOMIC DEVELOPMENT	ELECTRIC FUND	UTILITY BILLING	75.08
		Total for Department 187	75.08*
		Total for Fund 57	75.08*
	DATA CONNECTION	SUPPORT / SERVICE	15,085.00
		Total for Department	15,085.00*
TELECOMMUNICATIONS	DATA CONNECTION	SUPPORT / SERVICE	13,600.00
TELECOMMUNICATIONS	JEFFREY DAHNA	INTERNET ACCESS	132.86
TELECOMMUNICATIONS	CRA PAYMENT CENTER	MAINTENANCE	.00
TELECOMMUNICATIONS	ELECTRIC FUND	UTILITY BILLING	1,597.92
TELECOMMUNICATIONS	GOPHER STATE ONE CAL	LOCATES	1.46
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	484.38
TELECOMMUNICATIONS	QWEST COMMUNICATIONS	DIRECTORY LISTING	176.09
TELECOMMUNICATIONS	JEREMY ROLFES	SERVICE INTERNET	50.94
TELECOMMUNICATIONS	VET'S WHOA N'GO	GAS	95.82
TELECOMMUNICATIONS	VOYAGER FLEET SERVIC	GAS	168.77
TELECOMMUNICATIONS	WOODSTOCK TELEPHONE	SERVICE	186.67

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
TELECOMMUNICATIONS	MTA	REGISTRATION-NON-MEMBER	200.00
		Total for Department 199	16,694.91*
		Total for Fund 69	31,779.91*
	COLONIAL LIFE INSURA	INSURANCE	8.82
		Total for Department	8.82*
		Total for Fund 70	8.82*
		Grand Total	240,266.76*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	MCDONALD & SCHRAMEL	LEGAL FEES	228.00
		Total for Department 101	228.00*
CITY OFFICE	INDOFF, INC	SUPPLIES	319.79
CITY OFFICE	HY-VEE FOOD STORE	MERCHANDISE	14.04
CITY OFFICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
CITY OFFICE	WINDOM QUICK PRINT	SUPPLIES	591.93
		Total for Department 103	932.26*
P & Z / BUILDING OFF	INDOFF, INC	SUPPLIES	11.15
P & Z / BUILDING OFF	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
P & Z / BUILDING OFF	WINDOM QUICK PRINT	SUPPLIES	120.10
		Total for Department 106	137.75*
LEGAL	MCDONALD & SCHRAMEL	CONFERENCE	127.50
LEGAL	MCDONALD & SCHRAMEL	LEGAL SUPPLIES	144.12
		Total for Department 110	271.62*
CITY HALL	AMERIGAS - WORTHINGT	WATER TREATMENT	23.46
CITY HALL	CULLIGAN	SERVICE	12.50
CITY HALL	HEARTLAND PAPER COMP	SUPPLIES	69.80
CITY HALL	HOMETOWN SANITATION	HAUL GARBAGE	85.04
CITY HALL	SCHWALBACH HARDWARE	MAINTENANCE	38.39
		Total for Department 115	229.19*
POLICE	COTTONWOOD CO TREASU	DISPATCHING	275.00
POLICE	COTTONWOOD CO TREASU	rent	1,500.00
POLICE	GALLS	SUPPLIES	224.14
POLICE	WINDOM AUTO VALU	MAINTENANCE	25.18
POLICE	MCDONALD & SCHRAMEL	LEGAL FEES	5,352.00
POLICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	2,328.75
POLICE	MN CHIEF OF POLICE A	REGISTRATION	480.00
POLICE	SCHWALBACH HARDWARE	MAINTENANCE	44.39
POLICE	WINDOM AREA HOSPITAL	TESTING	37.00
POLICE	WINDOM TOWING CO	TIRES	855.00
		Total for Department 120	11,121.46*
FIRE DEPARTMENT	CENTER STOP	FUEL SALES	51.00
FIRE DEPARTMENT	COTTONWOOD CO TREASU	DISPATCHING	212.50
FIRE DEPARTMENT	HY-VEE FOOD STORE	MERCHANDISE	46.02
FIRE DEPARTMENT	LUCAN COMMUNITY TV I	MAINTENANCE	376.20
FIRE DEPARTMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	45.24
FIRE DEPARTMENT	MANKATO MOBIL - ALPH	SERVICE ON PAGERS	54.07
FIRE DEPARTMENT	MN WEST COLLEGE - CA	REGISTRATION	850.00
FIRE DEPARTMENT	QUEST	TELEPHONE	58.86
FIRE DEPARTMENT	RIVERSIDE LAUNDRY	SERVICE	32.06
FIRE DEPARTMENT	RUNNING'S SUPPLY	MAINTENANCE	73.58
FIRE DEPARTMENT	SANFORD HEALTH	PHYSICAL	38.00
FIRE DEPARTMENT	SCHWALBACH HARDWARE	MAINTENANCE	164.38
FIRE DEPARTMENT	UNITED MEDICAL CLINI	PHYSICAL	43.00
		Total for Department 125	2,044.91*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
EMERGENCY MANAGEMENT	COTTONWOOD CO TREASU	DISPATCHING	12.50
EMERGENCY MANAGEMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	200.00
	Total for Department 130		212.50*
ANIMALS	COTTONWOOD-SLAYTON V	VETERINARY SERVICE	204.21
	Total for Department 135		204.21*
STREET	COTTONWOOD CO TREASU	DISPATCHING	125.00
STREET	INDOFF, INC	SUPPLIES	68.71
STREET	DEFRIES COLLISION CE	SERVICE	210.00
STREET	DICKS WELDING INC	MAINTENANCE	416.97
STREET	FOX BROTHERS	MAINTENANCE	101.53
STREET	GDF ENTERPRISES, INC	MAINTENANCE	51.62
STREET	H & L MESABI INC	MAINTENANCE	337.06
STREET	HOFFMAN FILTER SERVI	OIL FILTER	50.00
STREET	HOMETOWN SANITATION	HAUL GARBAGE	130.85
STREET	WINDOM AUTO VALU	MAINTENANCE	162.74
STREET	KEMNA-ASA AUTO PLAZA	MAINTENANCE	57.70
STREET	MACQUEEN EQUIP. CO.	INCORRECT PAYMENT ON LAS	181.68
STREET	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
STREET	MILLER SELLNER EQUIP	MAINTENANCE	118.64
STREET	M-R SIGNS CO., INC	SUPPLIES	478.27
STREET	QUEST	TELEPHONE	58.86
STREET	PRAXAIR DISTRIBUTION	SERVICE	127.67
STREET	RUNNING'S SUPPLY	MAINTENANCE	415.90
STREET	SCHWALBACH HARDWARE	MAINTENANCE	23.50
STREET	SCOTT'S SNOW REMOVAL	SNOW REMOVAL	850.00
STREET	TOWMASTER	SUPPLIES	98.26
STREET	COUNTRY PRIDE SERVIC	MAINTENANCE	1,797.60
STREET	CARQUEST AUTO PARTS	MAINTENANCE	215.99
STREET	WINTER EQUIPMENT	MAINTENANCE	2,545.45
	Total for Department 140		8,630.50*
PARKS	COTTONWOOD CO TREASU	DISPATCHING	37.50
PARKS	LAMPERTS YARDS, INC.	MAINTENANCE	131.14
PARKS	MESSER MACHINE & MFG	MAINTENANCE	156.40
PARKS	SCHWALBACH HARDWARE	MAINTENANCE	16.58
	Total for Department 165		341.62*
Total for Fund 01			24,354.02*
LIBRARY	ARTHRITIS TODAY	SUBSCRIPTION	12.95
LIBRARY	AUDIO GO	BOOKS	112.26
LIBRARY	CENTER POINT LARGE P	BOOKS	43.74
LIBRARY	CITIZEN PUBLISHING C	AD	264.00
LIBRARY	INDOFF, INC	SUPPLIES	2.95
LIBRARY	ENCYCLOPEDIA BRITANN	BOOK	67.90
LIBRARY	GALE	BOOKS	359.42
LIBRARY	INGRAM	BOOKS	1,292.75
LIBRARY	J & K WINDOWS	CLEANING	20.00

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
LIBRARY	KDOM RADIO	AD	66.00
LIBRARY	MICROMARKETING	BOOKS & AUDIO	611.49
LIBRARY	NATL GEOGRAPHIC SOCI	SUBSCRIPTION	34.00
LIBRARY	RECORDED BOOKS, LLC	SUBSCRIPTION	184.00
LIBRARY	READERS SERVICE	BOOK	40.22
LIBRARY	TASTE OF HOME	SUBSCRIPTION	19.97
LIBRARY	COOK'S ILLUSTRATED	SUBSCRIPTION	28.95
	Total for Department 171		3,160.60*
	Total for Fund 03		3,160.60*
	CITIZEN PUBLISHING C	ADVERTISING	428.40
	WENCK ASSOCIATES, IN	STREET SHOP	4,190.20
	CONSTRUCTION BULLETI	ADVERTISING	208.25
	Total for Department		4,826.85*
	Total for Fund 04		4,826.85*
AIRPORT	MN POLLUTION CONTROL	AIRPORT STORM WATER PERM	400.00
AIRPORT	SCHWALBACH HARDWARE	MAINTENANCE	120.67
	Total for Department 174		520.67*
	Total for Fund 11		520.67*
AMBULANCE	KATE AXFORD	REGISTRATION	245.00
AMBULANCE	BOUND TREE MEDICAL,	EQUIPMENT	413.01
AMBULANCE	COTTONWOOD CO TREASU	DISPATCHING	200.00
AMBULANCE	HY-VEE FOOD STORE	MERCHANDISE	30.00
AMBULANCE	KDOM RADIO	ADVERTISING	226.00
AMBULANCE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
AMBULANCE	QUEST	TELEPHONE	58.87
AMBULANCE	WINDOM AREA HOSPITAL	SERVICE	1,649.41
AMBULANCE	WINDOM FARM SERVICE	MAINTENANCE	471.90
	Total for Department 176		3,300.69*
	Total for Fund 13		3,300.69*
MULTI-PURPOSE BUILDI	A & B BUSINESS EQUIP	MAINTENANCE CONTRACT	119.41
MULTI-PURPOSE BUILDI	BEVERAGE WHOLESALERS	MERCHANDISE	52.80
MULTI-PURPOSE BUILDI	CITIZEN PUBLISHING C	ADVERTISING	277.20
MULTI-PURPOSE BUILDI	COLE PAPER INC.	SUPPLIES	23.51
MULTI-PURPOSE BUILDI	INDOFF, INC	SUPPLIES	336.36
MULTI-PURPOSE BUILDI	HAGEN DISTRIBUTING	MERCHANDISE	256.75
MULTI-PURPOSE BUILDI	HEARTLAND PAPER COMP	SUPPLIES	534.73
MULTI-PURPOSE BUILDI	A H HERMEL CANDY & T	MERCHANDISE	50.65
MULTI-PURPOSE BUILDI	HOMETOWN SANITATION	HAUL GARBAGE	51.52
MULTI-PURPOSE BUILDI	HY-VEE FOOD STORE	MERCHANDISE	75.24
MULTI-PURPOSE BUILDI	KDOM RADIO	ADVERTISING	146.80
MULTI-PURPOSE BUILDI	PAMIDA	SUPPLIES	37.78
MULTI-PURPOSE BUILDI	RUNNING'S SUPPLY	MAINTENANCE	106.85

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MULTI-PURPOSE BUILDI	SCHWALBACH HARDWARE	MAINTENANCE	39.49
MULTI-PURPOSE BUILDI	STONER INDUSTRIAL, I	SERVICE	84.22
MULTI-PURPOSE BUILDI	WERNER ELECTRIC	MAINTENANCE	71.09
	Total for Department 177		2,264.40*
	Total for Fund 14		2,264.40*
LIQUOR	ENVIROMASTER, INC.	SERVICE	79.08
LIQUOR	CITIZEN PUBLISHING C	ADVERTISING	120.80
LIQUOR	COUNTY WIDE DIRECTOR	ADVERTISING	215.00
LIQUOR	CULLIGAN	SERVICE	71.38
LIQUOR	INDOFF, INC	SUPPLIES	45.07
LIQUOR	HOMETOWN SANITATION	GARBAGE	48.06
LIQUOR	JOHNSON HARDWARE	MAINTENANCE	41.07
LIQUOR	PEICHEL LAWN IRRIGAT	SERVICE	125.00
LIQUOR	SCHWAAB, INC	STAMP SUPPLIES	69.43
LIQUOR	SCHWALBACH HARDWARE	MAINTENANCE	31.82
LIQUOR	CARQUEST AUTO PARTS	MAINTENANCE	8.54
LIQUOR	PREMIER MAP COMPANY	AD	249.50
	Total for Department 180		1,104.75*
	Total for Fund 60		1,104.75*
	HENRY'S WATERWORKS,	METERS	5,445.28
	Total for Department		5,445.28*
WATER	CALIFORNIA CONTRACTO	SUPPLIES	240.34
WATER	CITIZEN PUBLISHING C	ADVERTISING	176.00
WATER	COTTONWOOD CO TREASU	DISPATCHING	100.00
WATER	HAWKINS, INC	CHEMICALS	2,701.42
WATER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
WATER	MN VALLEY TESTING	TESTING	56.25
WATER	QUEST	TELEPHONE	58.87
WATER	PRAXAIR DISTRIBUTION	SERVICE	284.67
WATER	RON'S ELECTRIC INC	MAINTENANCE	1,156.74
WATER	RUNNING'S SUPPLY	MAINTENANCE	15.21
WATER	SCHWALBACH HARDWARE	MAINTENANCE	146.79
WATER	HD SUPPLY WATERWORKD	MAINTENANCE	198.33
WATER	SVOBODA EXCAVATING,	MAINTENANCE	1,347.50
	Total for Department 181		6,488.62*
	Total for Fund 61		11,933.90*
	B & B TRANSFORMER	INVENTORY	4,446.00
	BORDER STATES ELECTR	INVENTORY	888.35
	WERNER ELECTRIC	MAINTENANCE	.45
	NATHAN LOW	REFUND - UTILITY PREPAYM	125.00
	Total for Department		5,459.80*
ELECTRIC	COTTONWOOD CO TREASU	DISPATCHING	187.50

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	GDF ENTERPRISES, INC	MAINTENANCE	179.20
ELECTRIC	GRAINGER	MAINTENANCE	1,644.65
ELECTRIC	HOMETOWN SANITATION	HAUL GARBAGE	84.75
ELECTRIC	HY-VEE FOOD STORE	MERCHANDISE	10.64
ELECTRIC	J. H. LARSON	SUPPLIES / MAINTENANCE	206.58
ELECTRIC	MCDONALD & SCHRAMEL	LEGAL FEES	288.00
ELECTRIC	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
ELECTRIC	MESSER MACHINE & MFG	MAINTENANCE	88.00
ELECTRIC	MID-IOWA SALES	MAINTENANCE	230.10
ELECTRIC	MN DEPT OF COMMERCE	ASSESSMENT	1,040.11
ELECTRIC	MN DEPT OF LABOR & I	SERVICE	40.00
ELECTRIC	NORTHERN STATES SUPP	MAINTENANCE	89.19
ELECTRIC	QUEST	TELEPHONE	55.41
ELECTRIC	RUNNING'S SUPPLY	MAINTENANCE	84.10
ELECTRIC	SCHWALBACH HARDWARE	MAINTENANCE	166.74
ELECTRIC	STONER INDUSTRIAL, I	SERVICE	68.20
ELECTRIC	WERNER ELECTRIC	MAINTENANCE	319.38
ELECTRIC	WINDOM AREA DEVELOPM	INDUSTRIAL DEVELOPMENT	1,200.00
ELECTRIC	WINDOM FARM SERVICE	MAINTENANCE	26.56
ELECTRIC	CARQUEST AUTO PARTS	MAINTENANCE	480.53
ELECTRIC	BANK MIDWEST	NSF CHECK	504.18
ELECTRIC	WINDOM TOWING CO	TIRES	25.00
	Total for Department 182		7,025.32*
	Total for Fund 62		12,485.12*
SEWER	CALIFORNIA CONTRACTO	SUPPLIES	240.34
SEWER	COTTONWOOD CO TREASU	DISPATCHING	100.00
SEWER	DICKS WELDING INC	MAINTENANCE	199.76
SEWER	ELECTRIC PUMP INC	MAINTENANCE	1,642.00
SEWER	GDF ENTERPRISES, INC	MAINTENANCE	118.39
SEWER	HOMETOWN SANITATION	HAUL GARBAGE	85.04
SEWER	WINDOM AUTO VALU	MAINTENANCE	2.43
SEWER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
SEWER	MN VALLEY TESTING	TESTING	2,332.80
SEWER	QUEST	TELEPHONE	260.61
SEWER	PRAXAIR DISTRIBUTION	SERVICE	284.67
SEWER	RON'S ELECTRIC INC	MAINTENANCE	587.38
SEWER	RUNNING'S SUPPLY	MAINTENANCE	228.56
SEWER	SCHWALBACH HARDWARE	MAINTENANCE	155.52
SEWER	VESSCO INC.	MAINTENANCE	3,954.59
SEWER	CARQUEST AUTO PARTS	MAINTENANCE	12.39
SEWER	WINDOM TOWING CO	TIRES	20.00
	Total for Department 183		10,230.98*
	Total for Fund 63		10,230.98*
ARENA	AMERIPRIDE LINEN CO	SERVICE	81.84
ARENA	BROWN-NICOLLET COMMU	LICENSE	20.00
ARENA	FERRELLGAS	GAS	317.42

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ARENA	HOMETOWN SANITATION	HAUL GARBAGE	130.88
ARENA	WINDOM AUTO VALU	MAINTENANCE	22.41
ARENA	KDOM RADIO	ADVERTISING	74.00
ARENA	LAMPERTS YARDS, INC.	MAINTENANCE	43.07
ARENA	SCHWALBACH HARDWARE	MAINTENANCE	1,310.61
ARENA	STONER INDUSTRIAL, I	SERVICE	9.55
ARENA	WINDOM YOUTH HOCKEY	AD	30.00
ARENA	CONNAY SAFETY	MAINTENANCE	313.34
	Total for Department 184		2,353.12*
	Total for Fund 64		2,353.12*
ECONOMIC DEVELOPMENT	CITIZEN PUBLISHING C	ADVERTISING	140.00
ECONOMIC DEVELOPMENT	CITIZEN PUBLISHING C	SUBSCRIPTION	90.00
ECONOMIC DEVELOPMENT	INDOFF, INC	SUPPLIES	94.05
ECONOMIC DEVELOPMENT	MCDONALD & SCHRAMEL	LEGAL FEES	24.00
ECONOMIC DEVELOPMENT	WINDOM QUICK PRINT	SUPPLIES	161.62
ECONOMIC DEVELOPMENT	SOUTHERN MN INITIATI	REGISTRATION	49.00
	Total for Department 187		558.67*
	Total for Fund 67		558.67*
	GLOBAL GOV'T/EDUCATI	BACK UP BILLING SYSTEM	465.17
	NATIONAL CABLE TV CO	EQUIPMENT	975.09
	SOUTHWEST/WEST CENTR	SERVICE	5,317.14
	Total for Department		6,757.40*
TELECOMMUNICATIONS	ADARA TECHNOLOGIES I	SERVICE	10,500.00
TELECOMMUNICATIONS	INDOFF, INC	SUPPLIES	132.09
TELECOMMUNICATIONS	GODFATHER'S PIZZA	EXPENSE	25.36
TELECOMMUNICATIONS	HOMETOWN SANITATION	HAUL GARBAGE	73.92
TELECOMMUNICATIONS	KDOM RADIO	AD	92.00
TELECOMMUNICATIONS	MN DEPT OF COMMERCE	ASSESSMENT	132.97
TELECOMMUNICATIONS	NEW STAR SALES & SER	COPIER MAINTENANCE	35.00
TELECOMMUNICATIONS	OLSEN THIELEN & CO.,	SERVICE	1,291.25
TELECOMMUNICATIONS	ONVOY, INC	WHOLE 800 SWITCH	1,665.44
TELECOMMUNICATIONS	RON'S ELECTRIC INC	MAINTENANCE	1,203.52
TELECOMMUNICATIONS	RUSHMORE INDUSTRIES,	FREIGHT	23.27
TELECOMMUNICATIONS	SCHWALBACH HARDWARE	MAINTENANCE	81.35
TELECOMMUNICATIONS	SOUTHWEST/WEST CENTR	SERVICE	833.33
TELECOMMUNICATIONS	STONER INDUSTRIAL, I	SERVICE	38.26
TELECOMMUNICATIONS	WINDOM QUICK PRINT	SUPPLIES	90.68
TELECOMMUNICATIONS	CARQUEST AUTO PARTS	MAINTENANCE	386.69
TELECOMMUNICATIONS	NECA	SERVICE	5.85
	Total for Department 199		16,610.98*
	Total for Fund 69		23,368.38*
	Grand Total		100,462.15*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
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Coalition of Greater Minnesota Cities

CGMC in Brief

March 10, 2011

Contact: Tim Flaherty
651-225-8840

CGMC City Officials meet with Governor Dayton

On Wednesday, March 9th, Governor Dayton met with CGMC officials to discuss issues important to cities. Local Government Aid dominated much of the conversation that also included some discussion of levy limits. The governor met with CGMC officials for an hour and a half, pushing back a later meeting, to ensure all members that had traveled to St. Paul got a chance to have their say. The CGMC told the governor about the importance of LGA to their communities, reductions they have had to make and the impacts LGA has on property taxes. Governor Dayton restated his support for LGA and the work done by city officials.

Attending the meeting were Mayors Nancy Carroll (Park Rapids and CGMC President), Bruce Ahlgren (Cloquet), Dave Larson (Bemidji) Hal Leland (Fergus Falls), Randy Wilson (Glencoe), Dave Smiglewski (Granite Falls), Steve Cook (Hutchinson), Mark Voxland (Moorhead), Tom Kuntz (Owatonna), Joe Perske (Sartell), Chris Etzler (Staples), Steve Nordhagen (Thief River Falls), and Wayne Wolden (Wadena); Councilmember Cynthia Jaksa (International Falls); City Managers Brain Fritzing (Cloquet), Patti Gartland (Sartell), Nate Mathews (Staples) and Crystal Prentice (Waseca). Joining the CGMC city officials were the Mayor of Minneapolis, R.T. Rybak and the Mayor of St. Paul, Chris Coleman along with Dan Dorman, Executive Director of the Albert Lea Economic Development Agency and Randy Kehr, President of the Albert Lea-Freeborn County Chamber of Commerce.

Star Tribune Editorial Misses the Mark on LGA

A recent editorial by D.J. Tice, the Star Tribune's Commentary Editor, claimed that the Local Government Aid was not working because suburban homeowners feel the biggest property tax burden as a percent of their income. The editorial is based on information from the Department of Revenue's Residential Homestead Property Tax Burden Report. Although the editorial is based on accurate data, it does not tell the whole story.

Property taxes are based on property values, not income. In the metro area homeowners live in homes with higher values compared to their incomes. For example, the average homeowner in the southwest metro lives in a home with a value 3.17 times higher than their average household income of \$100,448. In southwest Minnesota, the average homeowner lives in a home with a value 1.58 times the average household income of \$48,952. In addition, 2008, the base year for the report, metro school districts had three times the voter approved excess school levy referendum levies than greater Minnesota school districts. The combination of homeowners living in higher valued homes compared to their income and voting to increase their own property taxes to improve their schools leads to the rather unsurprising result that metro homeowners pay more in property taxes compared to their income.



Maybe the biggest miss by the article was its assertion that LGA should not go to Greater Minnesota due to this higher property tax burden. LGA is a city-only program that helps equalize property tax bases for cities with lower property tax bases and cities with higher needs. The report used by the editorial writer is based off of total taxes paid. Clearly one cannot judge the effectiveness of the LGA program based on one statistic that deals with all property taxes paid when city property taxes made up 29% of total property taxes paid to local governments in 2008.

Links to the editorial and the Department of Revenue report are below.

Star Tribune Editorial

<http://bit.ly/frwonA>

Department of Revenue Report

<http://bit.ly/fSc592>

Tax Committees Set Deadlines

With just over two weeks until the first legislative deadline, the House Taxes Committee and Property & Local Tax Divisions have put forward an ambitious schedule. The Legislature has set March 25th as the date for committees to act on major appropriation and finance bills. The divisions plan to work into the evenings and on Fridays and Saturdays to ensure that all bills are heard and considered for inclusion in the Omnibus Tax Bill.

The House Taxes Committee and Property & Local Tax Divisions have laid out other deadlines that are fast approaching. The Property & Local Taxes Division Report will be released to the public late on Friday and presented in Committee on Saturday. Our team will closely monitor these meetings and keep an eye on specific bills that may be included in the Division Report, like H.F. 481, a bill that freezes property taxes at 2010 levels for certain local levels of government.

By Thursday, March 17th, the House Property and Local Tax Division hopes to finish consideration and pass its Division Report to the Taxes Committee. The Taxes Committee plans to pass its entire Omnibus Bill to the Ways and Means Committee by Monday, March 21st. The Senate Taxes Committee has not yet announced the schedule for its Omnibus Bill. We will keep you updated on developments that may have an impact on your cities.

Environmental Update

Parks & Trails The governor's proposed budget recommended that state parks and trails money be allocated 42% exclusively to the Department of Natural Resources for state parks and 42 % exclusively to the Metropolitan regional parks and trails. Greater Minnesota Regional parks and trails do not receive any dedicated or exclusive funds, but rather must compete with the metro area for a share of the remaining 16% dedicated to the statewide Parks & Trails Legacy Grants Program. Such a distribution is grossly unfair to regional parks in greater Minnesota. The chairs of the CGMC environment committee authored a letter to the chairs of the Senate and House Environment Committees opposing this formulation and urging that greater Minnesota trails receive an equal share of dedicated funding. A copy of this letter is attached.



Sulfates Senator Bakk and Representative Rukavina have introduced a bill, H.F. 1002, that would preempt current regulations on Sulfates in Class 4a waters with a 50 mg/L standard and require that a study be done to assess the impacts of sulfate on wild rice. In fall 2010, the CGMC adopted a policy supporting revision of this standard. Even though the MPCA has stated that it will not enforce its low 10mg/L limit against wastewater treatment facilities, as long as the standard is on the books there is a danger of enforcement.

Grants for Stormwater & Wastewater Several legislators introduced bills that may affect cities recently. H.F. 597/S.F. 485 would open up MPCA Wastewater demonstration grants to projects involving stormwater “that replaces the use of groundwater.” This change could provide cities more options in applying for these demonstration grants.

If you have questions regarding these issues, or any CGMC environmental issues, please contact Elizabeth Wefel at ewwefel@flaherty-hood.com or 651-259-1924.

Wayne Wolden on Almanac

Former CGMC President and current Wadena Mayor Wayne Wolden will appear on Twin Cities Public Television’s Public Affairs show, Almanac on Friday, March 11 at 7:00 P.M. to discuss Local Government Aid. Representative Linda Runbeck will also be appearing to present her views. If you can’t watch it live, TPT typically archives the video at <http://www.tpt.org/?a=almanac>



**Legislative Targets
Set-up Budget
Battle**

The GOP controlled Minnesota House and Senate announced their budget targets Thursday. The budget targets are the first step in creating a full detailed legislative budget. The budget targets show the Governor is \$3.6 billion apart from the House and \$3.2 billion from the Senate.

	FY 2012 - 2013 proposed Spending Feb Forecast	Gov. Dayton Proposed Spending*	Senate Proposed Spending	House Proposed Spending
House Education Net	15,623,595	14,244,326	14,158,064	14,158,064
Higher Education	2,916,580	2,745,672	2,505,518	2,505,518
Health & Human Services	12,337,837	12,189,349	10,737,837	10,707,110
Agriculture & Rural Economies	89,396	78,162	76,841	76,841
Environmental, Energy, Commerce	293,463	268,314	221,463	228,067
Economic Development	168,246	166,822	103,246	81,573
Transportation	180,158	177,804	140,158	120,158
Judiciary & Public Safety	1,782,650	1,821,988	1,792,650	1,752,634
State Government & Veterans	912,922	916,721	412,922	586,658
Tax Aids and Credits	3,507,726	3,507,934	2,727,726	2,655,485
Debt Service	1,208,994	1,175,525	1,148,994	1,145,794
Other/reserves		138,665	242,262	-178,000
Total	39,021,567	37,431,282	34,267,681	33,843,102

*Gov. Dayton's spending based on Senate Republican Caucus Handout





Legislature to Set Budget Targets

The impact of budget-balancing actions on city programs will begin to take shape.

(Published Mar 9, 2011)

The House and Senate leaders have indicated that they will soon announce the outlines of their respective budget targets for the upcoming state fiscal year (FY) 2012-2013 budget.

The budget targets are the spending parameters around the broad areas of the state budget, including the property tax aids and credits area that includes local government aid (LGA), market value homestead credit (MVHC) reimbursement, and police and fire pension aids as well as the direct taxpayer relief programs known as the property tax refund and renter's refund.

Committees will then use the budget targets to craft appropriations packages that fit within those broad parameters. Although the targets will not likely specify precisely how the property tax aids and credits budget will be apportioned, the targets will provide a rough idea of how those programs will be affected.

In contrast to traditional legislative timelines, the House and Senate have agreed to a committee deadline structure that first requires the completion of state budget bills, leaving non-budget policy bills for action at the end of the session. The deadline for committees to complete the work on their respective budget bills is March 25. Policy committees will have until April 29 to act favorably on legislation in the house of origin while the second policy deadline is May 6, when committees in the other body must act favorably on those bills.

Last week's state budget update reduced the magnitude of the projected deficit that must be addressed. Officially, the deficit now stands at \$5.028 billion for the upcoming 2012-2013 biennium which begins on July 1, 2011. In contrast to Gov. Dayton's budget plan, which would increase taxes to balance the majority of the deficit, House and Senate leaders have repeatedly stated that they will balance the state budget without any tax increases. The budget targets will be the first glimpse at the impact of the legislative approach.

The budget targets were expected to be released on March 10. However, March 7 press reports suggested that the announcement of the targets might be delayed.

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

<http://www.lmc.org/page/1/budget-targets.jsp>

3/10/2011

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

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

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State Auditor Releases New City Finances Report

The Office of the State Auditor (OSA) recently released its report on the finances of Minnesota cities. The annual report details the revenues and expenditures of every city in the state for 2009 and provides some historical data as well. The analysis includes an examination of trends for cities overall and for cities above and below 2,500 in population.

The OSA found that total city revenues fell by 0.3 percent between 2008 and 2009 while total expenditures fell 3 percent in the same time period. The report includes a 10-year analysis that revealed total city revenues decreased 11 percent from 2000 to 2009 when adjusted for inflation. After accounting for inflation, total city expenditures fell 8 percent between 2000 and 2009.

The report also describes the changes in the mix of revenues for cities overall. In 2000, property taxes made up 23 percent of total city revenue. By 2009 that figure had grown to 37 percent. From 2000 to 2009, the share of total revenue coming from intergovernmental revenues, including local government aid, fell from 30 percent to 26 percent. Over the 10-year period, property tax revenue for all cities grew 41 percent while intergovernmental revenue for all cities decreased 25 percent.

- **Learn more and access the full report and associated information from the OSA website** (*Link to: <http://www.osa.state.mn.us/default.aspx?page=20110302.001>*)

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

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Maintain Public Safety or Lose LGA and MVHC Reimbursement

Proposal would penalize cities that reduce public safety in the event of an LGA or MVHC reduction.

(Published Mar 9, 2011)

The **House Taxes Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87021](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87021)) on March 10 will consider **HF 790** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF790&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF790&ssn=0&y=2011)), a bill that would essentially create a public safety maintenance-of-effort requirement for cities and counties in the event of reductions in city local government aid (LGA), county program aid (CPA), or market value homestead credit (MVHC) reimbursement.

The bill was introduced by **Rep. Larry Howes** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10266](http://www.house.leg.state.mn.us/members/members.asp?id=10266)) (R-Walker) and **Rep. Greg Davids** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10123](http://www.house.leg.state.mn.us/members/members.asp?id=10123)) (R-Preston) last week and does not currently have a Senate companion.

Under the bill, if a city's certified LGA or MVHC reimbursement is reduced due to a governor's unallotment or under another provision of law in the previous calendar year and the city reduces its complement of licensed peace officers below an unspecified level or reduces its budget for firefighter compensation below an unspecified level, then the city will lose its LGA distribution and its MVHC reimbursement in the current calendar year. An aid loss is not triggered by changes in aid amounts that occur under the formula, but does apply to reductions to individual cities related to appropriation reductions.

The bill does not yet specify what percentage reduction in the complement of licensed peace officers or firefighter compensation would trigger the loss of LGA and MVHC reimbursement. These thresholds, which are currently blank in the introduced bill, will be set as the bill moves through the legislative process.

The bill would create problems for cities. Even a small reduction in the complement of licensed peace officers or firefighter compensation, for whatever reason, could trigger the loss of LGA and MVHC reimbursement. Although the bill attempts to allow for contracting or consolidation of departments, it is not entirely clear whether a city could still lose its LGA and MVHC reimbursement under certain contracting or consolidation circumstances.

The League will report on the outcome of the hearing in the March 11 issue of the *Friday Fax*.

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))

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Private Wells Legislation Advances

The bill, which removes city authority over private wells, would put water quality and quantity at risk and have a serious fiscal impact on utilities.

(Published Mar 9, 2011)

The **House Health and Human Services Reform Committee** *(Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87011>) and **Government Operations and Elections**

Committee *(Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009>)* have both held hearings on **HF 135**

(Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF135&ssn=0&y=2011) (**Rep. Tom**

Hackbarth *(Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10229)*, R-Cedar) and allowed the bill to move ahead in the legislative process. The League testified against the bill, as did the mayor of Spring Park and the mayor and utility director of Elk River.

The bill was passed without recommendation by the health committee, then passed on a close voice vote in the government operations committee. It will next be heard in the **House Environment, Energy and Natural Resources Policy and Finance Committee** *(Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87007>)*, but the time of that hearing has not yet been determined.

comm=87007), but the time of that hearing has not yet been determined.

The bill, along with its Senate companion, **SF 64** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0064&ssn=0&y=2011&ls=87) (**Sen. Mike**

Jungbauer *(Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10796)*, R-East Bethel), limits city authority to covering only public wells, which would allow property owners to sink their own wells to circumvent paying for public water. League staff are working closely with the Legislature, 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.

Why cities need authority over private wells

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 wells.

Where this has occurred, it has led to a serious strain on the financial viability of public water systems. 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.

Last fall, after ongoing discussions with the League and other concerned parties, the Minnesota Department of Health 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. This is what prompted well drillers to have this legislation introduced.

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

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

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Big Decisions on Property Taxes Pending

The House property tax article, expected to be released this week, may propose changes that would negatively affect city revenues.

(Published Mar 9, 2011)

Later this week, the **House Property and Local Tax Division** (*Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87022>) will release its initial draft of the property tax article of the pending House omnibus tax bill. The draft of the property tax article will almost certainly include property tax provisions and state aid and credit funding decisions related to the 2012-2013 state biennial budget. According to the committee documents, the release is slated for March 11 or 12.

The Property and Local Tax Division has several meetings scheduled yet this week to consider individual bills that might be included in the property tax article. However, other bills heard earlier in the session—including the vetoed budget bill, **HF 130** (*Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF130&ssn=0&y=2011), which cut city and county aid and credit reimbursement programs, and the bill that would institute a two-year property tax freeze (**HF 481** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF481&ssn=0&y=2011*))—are possible components in the pending article.

LGA and MVHC cuts?

On Feb. 10, Gov. Dayton vetoed HF 130, the initial bill to reduce state spending for the fiscal year 2012-2013 biennium. That bill would have reduced local government aid (LGA) by roughly \$102 million for the distributions in 2011 and 2012, leaving the total appropriation at approximately \$425 million, or 81 percent, of the amount certified to cities last July.

The vetoed bill would have also cut the reimbursements to cities for the market value homestead credit (MVHC) for distributions in 2011 and 2012 by \$43.4 million, which would have been in addition to the \$26.6 million in permanent MVHC cuts impacting roughly 120 cities contained in last year's supplemental budget bill. As a result of these two rounds of MVHC reimbursement cuts, only about \$12 million, or 14.8 percent, of the \$82.1 million of the credits given to homeowners will actually be reimbursed to cities in 2011 and 2012. Similar to the LGA appropriation, the \$43 million in additional MVHC reimbursement cuts under this bill would have only impacted distributions in 2011 and 2012. The \$26.6 million in last year's MVHC reductions would continue indefinitely.

Property tax freeze?

The proposed property tax freeze contained in HF 481 would prohibit cities, counties, and special taxing authorities from increasing property tax levies in 2012 or 2013 over the 2011 level, except under limited circumstances. Levy increases would be allowed to fund increasing debt service costs on debt issued

before June 1, 2011, but new debt that would require a property tax levy increase in 2012 or 2013 would be prohibited.

In addition, cities that annex property where the annexation is effective for the first time during taxes payable years 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. Finally, 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** (Link to:

<https://www.revisor.mn.gov/statutes/?id=275.73>).

The Senate is expected to release its version of the omnibus tax bill as early as next week. Although the Senate has not discussed a property tax freeze, the committee has discussed levy limits. In addition, the **Senate Taxes Committee** (Link to: http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=1019&ls=) also approved the aid cuts in the vetoed HF 130.

Many city officials have contacted legislators to express concerns about the aid and credit reimbursement cuts and the potential unintended consequences of the property tax freeze. If you would like to communicate with members of the House Property and Local Tax Division or the full Taxes Committee, phone numbers and e-mail addresses can be found on the House website.

- **Access the House Property and Local Tax Division membership** (Link to:

<http://www.house.leg.state.mn.us/comm/committeemembers.asp?comm=87022>)

- **Access the House Taxes Committee membership** (Link to: [http://www.house.leg.state.mn.us/comm/committeemembers.asp?](http://www.house.leg.state.mn.us/comm/committeemembers.asp?comm=87021)

[comm=87021](http://www.house.leg.state.mn.us/comm/committeemembers.asp?comm=87021))

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House Bill to Restrict Employer Contributions for Health Benefits

The measure would limit the amount cities could contribute for employee health benefits and prohibit employer benefit contributions for certain former employees.

(Published Mar 9, 2011)

On March 3, **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 871** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF871&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF871&ssn=0&y=2011)), a bill that would limit the amount local governments could contribute toward health benefits for employees and prohibit employer contributions for certain retirees. The requirements under HF 871 generally apply to collective bargaining agreements, contracts, or personnel policies effective on or after Jan. 1, 2012.

HF 871 amends *Minnesota Statutes, section 471.61, subdivision 1* ([Link to: https://www.revisor.mn.gov/statutes/?id=471.61](https://www.revisor.mn.gov/statutes/?id=471.61)) by limiting the amount a local unit of government may pay toward employee health coverage. A city could pay no more than 90 percent of the cost of employee-only coverage and no more than 75 percent of the cost of family or employee-plus dependent coverage.

HF 871 also amends *Minnesota Statutes, sections 179A* ([Link to: https://www.revisor.mn.gov/statutes/?id=179A](https://www.revisor.mn.gov/statutes/?id=179A)) and **471.61** ([Link to: https://www.revisor.mn.gov/statutes/?id=471.61](https://www.revisor.mn.gov/statutes/?id=471.61)) to prohibit local units of government from making employer contributions toward health coverage for former employees, except for law enforcement and firefighter retirees and former law enforcement and firefighter workers and their dependents.

The League's legislative policies support allowing cities to locally set the terms and conditions of employment, including decisions on employee benefits and, therefore, the League will oppose this bill. The bill was referred to the **House Committee on Government Operations and Elections** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009)), but has not yet been scheduled for a hearing. It currently has no Senate companion.

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House Committee to Hear Fire Safety Account Bills

One bill would protect the Fire Safety Account from future raids, and the other would clarify that the account must be used for grants to local governments.

(Published Mar 9, 2011)

On March 10, the **House Public Safety and Crime Prevention Policy and Finance Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87015>*) will hear two bills aimed at protecting funds in the Fire Safety Account for local fire departments.

The Fire Safety Account was created in 2007, under a statute signed into law by Gov. 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, and the State Fire Marshall’s office. The average homeowner pays \$5.20 into the fund annually.

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.

Rep. Steve Smith (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10624>*) (R-Mound) has introduced two bills that will be heard Thursday. One is **HF 474** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF474&ssn=0&y=2011*), a bill that would prohibit future raids of the Fire Safety Account. It 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 Department of Public Safety for the purposes identified in **Minnesota Statutes, section 299F.012** (*Link to: <https://www.revisor.mn.gov/statutes/?id=299F.012>*).

The second bill is **HF 609** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF609&ssn=0&y=2011*). It authorizes the commissioner of the Department of Public Safety to make grants annually to fire departments with money appropriated from the Fire Safety Account. It also requires fire departments to report on the uses for the money.

The League and fire service advocates will testify in favor of both bills. Members are encouraged to ask legislators to support the measures.

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

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Action on Election Bills to Date

A House committee is scheduled to consider the League's elections bill this week; several other election-related bills are also making progress.

(Published Mar 9, 2011)

The House Government Operations and Elections Committee *(Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009>) is scheduled to take up the League's elections housekeeping bill on March 10. The bill, which does not yet have a number, is also expected to be introduced in the Senate this week.

The bill proposes a variety of changes to voting activities that are intended to make the responsibilities cities must accomplish during the final days before elections more manageable, and to provide voters with easier and less costly options to cast their ballots.

The legislation, which was introduced in the House on March 7, is authored by **Rep. Tim Sanders** *(Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=15316>)* (R-Blaine), vice chair of the House Government Operations and Elections Committee.

Proposed changes in the bill include:

- Ending absentee voting in person on the Saturday before Election Day.
- Allowing more cities to establish combined polling places.
- Directing cities with wards to redistrict ward boundaries after the Legislature is redistricted (in 2012).
- Directing the courts to expedite orders issued for relief on petitions filed prior to an election for errors, omissions, or wrongful acts related to the placement or printing of the name of a candidate on the ballot.
- Allowing one ballot board to accept and reject both mail ballots and absentee ballots.
- Allowing election judges to be within six feet of electronic vote tabulation equipment to monitor the equipment operation during voting activity on Election Day.

In the two months since the 2011 session began, nearly 20 election-related proposals have been introduced, including voter photo ID proposals. Here is a run-down of the bills introduced thus far:

- **HF 89** *(Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF89&ssn=0&y=2011)* (**Rep. Mike Benson** *(Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15342)*, R-Rochester)/**SF 479** *(Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0479&ssn=0&y=2011&ls=87)* (**Sen. John Howe** *(Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15332)*, R-Red Wing), requiring voter photo identification and provisional ballots (recommended to pass by the House Government Operations and Elections and State Government Finance committees).

- **HF 210** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF210&ssn=0&y=2011) and **HF 302** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF302&ssn=0&y=2011) (**Rep. Mary Kiffmeyer** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15302), R-Big Lake)/**SF 509** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0509&ssn=0&y=2011) (**Sen. Warren Limmer** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10376), R-Maple Grove), requiring use of electronic poll books and eliminating vouching for Election Day voter registration (recommended to pass by the House Government Operations and Elections Committee).
- **HF 165** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF165&ssn=0&y=2011) (**Rep. Steve Simon** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=12280), DFL-St. Louis Park)/**SF 22** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0022&ssn=0&y=2011&ls=87) (**Sen. Ann Rest** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10558), DFL-New Hope) and **HF 237** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF237&ssn=0&y=2011) (**Rep. Paul Marquart** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10401), DFL-Dilworth), allowing eligible persons who are 17 years old to vote in a primary if they will be 18 at the time of the general election.
- **HF 281** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF281&ssn=0&y=2011) (**Rep. Lyndon Carlson** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10089), DFL-Crystal)/**SF 156** (Rest), modifying the schedule for canvassing city, county, and school district election results (recommended to pass by the House Government Operations and Elections Committee).
- **HF 406** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF406&ssn=0&y=2011) (**Simon**)/**SF 5** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0005&ssn=0&y=2011&ls=87) (**Sen. Larry Pogemiller** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10539), DFL-Minneapolis), establishing principles for legislative and congressional redistricting and providing for appointment of a redistricting commission to recommend new legislative and congressional district boundaries.
- **HF 440** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF440&ssn=0&y=2011) (**Smith**), modifying the service of petition for election errors, omissions, or wrongful acts.
- **HF 495** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF495&ssn=0&y=2011) (**Rep. Pat Garafalo** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=12262), R-Farmington), enacting an agreement among states to elect the president by national popular vote.
- **HF 510** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF510&ssn=0&y=2011) (**Simon**), providing for automatic voter registration from data derived from driver's license applications.
- **HF 561** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF561&ssn=0&y=2011) (**Rep. Michael Beard** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10754), R-Shakopee), making changes to publicly funded automatic recount requirements and procedures (recommended to pass by the House Government Operations and Elections Committee).
- **HF 577** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF577&ssn=0&y=2011) (**Rep. Morrie Lanning** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10771), R-Moorhead)/**SF 604** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0604&ssn=0&y=2011) (**Sen. Mike Parry**

(Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15321), R-Waseca), funding legal fees imposed by federal courts and reimbursing expenses incurred to conduct recount of 2010 gubernatorial election.

- **HF 591** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF591&ssn=0&y=2011) (**Rep. Kate Knuth** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15273), DFL-New Brighton)/**SF 553** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0553&ssn=0&y=2011) (**Sen. Barb Goodwin** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10212), DFL-Columbia Heights), allowing a candidate to serve as an election judge in a precinct where the candidate's name is not on the ballot (recommended to pass by the House Government Operations and Elections Committee).
- **HF 598** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF598&ssn=0&y=2011) (**Rep. Phyllis Kahn** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10302), DFL-Minneapolis)/**SF 345** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0345&ssn=0&y=2011&ls=87) (**Sen. Sandra Pappas** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10503), DFL-St. Paul), authorizing online voter registration.
- **HF 700** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF700&ssn=0&y=2011) (Simon), relating to voter registration and specifying criminal penalties for unlawful voting.
- **HF 732** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF732&ssn=0&y=2011) (**Rep. Ryan Winkler** (Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15271), DFL-Golden Valley)/**SF 624** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0624&ssn=0&y=2011&ls=87) (**Sen. Katie Sieben** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10786), DFL-Newport), authorizing absentee voting without excuse.
- **HF 733** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF733&ssn=0&y=2011) (Winkler)/**SF 625** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0625&ssn=0&y=2011&ls=87) (Sieben), establishing early voting procedures.

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Cc: "IGR" <IGR@lmc.org>; "Communications" <Communications@lmc.org>; "AMM" <AMM2@lmc.org>; "Directors" <Directors@lmc.org>; "Board of Directors--LMC" <BoardofDirectorsLMC@lmc.org>
Sent: Friday, March 04, 2011 5:09 PM
Subject: [legislative] Friday Fax--March 4, 2011
Legislation removing city authority over private wells advances

The Government Operations and Elections committee heard HF 135 (Rep. Tom Hackbarth, R – Cedar) on Tuesday, February 22. The League testified against the bill, as did the mayor of Spring Park. The bill was passed on a close voice vote and will next be heard in the Environment, Energy and Natural Resources Policy and Finance committee.

The bill, along with its Senate companion, SF 64 (Sen. Mike Jungbauer, R – East Bethel) limits city authority to allow property owners to sink their own irrigation wells and circumvent paying for public water. We have heard from city examples where 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 their 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. Cities who are 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.

Cut public safety and you lose LGA/MVHC

On Thursday, Representative Larry Howes (R-Walker) and Greg Davids (R-Preston) introduced HF 790, a bill that would essentially create a maintenance-of-effort requirement for city and county public safety in the event of a reduction in city local government aid (LGA), county program aid (CPA) or reductions in the market value homestead credit (MVHC) reimbursement.

Under the bill, if a city's certified LGA or MVHC reimbursement is reduced due to a governor's unallotment or under another provision of law in the previous calendar year and the city reduces its complement of licensed peace officers below an unspecified level or reduces its budget for firefighter compensation below an unspecified level, then the city will lose its LGA distribution and its MVHC reimbursement in the current calendar year. An aid loss is not triggered by changes in aid amounts that occur under the formula, but does apply to reductions to individual cities related to appropriation reductions.

As introduced, the bill does not specify what percentage reduction would qualify as a reduction in the complement of licensed peace officers nor does it specify what percentage reduction would qualify as a reduction in firefighter compensation. These thresholds would be set as the bill moves through the legislative process.

Clearly, this bill would create problems for cities. Even a small reduction in the complement of licensed peace officers or firefighter compensation could trigger the loss of LGA and MVHC reimbursement. Although the bill attempts to allow for contracting or consolidation of departments, it is not entirely clear whether a city could still lose its LGA and MVHC reimbursement under certain contracting or consolidation circumstances.

The bill has no Senate companion and as of Friday morning, it has not yet been scheduled for a hearing.

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

Variance bill likely to come up soon on house floor

HF 52, the bill drafted by the League and 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-has been awaiting action on the House floor for several weeks. Legislative staff have indicated that the House may soon bring the bill up for a vote. The bill was amended in committee, over the objections of local government, to leave 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 language being consistent 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 scheduled for a hearing, but the bill's author, Sen. Gen Olson (R – Minnetrista), will request a hearing as soon as possible.

Questions? Contact Craig Johnson at 651-281-1259 or cjohnson@lmc.org.

House committee moves sprinkler prohibition forward despite opposition by Fire Chiefs

Legislation mentioned in the Friday Fax on February 25 (HF 460, Rep. Joyce Peppin, R-Rogers) and SF297 (Sen. Warren Limmer, R-Maple Grove) was recommended to pass and sent to the House floor on Tuesday. The Minnesota Fire Chiefs Association voiced concerns about the inflated claims of the cost of, and damage caused to, home interiors by sprinklers during some fires; use of light construction techniques in new single family homes that threaten the safety of firefighters and residents during fires; and higher levels of toxic smoke created by newer furniture during house fires. Joining them in objecting to the bill were the State Fire Marshal Jerry Rosendahl as well as the recently retired State Building Code official Tom Joachim.

The vote by a majority of the members of the committee to approve the bill signaled that the Builders Association of Minnesota (BAM) and the Builders Association of the Twin Cities (BATC) and their allies from the manufactured housing association had persuaded legislators that the prohibition on enacting any fire sprinkler requirements at the local level was reasonable to prevent higher housing construction costs and to remove the prospect that international fire code recommendations would be adopted in Minnesota if the state building code adoption process went forward.

The League's policy supports a thorough examination of and deliberation regarding the development of fire code provisions to address the extent of and necessity for installation of fire suppression measures, including sprinklers, in the construction of new detached single family homes.

SF 297 has not yet been heard in the Senate Judiciary and Public Safety Committee, which Senator Limmer chairs.

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

House Tax Committee outlines its committee schedule

On Thursday afternoon, the House Tax Committee released an outline of the schedule for the full Tax Committee and the Property and Local Tax Division leading up to the completion of the omnibus tax bill. In contrast to traditional practice, the House and Senate have agreed to a committee deadline structure that first requires the completion of state budget bills, leaving non-budget policy bills for action at the end of the session. The deadline for completing the budget bills is Friday, March 25 while the first policy deadline is Friday, April 29 and the second policy deadline is Friday, May 6.

Under the proposed House Tax Committee schedule, the Property and Local Tax Division and the full Tax Committee will continue to hear most bills through Friday, March 11. During these hearings, the Division and the full committee generally will not vote on individual bills but instead will "lay the bills over" for possible inclusion in the Division report or the full omnibus tax bill.

On Saturday, March 12, the Property and Local Tax Division will unveil its division report which will focus on property taxes and state aid changes while the full Tax Committee will release a draft of the omnibus tax bill, which will include other, non-property tax and state aid provisions. The division report and the full omnibus tax bill draft will essentially be compilations of individual tax bills considered in earlier hearings. The division report and the draft of the full bill represent the work of the division chair, Rep.

Linda Runbeck (R-Circle Pines) and full committee chair, Rep. Greg Davids (R-Preston) in consultation with committee members.

On Wednesday, March 16 the Property and Local Tax Division will begin considering amendments to the division report while the full Tax Committee will begin their mark-up on Thursday, March 17. The full Tax Committee will continue to process the division report and the full tax bill, planning to meet on Saturday March 19, with the goal of merging the two bills and completing mark up by the afternoon of March 21.

The Senate has not set a firm schedule for completion of their work but the Senate Tax Committee is scheduled to meet throughout the next two weeks.

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

Beer for baseball bill is up to bat

Take me out to the ball game—and a regular beer please.

With baseball season just around the corner, a bill was introduced on Thursday that would allow cities to issue a beer and wine license to a ballpark or stadium located within the city for purposes of summer collegiate league baseball games. HF 829 (Rep. Bruce Vogel, R-Willmar)/SF 551 (Sen. Joe Gimse, R-Willmar) adds ballparks to the list in Minn. Stat. 340A.404 to whom cities can issue liquor licenses. League staff have identified a few issues with the bill, one being that cities do not license themselves per se—and baseball parks would tend to be municipally owned.

Currently these situations allow 3.2 licenses, but-according to Senator Gimse—the teams' operating concessions are forced to order their 3.2 product in April, which presents a hardship for the team. The bill is scheduled in the Senate Commerce and Consumer Protection committee already on Wednesday; the authors are interested in fast-tracking the bill for the start of the baseball season in April. The League doesn't have an official position, but has usually supported efforts to add different venues to this section of law, and will work with the interested parties in the days before this is presented.

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

House State Government Finance Committee moves voter photo ID bill forward despite local election administrators' concerns

City, county and township concerns regarding the complexity of provisional voting and unfunded costs for carrying out requirements of voter photo ID legislation contained in HF89 (Benson) were detailed in a hearing on the bill held on Monday evening. Based on costs that have been incurred in other states and the examination of how cities, counties and other local election jurisdictions would provide required photo IDs and conduct additional voting activities, testifiers, in response to questions from committee members, estimated that those unfunded expenses that would be incurred locally could be more than \$1 million for a statewide election.

The result, however, was disappointing when the Committee voted to recommend that the bill be approved and referred it to the House Ways and Means Committee.

No action was taken by the committee to address initial cost estimates costs that local election administrators identified. Representative Steve Simon (Dist 44A - St. Louis Park) indicated his concern that a formal examination of those costs by the Minnesota Department of Management and Budget had been requested, but that the results are still pending.

Bloomington City Clerk Tom Ferber, the Co-Chair of the LMC Elections Task Force, testified that HF89 has no specific provision for the effective date for implementing an additional voting activity at the polls and requested that the author of the bill (Rep. Mike Benson – Dist. 30B) amend the bill to make it effective for the 2012 election cycle. Without such an amendment, the bill will be effective on August 1 of this year. Testimony offered by Tom Ferber also pointed out that the provisional ballot requirements introduce more complexity to Election Day voting activities, raising concerns of increased risk of errors as well as the expectation that additional election judges will be needed to oversee the process to assure that provisional voting activities are carried out separately from the regular voting process.

The Senate Local Government & Elections Committee has scheduled two days of hearings on Senate versions of voter photo ID legislation, SF 479 (Sen. John Howe, R-- Red Wing), the companion to HF 89, and SF 509 (Rep. Warren Limmer, R- Maple Grove), the companion to HF 210 (Rep. Mary Kiffmeyer, R- Big Lake), from 1 – 3 p.m., on Monday, March 14 and Wednesday, March 16, in Room 112 of the State Capitol.

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

Joint House Senate Tax committees to take up local option sales taxes

Joint hearings between Senate and House committees are a pretty rare occurrence at the legislature, but next Wednesday's schedule calls for an 8:15 a.m. joint hearing to take up local option sales tax bills by the Senate Tax Committee and the House Property and Local Tax Division in room 15 of the Capitol. Right now the bills scheduled are: HF49 (Rep. Bud Nornes, R-Fergus Falls) Fergus Falls authorization; HF377 (Rep. Ron Shimanski, R-Silver Lake) Hutchinson authorization; HF579 (Rep. Lyle Koenen, DFL-Clara City) Marshall authorization; HF582 (Rep. Greg Davids, R-Preston) Lanesboro authorization; and HF608 (Rep. Bruce Anderson, R-Buffalo) Clearwater's modification to their existing authorization.

The general local option sales tax bills, however have not been included for this joint hearing, but will likely appear on hearing agendas before the end of the month. Tax chairs Senator Ortman and Rep. Davids are carrying companion bills (HF 649/SF 467) that allow a city to impose a sales tax if certain criteria are met, for regional significance type projects. As introduced, this legislation is similar to legislation supported by the League in previous legislative sessions. On Thursday, HF 825 (Marquart) was introduced that would establish another local option sales tax moratorium until May 31, 2014 for cities coming forward and spending money to promote such a tax. There is no Senate companion to this bill yet. Finally, former Tax Chair Rep. Lenczewski has a bill (HF 336) that would allow a local option sales tax, but include an LGA offset to that city. HF 336 is scheduled for a hearing on Wednesday evening in the House Property and Local Sales Tax committee at 7 p.m.

The League's legislative policies were amended this past year to support a local option sales tax for cities for public capital improvements but without a mandatory local referendum. When League staff met with Senator Ortman this week, we were encouraged to work with her bill as a starting point for a general local sales tax authorization rather than introducing a separate bill. Tax committee members that we have approached this session have been cautious about introducing legislation that would generally authorize local sales taxes, especially without a mandatory local referendum requirement.

Questions? Contact Gary Carlson at 651.281.1255 or gcarlson@lmc.org or Jennifer O'Rourke at 651.281.1261 or jorourke@lmc.org.

Governor signs environmental permitting and review changes into law

Chapter 4 (HF 1/SF 42) was signed into law by Governor Dayton on March 3 and goes into effect today. The bill makes a number of significant changes, some of which were initially addressed by the Governor in Executive Order 11-04. Some of the major changes affecting cities includes:

- The Department of Natural Resources and the Pollution Control Agency must now notify applicants of any deficiencies in a permit applications within 30 days or the application is deemed complete. They also have a 150-day goal for issuance of permits and must provide written summaries of the causes for delay in cases where those timelines are not met. These timeline changes do not apply to wastewater treatment facilities funded through the Public Facilities Authority because of the timelines and facility plan reviews involved in that public financing process. Both agencies must also accept electronic submissions of permits and of environmental review information.
- The Pollution Control Agency must, in future rules it develops, include in the statement of need and reasonableness (SONAR) a comparison of the standard being proposed with any existing similar standards at the federal level, in neighboring states, or in other states in EPA region 5. The SONAR must then show the need of reasonableness of the Minnesota standard being different.
- Where an environmental impact statement (EIS) is needed, project proposers may now choose to prepare and submit a draft EIS to the responsible governmental unit (RGU). The RGU may require additional study and is able to recover any costs it incurs in preparing, reviewing, or distributing the EIS.
- Appeals of local government decisions on environmental review will now go directly to the Court of Appeals, instead of starting in district court.

Questions? Contact Craig Johnson at 651-281-1259 or cjohnson@lmc.org.

Clean water fund legislation to be discussed

The clean water fund is the state account created by constitutional amendment in 2008 to provide for cleaning up and protecting state water resources, with an emphasis on meeting federal requirements for Minnesota to identify and address lakes and rivers that fail to meet water quality standards. Legislation that allocates those funds for the next biennium has been introduced and will be discussed next week. HF 656 (Rep. Paul Torkelson, R – Nelson Township) closely follows the recommendations of the Clean Water Council, a Governor- appointed group that advises the administration on how best to meet those federal requirements. The legislation continues to make a significant portion of that money available to cities as grants and loans for pollution control equipment on wastewater treatment facilities and for projects to deal with stormwater, erosion, and other run-off related issues. The legislation also makes changes to the Clean Water Council to add non-voting legislative members and to better define the purpose and scope of the Council's advisory role. The bill will be heard in the house Legacy Funding division in Room 5 of the State Office Building at 2:30 pm on Tuesday, March 8.

Questions? Contact Craig Johnson at 651-281-1259 or cjohnson@lmc.org.

Governor appoints Metropolitan Council members

Governor Mark Dayton filed "Notice of Intent to Appoint" forms with the Secretary of State for the 16 Metropolitan Council districts.

The individuals named are:

District 1:	Roxanne Smith, Champlin
District 2:	Lona Schreiber, Brooklyn Park
District 3:	Jennifer Munt, Minnetonka
District 4:	Gary Van Eyll, Chaska
District 5:	Steven Elkins, Bloomington
District 6:	James Brimeyer, St. Louis Park
District 7:	Gary Cunningham, Minneapolis
District 8:	Adam Duininck, Minneapolis
District 9:	Edward Reynoso, Ham Lake
District 10:	John Doan, Blaine
District 11:	Sandra Rummel, White Bear Lake
District 12:	Harry Melander, Mahtomedi
District 13:	Richard Kramer, St. Paul
District 14:	Jon Commers, St. Paul
District 15:	Steven Chavez, Eagan
District 16:	Wendy Wulff, Lakeville

The appointment process began on January 4, 2011, when the governor contacted all local government officials in the seven-county metropolitan area, seeking their help and input to find quality candidates and urge them to apply to the Council. According to the governor's office, More than 250 individuals submitted applications, and the list was narrowed to 95 finalists. A seven-member nominating committee held public hearings and interviewed each of the finalists.

On Monday, March 7, after the five-day review period required by statute, the governor's nominees will be appointed to the Metropolitan Council.

The governor's news release includes short biographies on each individual selected by the governor.

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

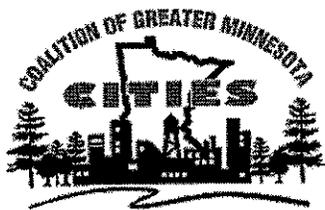
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Coalition of Greater Minnesota Cities

CGMC in Brief

March 3, 2011

Contact: Tim Flaherty
651-225-8840

Lenczewski bill highlights need for property tax aids and credits

In an effort to show the impacts of state's property tax aids and credit programs, Rep. Ann Lenczewski (DFL-Bloomington) presented H.F. 398 in front of the House's Property Tax Division. The bill removes all aid and credit programs with the exception of the Property Tax Refund program. The bill would eliminate \$887 million per year in aid programs—including LGA, County Program Aid and ten other aid programs—\$297 million per year in credits—including the Residential and Agricultural Market Value Credits along with six other credit programs and five other smaller payment programs costing the state \$18 million a year—and four programs such as Fiscal Disparities and Green Acres that do not have a cost to the state but shift who pays property taxes. The bill also removes levy limits and maintenance of effort and allows for a local option sales tax. In effect, the bill ends the state and local partnership and lets cities sink or swim on their own.

The consequences of the bill are truly instructive in learning how these programs affect property taxes in Greater Minnesota. According to projections by House Research, overall property taxes in Minnesota would increase by 8.7%; however, depending on location and type of property, the effects on property taxes could be considerable more. In greater Minnesota, cities' overall property taxes would increase 17.6%, with residential homestead properties seeing a 28.2% increase and commercial and industrial properties seeing between an 8.8% to 10.5% increase. Compare this to the metro area, which would see an overall property tax increase of 5.2%. Metro area residential homestead properties would see a 9.1% increase, low valued commercial and industrial properties would see a 1.1% increase and high valued commercial and industrial properties would see a decrease of 0.4%.

On top of the property tax increases, cities would have to make severe service reductions. The property tax estimates were based on 50% of all aid lost to a city being levied back until the levy increase is 10%, at which point 30% of the remaining aid lost would be levied back. Under these estimates, many cities in greater Minnesota would see large percentage of their aid reduction in service cuts.

Steve Peterson, senior policy analyst with Flaherty & Hood, testified against the bill and the outcome of unraveling the state and local partnership. Peterson testified that the property tax increases and service cuts would put greater Minnesota business and residents at a severe disadvantage. In addition, simply allowing local sales taxes would add to the disparity between property rich and poor communities given that strong sales tax bases are generally correlated with strong property tax bases and are just as, or more, unequal than property tax bases.



**Save the date:
March 10 lobbying
day**

CGMC is asking city officials to attend our next legislative lobbying day Thursday, March 10th. The day will begin at 10:00 a.m. with a briefing at the Flaherty and Hood offices. We will schedule meetings with legislators later in the morning and throughout the afternoon. If you can attend, please call Bradley Peterson at (651) 259-1911 or email him at bmpeterson@flaherty-hood.com.

**State Auditor
Highlights Shift In
City Finances**

State Auditor Rebecca Otto released the annual City Finances report on city revenue, debt and expenditures for 2009. The report highlighted that inflation adjusted city revenues declined by 11% between 2000 and 2009. In that same time period, inflation adjusted revenues from property taxes grew 41% while revenue from intergovernmental sources (which includes LGA) decreased 25%.

The picture with respect to city expenditures shows that cities have tightened their belts significantly. When adjusted for inflation, expenditures in 2009 fell below 2000 levels, dropping by 8% over that period. The amount of city expenditures fell in large part because of decreases in capital spending. Total capital outlays decreased 36% over the ten year period while current expenditures and debt service both inched up. You can find the report here <http://bit.ly/dInkLq>

**TIF extension bills
receive hearing**

On Tuesday, the Senate Tax Committee considered legislation to extend by two years the expanded TIF provisions passed in the 2010 jobs bill. S.F. 420 and S.F. 205 would extend by two years an expansion of TIF provisions to any type of project (office, retail, housing, etc.) if there was a finding of job creation and if the construction began by a certain date. The bills would also extend a provision that suspends various rules limiting the use of tax increment revenues under certain conditions.

The two bills—identical in language and scope—were held over for possible inclusion in an omnibus bill. A House companion bill (H.F. 776) is scheduled for a hearing in the House Property Tax Division next Wednesday night.

**Business
Development Grant
funding bills
introduced**

Legislation to fund the Greater Minnesota Business Development Public Infrastructure (BDPI) grant was introduced in the House and Senate this week. H.F. 742 (Murray) and S.F. 568 (Miller) would appropriate \$10 million in general obligation bonds for the BDPI program. Both bills were introduced with bipartisan support. An additional BDPI funding bill was also introduced this week (S.F. 585, Sparks) that would appropriate \$20 million for the grant program. Gov. Dayton has requested \$4 million for the grant in his bonding request issued last month.

Traditionally, members introduce BDPI funding bills as “markers” to express their support for the grant in an omnibus capital investment bonding bill. To date, the legislature and governor have not agreed upon the size or timing of a bonding bill for this session.



BDPI grant protection bills introduced

Legislation was also introduced this week to ensure funding for the BDPI grant is used only for the BDPI grant, and not other programs. H.F. 741 (Murray) and S.F. 569 (Miller) were introduced in response to an action by DEED last summer to wall-off \$2.5 million of the BDPI grant for a separate, new grant program involving transportation interchanges and economic development. CGMC is concerned that DEED's action sets a precedent whereby DEED can wall-off for a specific purpose any amount of the BDPI grant in the future, without legislative authority. The BDPI grant is a competitive grant program used for many different purposes, and all cities and counties in greater Minnesota should have an equal opportunity to compete. For more information about the BDPI grant, or this legislation, please contact J.D. Burton at jdburton@flaherty-hood.com.

Audit report issued regarding environmental permitting in MN

The process of environmental permitting is a hot topic in Minnesota. Gov. Dayton has already issued an executive order to speed up the process. A similar bill is making its way to the governor's desk for signature. And on Tuesday, the Minnesota Office of the Legislative Auditor issued its audit report of the Environmental Review and Permitting process.

Cities were responsible for 33% of the environmental reviews of private sector projects. Counties were responsible for 34% and townships for 6%. One key finding was that some local government units work only sporadically on environmental review. As a result, inexperience or lack of expertise of those performing the reviews can cause problems. Thus the auditor recommends strengthening LGUs ability to conduct these reviews through cooperative arrangements and on-demand training.

The remainder of the recommendations focused primarily on taking steps to address timeliness at the PCA and the DNR.

Municipal Labs Bill Continues to Advance

On Monday, the Senate Health & Human Service Committee heard the bill seeking to ease the accreditation requirements, S.F. 162. Elizabeth Wefel testified on behalf of the CGMC in favor of the bill along with Shauna Johnson, City Administrator from Waite Park. Written testimony from wastewater personnel in Melrose and Mankato was also submitted.

The biggest question raised at the hearing is what standards would apply if municipal labs are exempted from the NELAC requirements. Senator Pederson, the bill author, and representatives from the labs are working with the Department of Health to resolve this issue as it moves forward. For more information about this bill, please contact Elizabeth Wefel at eawefel@flaherty-hood.com



Solar power guides for local government

Some of the bright sunny (albeit cold) days we've been having should serve as a reminder that solar power can be a reality in Minnesota. The U.S. Department of Energy has published several guides on solar power that may be of use to local governments.

First the solar power guide for local government is a 172 page booklet that can be downloaded here: <http://bit.ly/fYc03a>

It's a comprehensive guide for developing solar power in your community. For those interested in developing a solar community, click here: <http://bit.ly/fV8YhU>

For information on collective purchasing of residential PV systems, click here: <http://bit.ly/dRN5xJ>

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>.

The CGMC mourns the loss of board member Dick Grassel who passed away at home over the weekend. He was an active in his community and with the CGMC. He had served on the East Grand Forks City Council since 1989 and as its president since 2006. The wisdom and support he brought to our organization will be dearly missed.

A full obituary can be found at <http://bit.ly/fBmdiR>





Another Mandate Relief Bill Introduced in the House

The introduction of HF 705 shows that the Legislature is still serious about mandate relief this session.

(Published Mar 2, 2011)

Another mandate relief bill was introduced last week by **Rep. Roger Crawford** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15344](http://www.house.leg.state.mn.us/members/members.asp?id=15344)) (R-Mora) in the form of **HF 705** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF705&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF705&ssn=0&y=2011)). The bill comes with several co-authors, including many who showed support for mandate relief even before the session started. Several have first-hand city experience having served as mayors or on city councils.

Co-authors include: **Rep. Joe McDonald** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15360](http://www.house.leg.state.mn.us/members/members.asp?id=15360)) (R-Delano), **Rep. Mike LeMieur** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15357](http://www.house.leg.state.mn.us/members/members.asp?id=15357)) (R-Little Falls), **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), **Rep. Bob Barrett** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15341](http://www.house.leg.state.mn.us/members/members.asp?id=15341)) (R-Shaefer), **Rep. Sondra Erickson** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10168](http://www.house.leg.state.mn.us/members/members.asp?id=10168)) (R-Princeton), **Rep. Greg Davids** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10123](http://www.house.leg.state.mn.us/members/members.asp?id=10123)) (R-Preston), **Rep. Kurt Bills** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15343](http://www.house.leg.state.mn.us/members/members.asp?id=15343)) (R-Rosemount), **Rep. Doug Wardlow** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15372](http://www.house.leg.state.mn.us/members/members.asp?id=15372)) (R-Eagan), **Rep. Paul Marquart** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10401](http://www.house.leg.state.mn.us/members/members.asp?id=10401)) (DFL-Dilworth), **Rep. Tara Mack** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15308](http://www.house.leg.state.mn.us/members/members.asp?id=15308)) (R-Apple Valley).

The bill contains several issues that were also included in the first mandate bill introduced this year, **HF 7** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF7&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF7&ssn=0&y=2011)) (**Rep. Steve Drazkowski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15286](http://www.house.leg.state.mn.us/members/members.asp?id=15286)), R-Mazeppa). That bill was entirely made up of repealers. The Senate companion, **SF 159** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0159&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0159&ssn=0&y=2011)) (**Sen. John Carlson** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1166&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1166&ls=)), R-Bemidji), came under fire for its language to eliminate the state's pay equity statutes. Neither of these bills have had committee hearings; the later policy committee deadline will apply to these bills. SF 159 had been scheduled for a Feb. 16 hearing in the **Senate Local Government and Elections Committee** ([Link to: http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3052&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3052&ls=)), but it was removed from the agenda. (**Read more about these bills.** ([Link to: http://www.lmc.org/page/1/mandaterelief.jsp](http://www.lmc.org/page/1/mandaterelief.jsp)))

Some of the provisions in HF 705 would:

- Permit the federal single audit to meet the state auditor's requirements (sections 2 and 7).

- Remove the requirement that cities report to the state on the 3.2 liquor licenses they issue (sections 3 and 8).
- Remove the requirement that cities have a building official under *Minnesota Statutes, section 326B.133* (Link to: <https://www.revisor.mn.gov/statutes/?id=326B.133>) (section 4).
- Permit alternative publication for cities, and allow the use of city websites instead of newspapers in most instances (section 5).
- Change certain interim ordinance (section 6).
- Repeal the building fee report required under *Minnesota Statutes, section 326B.145* (Link to: <https://www.revisor.mn.gov/statutes/?id=326B.145>) (section 8).
- Repeal group insurance mandates required under *Minnesota Statutes, section 471.6161* (Link to: <https://www.revisor.mn.gov/statutes/?id=471.6161>) (section 8).
- Repeal group insurance aggregate value requirements under *Minnesota Statutes, section 471.6161, subdivision 5* (Link to: <https://www.revisor.mn.gov/statutes/?id=471.6161>) (section 8).

A companion bill to HF 705 is expected to be introduced soon. There are also separate bills for both the pay equity and publication mandates. The pay equity bills are **SF 282** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0282&ssn=0&y=2011) (**Sen. Michael Jungbauer** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1021&ls=), R-East Bethel) and **HF 698** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF698&ssn=0&y=2011) (Rep. Drazkowski). The alternative publication bills are **HF 162** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF162&ssn=0&y=2011) (Rep. Drazkowski) and **SF 412** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0412&ssn=0&y=2011) (**Sen. John Pederson** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1170&ls=), R-St. Cloud).

And one mandate bill with a huge price tag gets its first hearing on Wednesday morning in the form of **SF 371** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0371&ssn=0&y=2011) (**Sen. Al DeKruif** (Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1176&ls=), R-Madison Lake). This is the traditional sales tax exemption bill for local units of government, and the League plans to testify in support of it. The House companion, **HF 758** (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF0758&ssn=0&y=2011&ls=87) (**Rep. Ron Shimanski** (Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=15257>), R-Silver Lake), was introduced on Feb. 28 and has several co-authors.

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

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Economic Development Bills Get First Hearing in Taxes

The hearing on TIF tools generated a lot of discussion about the state-local fiscal partnerships around development.

(Published Mar 2, 2011)

Many city officials were on hand to testify in support of a variety of bills covering tax increment financing (TIF) and other city development tools at a **Senate Taxes Committee** (*Link to:*) hearing on March 1. All the bills were eventually laid over for possible inclusion in an omnibus bill, which is likely to be released around March 25.

Along with specific cities, the League, **Metro Cities** (*Link to: <http://www.metrocitiesmn.org/>*), and the **Economic Development Association of Minnesota** (*Link to: <http://www.edam.org/>*) (EDAM) offered specific testimony on the bills.

For Capitol watchers, this was a telling hearing as it was the first time this session that tax increment has gone in front of the Senate Taxes Committee—which has several freshman members. TIF is one of the only tools cities have for redevelopment and economic development needs, and they need to meet important “but for” criteria, yet some policymakers have been critical of cities’ use of it over the years. The following are some highlights from the committee on specific bills.

Increasing the holding time for cities

Sen. Paul Gazelka (*Link to:*) (R-Baxter) presented **SF 244** (*Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0244&ssn=0&y=2011*), a bill to increase the amount of time for cities to hold property tax exempt for economic development purposes. Dan Voight, city administrator in Brainerd, and League staff member Jennifer O’Rourke provided support and background information. The bill was amended right away to allow this tax exemption to go out only to 10 years, from the current eight. The amendment also eliminated the push-out to 20,000 that had been in the original bill—thereby keeping the original statute that cities under 5,000 in population could hold the property for 15 years.

The League supports the two-year extension and testified to that effect. Committee members asked questions of the testifiers tying local government aid and economic development efforts. Further questions from members ended with a discussion of sunseting this two-year extension, and an amendment offered by **Sen. Ann Rest** (*Link to:*) (DFL-New Hope) passed.

TIF extensions for economic development districts and pooling

Sen. Dave Senjem (*Link to:*) (R-Rochester),

assistant majority leader, presented a bill (**SF 42** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0042&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0042&ssn=0&y=2011))) calling for TIF extensions. It was introduced last week and brought forward at the hearing by the League and Metro Cities. Several others had written letters of support for the committee including the Municipal Legislative Commission, Minnesota Chapter of the National Association of Housing and Redevelopment Officials, and the Jobs Coalition. **Sen. Roger Chamberlain** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1187&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1187&ls=)) (R-Lino Lakes) had a similar bill, **SF 205** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0205&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0205&ssn=0&y=2011)) , that had only the pooling option. City representatives on hand to share their local stories were from Big Lake, Brooklyn Park, Chisago, Coon Rapids, Sauk Rapids, Shoreview, and Victoria. Toward the end of the testimony, **Sen. Tom Bakk** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1003&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1003&ls=)) (DFL-Cook) explained his point of view that with the broadness presented in both bills—that a two year extension might be too much and the committee might want to consider only one year. EDAM's platform actually calls for four years, but the League/Metro Cities bill asked for two. Any interest or comment on this provision should be sent to Jennifer O'Rourke at jorourke@lmc.org ([Link to: mailto:jorourke@lmc.org](mailto:jorourke@lmc.org)) .

Cohasset and Ramsey local TIF bills

Sen. Tom Saxhaug ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1056&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1056&ls=)) (DFL-Grand Rapids) and **Sen. Michael Jungbauer** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1021&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1021&ls=)) (R-Bethel) presented their local request bills, **SF 487** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0487&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0487&ssn=0&y=2011)) (Cohasset) and **SF 178** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0178&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0178&ssn=0&y=2011)) (Ramsey), along with representatives from the city of Ramsey. These were the only two local request bills; in recent years there have been more introduced and up for committee consideration. Both the House and Senate have indicated their intention to hear these kinds of bills early. Cities still intending to bring forward legislation should talk with their legislators soon as the House hearing on local bills is scheduled for March 9 at 7 p.m.

TIF for transit-oriented development

SF 464 ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0464&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0464&ssn=0&y=2011)) , a bill that would allow TIF to be used for transit-oriented development, was presented by chief author Sen. Rest. The bill is similar to an idea **Sen. Scott Dibble** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1010&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1010&ls=)) (DFL-Minneapolis) presented last year. Metro Cities testified in support, along with representatives from St. Louis Park, Apple Valley, and the Department of Employment and Economic Development.

TIF for market rate housing in foreclosure situations

SF 284 ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0284&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0284&ssn=0&y=2011)) (Sen. Rest) was also presented to the committee. This provision would expand the use of pooled increment to allow an authority to use the pooled increment to develop housing in certain foreclosure situations. The market value is spelled out in this bill. The provision was actually adopted by last year's tax conference committee, but inadvertently left out in the final conference committee report.



House Approves Synthetic Marijuana Ban

The measure would criminalize the sale and possession of products that are designed to mimic the effects of marijuana.

(Published Mar 2, 2011)

On a 124-4 vote, the House on Feb. 24 approved a bill that would make it a gross misdemeanor to sell synthetic marijuana, and a misdemeanor to possess the substance. Sponsored by **(Rep. John Kriesel** *(Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=15354>)*, R-Cottage Grove), **HF 57** *(Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF57&ssn=0&y=2011)* now goes to the Senate. The bill does not yet have a Senate companion.

The legislation responds to a growing trend in the sale and use of synthetic cannabinoids, which are functionally similar to the active component of cannabis. Synthetic cannabinoids, also known as K2, bind to the same cannabinoid receptors in the brain and other organs as marijuana. The product is known to cause dangerous side-effects such as seizures.

The legislation is supported by the League of Minnesota Cities, **Minnesota Chiefs of Police Association** *(Link to: <http://www.mnchiefs.org/mc/page.do?sitePageId=16477>)*, **Minnesota Sheriffs' Association** *(Link to: <http://www.mnchiefs.org/mc/page.do?sitePageId=32370>)*, **Minnesota Police and Peace Officers Association** *(Link to: <http://www.mppoa.com/>)*, and **Minnesota Juvenile Officers Association** *(Link to: <http://www.mnjoa.org/>)*.

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State Budget Deficit Reduced to \$5 Billion

The February 2011 state budget forecast projects a \$5 billion deficit for the next 28 months.

(Published Mar 2, 2011)

Minnesota Management and Budget's (MMB) new state budget forecast, released on Feb. 28, projects a \$5.028 billion deficit, down from the November forecast deficit of \$6.188 billion.

The February forecast projects revenues and expenditures for the remaining four months of the current fiscal year (FY) 2010-2011 biennium as well as the next 24 months of the upcoming FY 2012-2013 biennium.

- **Access the full February 2011 state budget forecast from the MMB website** *(Link to:*

http://www.mmb.state.mn.us/fu-2011)

The forecast includes improvements for both the balance of the current biennium as well as for the upcoming two-year budget period. According to the projections, the state will end the FY 2010-2011 biennium on June 30 with a \$663 million surplus, up from the \$399 million surplus in the November forecast. As shown in the table below, that \$264 million increase for the current biennium is carried forward into the FY 2012-2013 biennium and, when coupled with \$887 million in revenue increases and a small \$9 million reduction in expenditures, the forecast yields the \$1.16 billion reduction in the projected deficit.

FY 2011-13 State Budget Forecast Changes Compared to November 2010 (\$ in millions)

	FY 2010-11	FY 2012-13
November 2010 Forecast Balance	\$399	-\$6,188
<i>February 2011 Forecast Changes:</i>		
Forecast FY 2010-11 Carry Forward	---	+264
Forecast Revenues	+97	+887
Forecast Expenditures	-167	-9
Net February Forecast Impact	+264	+896
Budget Balance (Shortfall)	\$663	-\$5,028

Most of the favorable change in the deficit is due to projected increases in state revenues. More than half of the additional \$887 million in additional 2012-13 revenue came from increases in the projected collections of the individual income tax (+\$499 million), and about two-thirds of that additional income tax revenue, or roughly \$348 million is the result of higher expected growth in capital gains tax receipts. Although the forecasted revenue increases and expenditure reductions will reduce the deficit by nearly \$1.2 billion, the forecast warns that the projected increases in capital gains tax collections, which account for 39 percent of the revenue increase, are extremely volatile and add to the risk in the forecast.

The table below summarizes the February forecast projected changes in major state revenue sources from the November 2010 state budget forecast.

**Change in State Revenues
FY 2010-11 to 2012-13**
(\$ in millions)

Revenue Source	Change
Capital Gains	+\$348
Other Individual Income	+151
Sales Tax	+249
Corporate Tax	+19
Other	+132
Transfers	-12
Net Revenue Increase	+\$887

During the budget presentation, State Economist Tom Stinson highlighted the favorable impact of the recent federal tax cuts, including the extension of the 15 percent capital gains tax rate and the reduction in the payroll tax. However, he warned that if further increases in gasoline prices are sustained for a long period, the effects of the federal tax stimulus could be washed out.

With the release of the updated state budget forecast, Gov. Mark Dayton announced his plan to incorporate the reduced deficit projections into his budget recommendations. The largest adjustment proposed by the governor was the elimination of his proposed surtax on incomes in excess of \$500,000. Eliminating that surtax will reduce new revenues in his budget proposal by an estimated \$918 million over the two-year budget period.

The House and Senate will now begin the process of crafting their respective budget proposals, which appear likely to focus entirely on expenditure reductions, to balance the \$5 billion deficit. The Legislature has established March 25 as the appropriation and finance legislation deadline; they will have to act quickly to develop appropriation targets and craft their budgets to meet that deadline.

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

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Subject: [legislative] Friday Fax--February 25, 2011
Senators reject Governor's Budget

On Thursday, all 37 Senate Republicans sent Governor Dayton a letter that essentially rejects the Governor's budget proposal. The House has not yet issued a similar unified statement but House leadership has indicated that they will not support tax increases.

In the letter, the Senate majority members wrote that they are all opposed to raising taxes to balance the 2012-2013 \$6.2 billion deficit. The letter stated "we all are opposed to your budget that increases state spending by over 22 percent. We disagree with your position that government spending should grow to such high levels, when all of our Minnesota families and job providers have reduced their own spending."

The timing of the letter may be notable. The Senate letter comes only days after media reported that some Senators might be considering tax changes that would end certain "tax expenditures," which are essentially the preferential treatment provided in the tax code, such as tax exemptions in the sales tax or tax deductions in the income tax. Closing these expenditures would raise additional revenue and therefore, could be viewed as a tax increase.

In addition, on Monday, the state Department of Management and Budget will release the February state budget forecast that will update the state's revenue and expenditure estimates for the next two years. Based on the last forecast, the state is projected to have a \$6.2 billion budget shortfall. Around the Capitol, many believe the deficit will fall under the new forecast. However, the November forecast already projected an economic recovery through the upcoming biennium.

The Senate letter and the Governor's budget certainly raise questions about whether a compromise can be reached on the state budget. The House and Senate budget plans will begin to be unveiled over the next two weeks.

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

Cities to testify on impact of state redistricting

The House Redistricting Committee has asked the League to coordinate the presentation of testimony by city officials next Tuesday afternoon regarding the impact of state redistricting on city representation at the state legislature. The House Redistricting Committee is scheduled to meet at 4:30 p.m., in Room 10 of the State Office Building. Associations representing school districts, counties and townships have also been invited to present testimony.

If your city is interested in providing comments for testimony, please contact Ann Higgins before Tuesday, March 1, 2011.

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

House committee passes arbitration bill

On Tuesday the House Government Operations and Elections Committee heard and passed a bill that would require arbitrators to consider the financial condition of the public employer when awarding pay increases in labor contracts. The bill, HF 501 (Runbeck, R-Circle Pines), was passed to the House Civil Law Committee on a 7-6 roll call vote.

Under the state's Public Employment Labor Relations Act, "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.

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 zero percent wage increases and ordered three 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 the Public Employees Labor Relations Act (PELRA).

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

New bill would prohibit sprinkler requirements in single family homes

Legislation has been introduced that would prevent the state or any political subdivision from enacting any sort of code or ordinance that requires fire suppression systems, including sprinklers, in single family detached homes. HF 460 (Rep. Peppin, R – Ramsey)/SF 297 (Sen. Limmer, R – Maple Grove) is scheduled to be heard in the House Commerce and Regulatory Reform committee at 2:30 p.m. on Tuesday, March 1 in the Basement Hearing Room of the State Office Building. The League's position on this issue is that it involves numerous complex issues that are best addressed by being thoroughly vetted through the code adoption process of the state Department of Labor and Industry. The League's policy can be found in the LMC 2011 City Policies under Improving Service Delivery, SD-27.

Questions? Contact Craig Johnson at 651-281-1259 or cjohnson@lmc.org

Property Tax freeze bill laid over

On Thursday evening, the House Property and Local Tax Division of the House Tax Committee completed its hearing on HF 481, a bill introduced by Rep. Linda Runbeck (R-Circle Pines) that as amended would freeze property taxes for cities, counties, and special taxing districts for calendar years 2012 and 2013. The bill excludes school districts, the state of Minnesota and townships from the freeze.

The bill was laid over for possible inclusion in the omnibus tax bill. We expect the House and Senate to unveil their respective versions of the bill in the next two weeks.

The amended version of HF 481 would prohibit cities from increasing property tax levies in 2012 or 2013 over the 2011 level, except under limited circumstances. Levy increases would be allowed to fund increasing debt service costs on debt issued before June 1, 2011. In addition, 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. Finally, 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.

Clint Gridley, City Manager in Woodbury testified in opposition to the legislation, telling committee members that the proposal would penalize those cities that have been most frugal over the past several years. He also indicated that the bill would potentially stop important development projects in many cities and would prevent cities from increasing levies to cover fire relief pension obligations.

The League also testified in opposition to the bill, pointing out that the freeze would impact all cities and that the freeze does not accommodate the possibility of additional cuts in state aid and credit reimbursements that could occur yet this year. The League also highlighted the fact that 321 cities, or 38 percent of all cities, either froze or cut their property tax levy for 2011 and an additional 290 cities had levy increases of less than five percent. In total, 72 percent of all cities held their 2011 property tax levies under five percent. Across the state, cities only increased their 2011 levies by a collective \$39 million in the year after the state cut LGA and MVHC reimbursements by \$180 million.

The League also indicated to committee members that the proposal would not freeze the taxes paid by individual property owners due to the fact that school levies are not frozen and the fact that property valuation changes will continue to shift the property tax burdens depending on the relative valuation changes of individual parcels. This issue was also addressed in an article in the most recent issue of *Cities Bulletin*.

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

City authority to restrict well drilling passes without recommendation

The House Health and Human Services Reform Committee heard HF 135 (Rep. Hackbarth, R – Cedar) on Tuesday, February 22. The League testified against the bill, as did the mayors of Elk River and Spring Park and the utilities director of Elk River. The bill was passed without

recommendation, which is a somewhat unusual move, meaning that the bill was not voted down and may continue to its next scheduled committee hearing but was not put forward with a recommendation that it be passed. It is now in the Government Operations and Elections committee, but has not yet been scheduled for a hearing.

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 examples where 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 their 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. Cities who are 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

Interim use and development contract hearing cancelled

The Committee on Local Government and Elections of the Senate was scheduled to hear S.F. 270 (Sen. Ray Vandever, R – Forest Lake) on Monday, February 21. That hearing was canceled. The League, along with other local government groups, has since met with the Builders Association of the Twin Cities (BATC), the group pushing this proposal to restrict local authority to use interim use ordinances and development agreements. Versions of this legislation have been brought forward by BATC regularly since 2007. Discussions are underway to attempt to craft language that is more reasonable and acceptable to local government. 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's bonding bill heard, laid on table

On Wednesday, the House Capital Investment Committee heard HF 607, Gov. Mark Dayton's (DLF) capital investment (bonding) package. Rep. Larry Howes (R-Walker), the bill's author and chairman of the Capital Investment Committee, took testimony on the bill and then tabled it. Chair Howes did not indicate whether he will call another hearing of the committee this session, or whether he hopes to advance HF 607 or any other bonding bill.

The proposal contained in HF 607 was unveiled by the governor on Jan. 31. The package, which has been criticized by Republican legislators, would invest \$1 billion in public building and infrastructure projects. The Senate companion is SF 459 (Langseth, DFL-Glyndon). It has not yet been scheduled for a hearing.

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

House passes synthetic marijuana ban bill

On a 124-4 vote, the House on Thursday approved a bill that would make it a gross misdemeanor to sell synthetic marijuana and a misdemeanor to possess the substance. Sponsored by Rep. John Kriesel (R-Cottage Grove), HF 57 now goes to the Senate. The bill does not yet have a Senate companion.

The legislation responds to a growing trend in the sale and use of synthetic cannabinoids, which are functionally similar to the active component of cannabis. Synthetic cannabinoids, also known as K2, bind to the same cannabinoid receptors in the brain and other organs as marijuana. The product is known to cause dangerous side-effects such as seizures.

The legislation is supported by the League of Minnesota Cities, Minnesota Sheriff's Association, Minnesota Chiefs of Police Association and the Minnesota Juvenile Officers Association.

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

City, county, township and school district election officials identify costs to comply with voter photo ID legislation

City and other local election administrators will testify before the House State Government Finance Committee on March 1 to underscore the increased cost of conducting local and state elections if the legislature enacts HF 89 (Senator Michelle Benson, R-Andover). That bill is scheduled to be discussed and potentially included in the omnibus state government finance budget proposals.

City election officials have identified the following requirements for implementing voter photo ID as sources of new responsibilities that will

produce added costs at the local level for which there are no state revenues identified to be allocated to local units of government: Provisional balloting-- additional election judges; added training and supplies (including secrecy envelopes and outer envelopes with printed certificates); ballot boxes to be secured during and after Election Day; ballot board responsibility to count ballots on the sixth day after the election; and written notification of voters whose provisional ballots are not counted.

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

Tax chairs introduce local sales tax authority bills

On Thursday, the chairs of the Senate and House Tax Committees introduced legislation that would generally authorize cities to impose local option sales taxes, as long as certain criteria and procedures are followed.

Senator Julianne Ortman (R-Chanhassen) had signaled an interest in the topic earlier this session, recognizing cities need for revenues and likely aid cuts that could occur as legislators develop a budget to address the \$6.2 billion deficit. Her bill, SF 467, is co-authored by Senator Gretchen Hoffman (R-Vergas) and Senator Jeremy Miller (R-Winona). HF 649 is the House companion with Rep. Greg Davids (R-Preston) chief author and Property and Local Tax division chair Rep. Linda Runbeck (R-Circle Pines) on the bill.

As drafted, the authorization would be available to any city passing an authorizing referendum after June 30, 2011. A city or group of cities under a joint powers agreement would be eligible to impose up to a ½ cent sales tax, and this could be layered on top of an existing local sales tax previously authorized under special law.

The bill requires that the proceeds would have to be dedicated exclusively to a capital project and not be used for normal maintenance or operating costs. The bill goes on to refer to regional projects, and would include the following: convention or civic center, public libraries, parks, trails and recreation centers; overpasses, arterial and collector roads, or bridges, on or adjacent to, or connecting to a MN state highway; railroad overpasses or crossing safety improvements; flood control and protection; water quality projects to address groundwater/drinking water pollution problems; court facilities; fire, law enforcement, or public safety facilities; or municipal buildings.

Additionally, the bill spells out how the Department of Revenue would oversee the local sales taxes and also provides more detail on the local referendum requirements, and would also limit the sales tax authorization to 10 years. The authorization could end earlier if the needed revenue was raised.

We expect these bills will be up in committee soon, as both committees put together their tax omnibus bills. These bills stand a very good chance of being amended from their current form. The Senate bill had been scheduled for this coming week, but was pulled from the agenda.

Questions? Contact Jennifer O'Rourke, at 651.281.1261 or jorourke@lmc.org; or Gary Carlson, at 651.281.1255 or gcarlson@lmc.org.

TIF/economic development tax committee hearing Tuesday

On Tuesday at 8:30 a.m., the Senate Tax Committee will take up several bills related to tax increment and other economic development tools for cities. The following bills will be heard (listed below). SF 420 is specifically a bill forwarded by the League and other city groups this year that would extend to 2013, the two main TIF tools from last year's Jobs bill (Chapter 216). The two provisions would allow a city to use the economic development district authorization for more purposes than just manufacturing, and then allows the pooling provision for job creation to be bumped out another two years to 2013, as well.

Member cities that are interested in keeping these tools whole for cities, should take time to connect with their legislators—particularly those who serve on the committee. There are several members of the Tax committee, both new legislators and more senior members. (See link above for members' emails and phone numbers).

Agenda:

<u>S.F. 205</u>	<u>Chamberlain</u>	Extending deadline for spending tax increments relating to economic development.
<u>S.F. 420</u>	<u>Senjem</u>	Extending tax increments relating to economic development.
<u>S.F. 244</u>	<u>Gazelka</u>	Increasing holding period for exempt property for economic development for certain cities.
<u>S.F. 284</u>	<u>Rest</u>	Authorizing pooled tax increments for housing.
<u>S.F. 464</u>	<u>Rest</u>	Tax increments relating to transit improvement areas.

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

Budget forecast due Monday

The Minnesota Department of Management and Budget (MMB) will unveil the updated state budget forecast on Monday. The forecast will become the final set of economic projections used during the 2011 session to create a balanced state budget.

Around the Capitol, there has been speculation that the strengthening economy will result in a better state budget forecast—perhaps reducing the state deficit from the current \$6.2 billion estimate. Accurately predicting the direction of the forecast and the deficit is difficult due in part to the fact that the previous state forecast was already assuming an economic recovery. In other words, to reduce the state deficit, the updated forecast would have to reflect an even stronger economic recovery than the predictions in the last forecast.

In the November forecast, the state's economic advisor predicted that gross domestic product would grow by 2.3 percent on an annual basis for the balance of the 2011 fiscal year and then by an annualized 2.9 percent in FY2012, and 2.7 percent for FY2013. Revisions to these estimates will be one of the keys to Monday's forecast.

Through last December, state revenues had exceeded the forecasted levels by a very modest \$28 million—essentially suggesting that the recovery was slightly exceeding forecast. But MMB always warns not to assume that monthly variations are indicative of a longer-term trend.

Stay tuned and cross your fingers. The forecast will be released around 11:30 Monday morning.

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

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