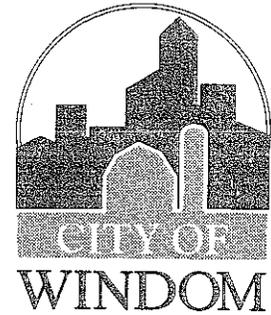


City Council Meeting
Tuesday, May 1, 2007
Windom City Council Chambers
7:30 p.m.
AGENDA



Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes – April 17, 2007
2. Consent Agenda
 - Receipt of Board & Commission Minutes
 - EDA – April 16, 2007
 - Telecommunication Commission – April 18, 2007
 - Airport Commission – April 23, 2007
 - Community Center Commission – April 23, 2007
 - Utility Commission – April 25, 2007
 - Correspondence
 - Board of Review Reminder
3. Department Heads
4. License Applications
 - Exempt Permit -Windom Area Hospital
 - Premise Permit - Prairie Ecology Bus
 - Dance License – Lions Club – Riverfest Dance at Island Park
 - Temporary Liquor License – Lions Club
 - June 9 & 10 – Riverfest Dance at Island Park
 - June 23 – Windom Community Center
 - June 30 – BARC Building
 - July 28 – Windom Community Center
5. Hospital Board Appointments
6. First Reading of Ordinance No. 128, 2nd Series – Fire Calls
7. Regular Bills
8. Unfinished Business
9. New Business
10. Council Concerns



Adjourn

P.O. Box 38 • 444 Ninth Street • Windom, MN 56101 • Phone 507-831-6129 • FAX 507-831-6127

City Council Meeting
Windom City Hall, Council Chambers
April 17, 2007
6:00 p.m.

1. Call to Order: The meeting was called to order by Mayor Tom Riordan at 6:00 p.m.

2. Roll Call: Mayor: Tom Riordan

Council Members: Jean Fast, Kirby Kruse, Bob Messer,
Bradley Powers and JoAnn Ray

Council Members Absent:

City Staff Present: Steve Nasby, City Administrator; Marv
Grunig, Electric Superintendent; Bruce
Caldwell, Street Superintendent; Mike
Haugen, Water\Wastewater Superintendent,
Dennis Johnson, City Engineer; Jim Kartes,
Building\Zoning Official; Al Baloun, Park
and Recreation Director; Joan Hunter,
Library Director and Terry Glidden,
Telecom

Public: Juhl Erickson, EDA President; Trevor
Slette, EDA Board; Joel Luitjens, EDA
Liaison; Aaron Backman, Chelsie Carlson;
Todd Hagen, Ehlers and Associates, Dirk
Abraham and Rahn Larsen

3. Interview for EDA Director:

Mayor Riordan noted that the first part of the meeting is a joint meeting with the City Council and EDA Board for conducting second interviews with the two EDA Director candidates.

Nasby said that information was previously distributed to the Council and EDA Board and that the interview questions were handed out.

Aaron Backman – Backman introduced himself to the City Council and thanked them for the opportunity to interview for the position. Backman said that he has about 20 years experience in development and is currently the Economic Development Director for the City of Mounds View. He reviewed his qualifications for the position and discussed a variety of projects he has completed.

Preliminary

Nasby said that there were several scripted questions and then the balance of the time would be for question\answer with the interview committee. The questions are as follows:

- Please discuss your marketing experience.
- If you feel changes are necessary with the City's Economic Development process or procedures how would you go about making those changes?
- Please describe how you would approach business recruitment and business retention.
- How would you take advantage of Windom's strengths in manufacturing, telecommunications and agri-business?
- If you were appointed the Windom EDA Director how would you introduce yourself to the community and business owners?

Backman answered the questions and discussed with the interview board the opportunities he sees for Windom.

Mayor Riordan and EDA President Erickson thanked Backman. Nasby said that the next step in the process is for the City Council to formally make an offer and that item is on the City Council's agenda for later this evening. Backman thanked the interview committee.

Chelsie Carlson – Carlson introduced herself to the City Council and thanked them for the opportunity to interview for the position. Carlson said that she graduated from Windom High and is very excited about the opportunity and moving back to the area. Carlson said that she has a degree in finance and is currently a CPA. She is working on an MBA that she expects to receive in 2009. Her experience is primarily as an auditor. She reviewed her qualifications for the position with a PowerPoint presentation and discussed a variety of projects she has completed.

Nasby said that there were several scripted questions and then the balance of the time would be for question\answer with the interview committee. The questions are as follows:

- Please discuss your marketing experience.
- If you feel changes are necessary with the City's Economic Development process or procedures how would you go about making those changes?
- Please describe how you would approach business recruitment and business retention.
- How would you take advantage of Windom's strengths in manufacturing, telecommunications and agri-business?
- If you were appointed the Windom EDA Director how would you introduce yourself to the community and business owners?

Carlson answered the questions for the interview committee.

Mayor Riordan and EDA President Erickson thanked Carlson. Nasby said that the next step in the process is for the City Council to formally make an offer and that item is on the City Council's agenda for later this evening. Carlson thanked the interview committee.

Motion by Messer, second by Powers, to offer the position to Applicant #20 with the City Administrator to negotiate salary, vacation and other items. Motion carried 7 – 2 (Fast and Ray)

Mayor Riordan recessed the meeting at 7:14 p.m. and said the meeting would re-convene at 7:30 p.m.

4. Pledge of Allegiance

5. Approval of Minutes:

Powers said that he is listed as absent, but he was at the meeting. Nasby noted the correction.

Motion by Fast, second by Ray, to approve the Council minutes from April 3, 2007 as amended, April 4, 2007 and April 11, 2007. Motion carried 5 - 0.

6. Consent Agenda:

- Receipt of Board & Commission Minutes
 - a. Street Committee – April 6, 2007
 - b. Park & Recreation Commission – April 9, 2007
 - c. Library Board – April 10, 2007
 - d. Planning Commission – April 10, 2007
- Correspondence
 - a. Ehlers & Associates – Memorandum on Debt Capacity
 - b. Minnesota Department of Health – Inspection Report
 - c. Minnesota Department of Health – Consumer Report

Motion by Kruse, second by Powers, to approve the Consent Agenda. Motion carried 5 - 0.

7. Department Heads:

Haugen said that the two reports from the Minnesota Department of Health were both good and that the Consumer Confidence Report would be going out to consumers in the June water bills. He also noted that the City would be flushing hydrants in the upcoming weeks so citizens may experience a temporary reduction in water pressure.

Baloun said that the Community Education booklets were just being sent out and that registration for the programming would be on May 3 from 5 – 7 pm at the Community Center.

8. Planning and Zoning – Variance Request for 1228 4th Avenue:

Kartes said that the Planning and Zoning Commission had met and recommended approval of the variance request that would provide for a five-foot reduction in the side yard from 8.4 feet to 3.4 feet.

Nasby asked if there was any opposition at the public hearing. Kartes said one neighbor was opposed as they wanted the addition to be on the other side of the house.

Motion by Messer, second by Powers, to approve the variance for 1228 4th Avenue as presented. Motion carried 5 – 0.

9. National Library Week Proclamation:

Hunter said that April 15 – 21 is National Library Week and the local library was hosting numerous events including the Chamber Coffee on Friday, April 20. She encouraged the public to visit the library.

Riordan read the Proclamation.

Council member Fast introduced the Resolution No. 2007-18, entitled “2007 NATIONAL LIBRARY WEEK PROCLAMATION” and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Kruse, Messer, Powers, Ray and Fast. Nay: None. Absent: None. Resolution passed 5 - 0.

10. 2007 Seal Coat Project:

Johnson and Caldwell reviewed the bids and noted that all of the bids were higher than the engineer’s estimate due to the high price increase in rock. Caldwell said the project could be scaled back to bring it within the \$42,100 budget and the streets to be eliminated in the 2007 project would be 18th Avenue and Red Leaf Court. He said that these streets would be moved to the 2008.

Johnson said that the apparent low bidder is Morris Seal at \$48,628.

Messer asked if pea-rock is cheaper than the red rock. Johnson said it is cheaper, but there can be some problems with pea-rock; however, this option may need to be looked at in the future.

Caldwell said another option would be to look at the seven year rotation for seal-coating and may be consideration needs to be given to an eight or nine year rotation.

Powers asked about emulsion. Johnson said it is possible. Caldwell noted there would be a difference in traffic use with emulsion vs. oil. Johnson said that an accelerant could be added, but it does not penetrate old asphalt as well so there is a negative with this product.

Motion by Messer, second by Powers, to award the bid from Morris Seal with the deducts of 18th Avenue and Red Leaf Court. Motion passed 5 – 0.

11. 2007 Street Improvement Project – Issuance and Proposed Sale of GO Bonds:

Riordan said that Todd Hagen from Ehlers and Associates was present to provide background information on the proposed sale and to answer questions. Hagen thanked the Mayor and City Council for the opportunity to work for the City on this project.

Hagen reviewed the pre-sale information with the City Council and said that the bond in the amount of \$1,380,000, as proposed, would be repaid over 15 years and the average interest rate would be 4.1%. He said that interest rates had started to increase slightly, but historically the rates are still very low so that is good for the City. Hagen said that the repayment of these bonds would come from special assessments, the water fund, the sewer fund and from the general tax levy. At this time the proposed bonds would add about \$45,000 per year to the City's tax levy. He said that the proposed sale date would be at the Council meeting on May 15.

12. Surplus Equipment Disposition:

Caldwell said that the Council had previously approved the sale of the old dump truck and attachments. He said that the high bidder only wanted the truck and not the attachments. Caldwell had gotten a bid for one of the snow plows and inquired if the Council wanted to entertain the offer or to re-advertise the snow equipment.

Powers asked if the equipment would work with the trucks we have now. Caldwell said that it would not.

Messer said the Street Department kept what it could use. Caldwell confirmed.

Motion by Messer, second by Powers, to sell the snow plow for the amount of the offer received by the Street Department. Motion carried 5 – 0.

13. Cottonwood Lake Water Level Management Committee - Appointment:

Caldwell said it has been about two years since the group last met and new appointments will need to be made by the DNR, Cottonwood County and the City.

Riordan said that Ray had volunteered to serve.

Motion by Powers, second by Kruse, to appoint JoAnn Ray to the Cottonwood Lake Management Committee. Motion passed 5 – 0.

Messer said the water level at the lake should be higher.

Powers asked if the committee meets once per year. Caldwell said it meets as needed and since they need to re-establish the discussions and get new appointments up to speed there may be 2-3 meetings.

14. Personnel – EDA Executive Director – Offer of Employment:

Riordan said that the EDA had reviewed the applications and conducted four interviews which resulted in the EDA making a recommendation for the City Council to have a second interview with two applicants (Applicant #1 and #20). These second round interviews were held earlier this evening and the joint recommendation was to offer the position to Applicant #20.

Motion by Powers, seconded by Messer, to accept the recommendation and make an employment offer. Motion carried 3 – 2 (Fast and Ray).

Ray said that Applicant #1 was very good and would bring drive, passion and energy to the position.

Fast agreed that Applicant #1 demonstrated motivation and desire for the position. Fast said that she felt Applicant #1 would be a good choice too.

Powers said that one candidate had received an award for economic development efforts.

Riordan said that both candidates were very, very good and the choice may be experience or longevity.

15. Regular Bills:

Motion by Powers, seconded by Fast, to approve the regular bills. Motion carried 5 – 0.

16. Unfinished Business:

Nasby said that the Personnel Committee had discussed the matter of an Information\Technology (IT) audit. At this point he is requesting Council's consensus on obtaining quotes for an IT audit.

Messer said that the City's auditor, Dennis Rick, had recommended that an IT audit be conducted a couple of years ago.

Messer asked Riordan to describe what an IT audit is. Riordan explained the typical aspects of an IT audit.

Council consented to have Nasby put together an outline and work plan that could be used to draft an RFP for the purpose of soliciting quotes.

17. New Business:

None

18. Council Concerns:

Fast thanked the Department Heads for all of the time they put in regarding the goal-setting meetings the Council held in April. She also asked what the follow-up steps are to keep this process moving forward.

Nasby said that he would put together a listing of the information and then coordinate a meeting for the Council to discuss priorities.

19. Adjourn:

Motion by Fast, seconded by Ray, to adjourn. Motion carried 5 – 0.

Meeting adjourned at 8:20 p.m.

Tom Riordan, Mayor

Attest: _____
Steve Nasby, City Administrator

**ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM
MINUTES
APRIL 16, 2007**

1. Call to Order: The meeting was called to order by President Erickson at 12:03 p.m.

2. Roll Call & Guest Introductions:

EDAWN Commissioners: Juhl Erickson, Kirby Kruse, Bob Messer, and Trevor Slette.

Absent: Nestor Palm

Also Present: EDA Staff – Mary Hensen, Adm. Asst.; Steve Nasby, City Administrator; Mayor Tom Riordan; Joel Luitjens – WADC Liaison; Marv Grunig, Electrical Superintendent; Dennis Johnson of Wenck Associates (City Engineer); and Mike Haugen, Water/Wastewater Superintendent.

3. Approval of Minutes:

Motion by Commissioner Messer, seconded by Commissioner Slette, to approve the Minutes of the EDA Meetings held on March 12, 2007; March 19, 2007; March 30 & April 2, 2007. Motion carried 4-0.

4. Public Hearing – 12:10 P.M.

A. Sale of Land – Lot 1, Block 2, Windom Industrial Park Subdivision: President Erickson opened the public hearing at 12:10 p.m. He stated that the purpose of the public hearing was to consider the sale of property owned by the EDA. The property is legally described as Lot 1, Block 2 of Windom Industrial Park Subdivision, and locally known as: 1620 North Redding Avenue. The EDA has received a bona fide purchase offer from Ronald Paplow and Suzann Paplow. The proposed purchase price is the appraised value of the property. President Erickson asked if there was anyone present who wished to comment on the proposed sale. No comments were made, and the public hearing was closed at 12:11 p.m.

B. Follow-up Action to Public Hearing:

1) Resolution No. 2007-03 (Re: Sale of Land – Lot 1, Block 2 of Windom Industrial Park Subdivision): After discussion, the following action was taken.

Resolution introduced and motion by Commissioner Kruse, seconded by Commissioner Slette, to adopt EDA Resolution No. 2007-03, entitled “Resolution Approving Sale of Property Described as Lot 1, Block 2 of Windom Industrial Park Subdivision to the City of Windom, Cottonwood County, Minnesota.”.

Upon roll call vote being taken, the following voted in favor thereof: Commissioners Kruse, Slette, Erickson and Messer; the following voted against the same: None; the following were absent: Commissioner Palm.

5. River Bluff Estates

A. 345 6th Avenue: The Board discussed the repair of the siding on the back of the house and also on the northeast corner of the garage by the back walk-out door. These repairs were conditions of the purchase agreement. George Howell had also made a visual inspection and indicated that the siding needed to be repaired under the front door. The Board received a copy of a memo concerning a brief inspection of the siding on the rear of the house that was conducted by Jim Kartes, Windom Building Official. EDA Staff was directed to secure two estimates and forward them to the Board for review.

6. River Bluff Townhomes

A. Lawn Mower: The Board reviewed the cost estimate for repairs to the Toro "z" lawnmower used at the townhomes. The EDA also owns a second-hand mower (1984 John Deere 420 with 3,000 hours of mowing time) which is used to mow other EDA properties. The Board received copies of estimates concerning the purchase of a new mower and the trade-in values that would be allowed for the Toro mower and also the John Deere 420 mower and attachments. There was a discussion of recommendations from the caretaker, funds available in the townhomes reserve account, and properties to be mowed. The consensus of the Board was not to fix the Toro at this time and use the John Deere to mow all of the EDA properties.

7. North Windom Industrial Park

A. Development Options: For purposes of providing background information to new and returning Board members, Marv Grunig, Electrical Superintendent; Dennis Johnson of Wenck Associates (City Engineer); and Mike Haugen, Water/Wastewater Superintendent, provided the Board with handouts and an account of the history of the project to date and available development options.

8. Visitor's Guide Ad: The Board reviewed the proposed EDA ad for the Cottonwood County Visitor's Guide and discussed options.

Motion by Commissioner Kruse, seconded by Commissioner Messer, approving placement of a one-page ad in the Cottonwood County Visitor's Guide, utilizing the proposed ad copy and highlighting EDA properties, at a cost of \$264. Motion carried 3-0. (Commissioner Slette abstained.)

9. Strategic Marketing Plan – Summary & 2007 Action Items: Trevor Slette and Tom Riordan reported on their progress in summarizing the plan into an executive overview and action items for the Board's review and use in prioritizing next steps in the process. They are planning on providing a copy of the summary to the Board for the May meeting.

10. Unfinished Business: There was a discussion of the status of the restrictive covenants covering the lots in Riverbluff Estates Subdivision and the TIF district which covers the residential lots. Steve Nasby briefly updated the Board concerning the status of current negotiations regarding the EDA's commercial property and one of the EDA homes, and also the outreach to a discontinued local business.

11. New Business: There was a brief discussion concerning the Minnesota Legislature's consideration of the possible elimination of the JOBZ program in Greater Minnesota.

12. Miscellaneous Information

A. River Bluff Townhomes – Monthly Financial Report: The Board received copies of the reports from VanBinsbergen & Associates for the months ending February 28, 2007, and March 31, 2007.

B. Monthly Budget Recap: The Board received copies of the Budget Recaps Year-To-Date thru February and March, 2007.

13. Adjourn: On motion, President Erickson adjourned the meeting at 1:38 p.m.

Trevor Slette, Secretary-Treasurer

Attest:

Juhl Erickson, President

Telecommunication Commission Minutes
April 18, 2007

1. Call to Order: The meeting was called to order by Chair Wendell Woodcock.

2. Roll Call:

Commission Members Present: Wendell Woodcock, Paul Voth Jr.,
Jean Fast and Forrest Fosheim.

Commission Members Absent: Robert Messer

City Staff Present: Tom Riordan, Mayor, Dan Olsen, Telecom Operations
Manager, Sally Oltmanns, Marketing Specialist.

Public: None

3. Approval of Minutes:

**Motion made by Woodcock, seconded by Voth, to approve the March 21,
2007, Minutes as written. Motion carried 4-0.**

4. Staffing Discussion:

Olsen brought it to the commission members attention that Corey Maricle's position in city hall was not currently going to be replaced. L & P and 911 were originally done at city hall and have been being done at the telecom office. There are some big jobs coming up for the summer and the telecom office doesn't have time for all the extras. It was brought up that some of these items could possibly go back to city hall.

Fast commented on some of the extra duties that the telecom employees had and Olsen stated that mowing is another item that needs to be done weekly or as needed. Fast suggested that the mowing be done by another department or hired out as it would be more economical. Olsen will look into this.

5. Legal Updates:

Olsen reported that Cinnamon Mueller has been working on the KDLT issue.

6. Bandwidth Contract:

Olsen reported that we need to renew our contract with ONVOY. We could go with a one or three year contract. This is a wholesale bandwidth and the three year contract will save \$500 per month. **Motion by Fosheim, seconded by Voth, to go with the three year contract. Motion carried 4-0.**

7. Internet Speed Increase:

Olsen stated that due to the number of customers we could increase our speed in some of the packages and not increase the price of the package. It was suggested

that maybe this new resident could test our product and compare it with his current one to see if he would like to switch to Windomnet. **Motion by Voth, seconded by Woodcock, to increase speeds in two of the internet packages and not increase the price of the package. Motion passed 4-0.**

8. Territory Map Filing:

This has been brought to the city council and has been submitted to the lawyers for approval.

9. CALEA Solution Update:

Olsen reported that an independent phone company from Missouri has a box to purchase for internet CALEA backup. To be compliant we would need to do this.

10. VOIP:

VOIP enables a person to be able to talk on their computer. This is very clear and useful. Windomnet will be putting a package together for VOIP.

11. Director's Report:

Olsen reported that he is putting a package together for the school for their phone service and cable.

Oltmanns reported that she is continuing to make contacts each week and has picked up 13 new customers since last month.

12. Other Business: None

13. Public Agenda Items: None

14. Next Meeting Date:

The next meeting will be held on Wednesday, May 16, 2007, at 11:30 a.m.

Adjourn:

Motion made by Fast, seconded by Fosheim, to adjourn the meeting. Motion Carried 4-0.

Wendell Woodcock, Chairman

Attest: _____
Steven Nasby, City Administrator\Clerk

Windom Airport Commission Minutes
April 23, 2007

The Windom Airport Commission met on April 23, 2007, at 8:30 a.m. at the Windom Airport. Members present were Marlyn Bartsch, Gerri Burmeister, Stan Wendland, Merle Wall, Brian Underwood and John Holt. Members absent: Scott Fredin. Others Present-City Staff: Steve Nasby, Denise Nichols, Bruce Caldwell and Dennis Johnson from Wenck Associates.

1. **APPROVE MINUTES:** Motion made by Burmeister, seconded by Underwood, and carried to approve the minutes from the April 24, 2006 meeting as written.

2. **ELECTION OF OFFICERS:** Underwood requested nominations for officers. Motion by Burmeister, seconded by Bartsch, to nominate John Holt as the Airport Commission Chairman. Motion carried 5-0.

Motion by Burmeister, seconded by Bartsch, to nominate Brian Underwood as the Airport Commission Vice-Chairman. Motion carried 5-0.

3. **HANGAR ASSIGNMENT POLICY:** Underwood discussed the current rental and hangar assignment policy. He reported that there are three new renters that have rented the last three hangars on the north side of the old hangar. All of the hangars are now rented. The new renters are active pilots and are having trouble in the winter opening their hangar doors. This has always been a problem with the doors facing north. There are currently two hangar renters on the south side of the same hangar that are not active flyers. Underwood questioned if the Commission wanted to consider revising the hangar assignments for the inactive pilots. Caldwell discussed the cost for maintenance of the doors on the north side of the hangar. He noted that this winter there have been considerable costs for maintenance due to the new renters using the hangars more. Burmeister questioned if offering reduced rent would be an incentive for the inactive pilots to move to the north side of the hangars. The loss of revenue would be off set by the reduction of maintenance costs. Nasby questioned if the hangars purpose is for storage or aviation. **Motion by Holt, seconded by Wendland, to send a letter to the inactive pilots informing them that if they are not using the hangars for active aviation purposes, their hangars will be reassigned to the north side of the hangar building. Motion carried 6-0.**

4. **EMERGENCY SNOW REMOVAL POLICY:** Underwood wanted to discuss with the Commission a recent event at the airport with the air ambulance from Sioux Falls. The air ambulance was delayed in landing due to snow on the runway from an overnight snowstorm. The street department was able to deploy immediately to the airport to clear the runway. However, Underwood would like the Commission to consider if they should define a policy for emergency snow removal at the airport. Caldwell indicated that it would take a minimum of 45 minutes for the Street Department to dispatch to the airport to start plowing the runway. The best scenario for cleaning the runway would allow one and a half hours for snow cleanup. If it is still snowing and the wind is blowing, he felt it was pointless to move snow until the snow and winds stop.

Burmeister had talked with Sanford Medical regarding the recent event. They indicated that there was not a problem and snow events such as that night cannot be helped. Burmeister questioned the airport's liability to close the airport for snow conditions. Nasby will contact the City's insurance agent to find out the City's liability for snow situations.

5. **FAA ENTITLEMENT FUNDS – AIRPORT IMPROVEMENTS:** Information was distributed to the Commission members and included Air 21 funding allocations and balances and the recent Capital Improvement Plan (CIP) that was submitted to MN DOT.

Nichols reviewed the funding that is available and the cost overrun for the 2005 Airport Improvement Project. The cost overrun was \$46,303. Additional funds may be allocated to the 2005 project if new funding is allocated then Windom's annual \$150,000 allocation would not be reduced. If additional funds are not allocated, the funding balance would be \$103,697. Funding allocations have not been appropriated yet this year and FAA funding priorities could change. This change could reduce the amount of Windom's annual \$150,000 allocation.

City Engineer Johnson reviewed the CIP with the Commission. Information from MN DOT indicates that due to the current aviation use, Windom would not qualify for a runway extension. A parallel taxiway and runway reconstruction are included in the CIP. Land would need to be purchased for the parallel taxiway. Reconstruction of the runway would be subsidized through other funding sources from MN DOT and FAA. This funding could be available in 2011. The Commission directed Johnson and Nichols to work with Harris Baker from MN DOT on the CIP.

6. **RIVERFEST EVENTS:** Underwood reported that the Corvette and Model Airplane Clubs would be using the airport during Riverfest. The airport will be closed from 8 a.m. to 5 p.m. It was suggested that the Commission should meet in January to decide if there would be any changes for the events in 2008.

7. **COMMISSION CONCERNS:** Underwood questioned when the seeding where the old hangars were removed would be completed. Nichols will check to see if there is any funding available. However, the closeout report for the grant has already been submitted to the state. Nasby noted that funds may be available from the sale of the old hangar buildings. Caldwell said that his department could take care of the seeding. He will get costs for the seed and black dirt.

8. **ADJOURN:** The meeting was adjourned at 9:55 a.m.

John Holt, Chairman

Attest: _____
Steve Nasby, City Administrator

Community Center Commission Minutes
Monday April 23 , 2007

1. Call to Order: The meeting was called to order by Vice President Wayne Maras at 5:30 p.m

2. <u>Roll Call:</u> President:	Bruce Olson-absent
CC Director:	Brad Bussa
Commission Members:	Mark Stevens
	Wayne Maras
	La Vonne Swenson
	Connie Knorr
Commission Liaisons:	Kirby Kruse
	Bruce Caldwell - absent
	Jo Ann Ray-absent
City Administrator:	Steve Nasby-absent
Public:	Ron Becker

3. Approval of Minutes:

**Motion by Knorr, seconded by Swenson to approve the March 26, 2007
Community Center Commission Minutes. Motion carried 4-0**

4. Additions to the agenda:

Usage of Money that is Donated

5. Correspondence:

Nothing New to Report

6. President's Report:

Sub-Committee Liquor/Catering- No Changes in Policies

7. Director's Report:

- a. Nothing New to Report
- b.
- c.
- d.

8. Resource Management:

Schedule of Events: Booking of Events still coming in "GOOD".

Income/Expenses: As Shown, Discussion Followed.

9. Miscellaneous:

Nothing to Report

10. Open Forum:

No New Business

11. Next Meeting:

Monday May 21, 2007. 5:30 pm

Sub Committee: 5:00 pm – Policies – Mark and Wayne

Adjourn:

Motion by Knorr, seconded by Stevens, to adjourn the meeting at 6:10 pm. Motion carried 4-0.

Wayne Maras, CCC Vice President

Attest: _____

Brad Bussa, Community Center Director

**UTILITY COMMISSION MINUTES
APRIL 25, 2007**

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 a.m. in the City of Windom Council Chambers on April 25, 2007 in Windom, Minnesota.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Chris Johnson
Keith Bloomgren

City Council Liaison: Jean Fast

City Staff Present: Steve Nasby, City Administrator; Brigitte Olson, Assistant City Administrator; Marv Grunig, Electric Superintendent

City Staff Absent: Mike Haugen, Water/Wastewater Superintendent

Others Present: Marv Johnson, Johnson Auto Service

APPROVAL OF MINUTES: Motion by Johnson, seconded by Bloomgren to approve the Utility Commission minutes of the March 7, 2007 and March 30, 2007 meetings. Motion carried 3-0.

OTHER BUSINESS: Schwalbach indicated that Gordon Olson, Jackson County Planning and Zoning Official, requested that a member of the City of Windom's Utility Commission, along with Mike Haugen, Water/Wastewater Superintendent, meet informally with the Fish Lake Association and Jackson County Officials to determine rates for the new sewer system that is being proposed for Fish Lake residence.

Discussion was held on the present rate for the Bingham Lake sewer, and the upfront capital charges for that project, and if Bolton Menk performed the rate study for that project.

Bloomgren volunteered to attend these meetings with Haugen, to determine the needs and to begin the process of obtaining current rates and upfront costs for the proposed system.

ELECTRIC ITEMS: Grunig presented the "GUARANTY OF PARTICIPANT'S PRO RATA SHARE OF UTILITIES PLUS OBLIGATIONS TO FIRST NATIONAL BANK OF BLUE EARTH FOR ISSUANCE OF STAND-BY LETTER OF CREDIT TO THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC." Schwalbach questioned the odd amount of the guaranty which is \$281,389.00. Grunig indicated that it is figured to the exact dollar and not rounded up or down.

Motion by Johnson, seconded by Bloomgren and carried to enter into the "GUARANTY OF PARTICIPANT'S PRO RATA SHARE OF UTILITIES PLUS

OBLIGATIONS TO FIRST NATIONAL BANK OF BLUE EARTH FOR ISSUANCE OF STAND-BY LETTER OF CREDIT TO THE MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR, INC.” Motion carried 3-0.

Grunig presented the “CONCLUSIONS AND RECOMMENDATIONS OF THE MINNESOTA DEPARTMENT OF COMMERCE REGARDING WINDOM MUNICIPAL UTILITY’S 2006 CIP REPORT”, and outlined the contents of the Conservation Improvement Program (CIP) report with the Utility Commission. The outlined items were as follows:

- Meets the CIP statutory requirements;
- Accurately records energy savings data for each direct savings project;
- Results in cost-effective energy savings;
- Contains projects that are available to all customers classes and reflect the customers mix of the individual utility;
- Aggressively sets goals for increasing energy savings and overall cost-effectiveness

Grunig also outlined the conclusions and recommendations made by the CIP. Windom’s 2006 CIP report indicates that Windom complies with the statutory requirements of the State of Minnesota. Below are several changes that are recommended by the CIP:

- Partner with local weatherization provider to develop specific low-income projects;
- Scale back on refrigerators and dishwashers, add energy star light fixtures, and implement central air conditioning quality installation projects
- Partner with the local gas utility to provide rebates on electronically commutated motors for natural gas furnaces; target older appliances, e.g. room and central air conditioners
- Remedy the budget by reporting residential separately from industrial and commercial users
- Redesigning the CIP to lower its cost and/or capture direct energy savings
- Increase participation for Commercial/Industrial Energy Conservation projects

NEW BUSINESS: Marvin Johnson, owner and operator of Johnson Auto Service, requested to be hooked up to city water. Schwalbach directed Haugen to acquire quotes for the cost of furnishing Johnson Auto with city water; he also indicated that Cenex and Clair Gilmore may be interested in water service on their property which lays opposite the railroad tracks from Johnson Auto. Nasby reported that he and Haugen had a conversation with Dominic Jones, Director of Red Rock Rural Water. Jones indicated that Windom Farm Service is interested in hooking to Red Rock Rural Water. However Red Rock would need to make two connections in that area to make the project feasible. Therefore he indicated that they could install a meter pit in front of the Johnson Auto Service that would belong to the City of Windom. The whole project for Johnson Automotive would be at a cost of \$9300. In this manner Red Rock would be able to furnish water to Windom Farm Service and the City of Windom would be able to furnish water to Johnson Auto Service. Marvin Johnson also indicated that he talked with Jack Rogers regarding city

sewer service. He said that Rogers indicated to him that the present sewer service runs on the south side of the railroad tracks, and that it would not be a problem to furnish him with that service.

ELECTRIC ITEMS: Grunig and Nasby were to attend a meeting in Sioux Falls, with Western Area Power Agency, regarding the accumulated drought debt. However were unable to attend the meeting because of inclement weather. WAPA's accumulated drought debt was identified as \$600 million, and now has been reduced to \$570 million. This debt is projected to affect the 2008 firm rate projected to be 2.35 cents/kwh. The history for rates in the past has been as follows:

2005	1.6 cents/kwh
2006	1.8 cents/kwh
2007	1.9 cents/kwh

Superintendent Grunig updated the Commission that CMMPA is still going forward with their effort to reorganize.

Grunig updated the Utility Commission on the negotiations between Central Minnesota Municipal Power Agency and NSP/Xcel Energy. These negotiations are over billing disputes concerning NSP's "Time of Day" pricing that date back to January 1, 2005.

GLOBAL WARMING – Grunig informed the Commission on the status of the bills in the Legislature addressing Global Warming. He indicated that SF145 has passed on the Senate side, with language prohibiting new Coal Plants and imports of new coal have been removed from the bill. It tasks the stakeholder process of studying and making recommendations to next years Legislature. On the House side, prohibition of new coal plant language still remains.

WATER/WASTEWATER ITEMS: Nasby reviewed the 2006 Drinking Water Report with the Utility Commission. This report indicated that the City of Windom is in compliance with the state primary drinking water regulations. He indicated that this report will be placed on the City of Windom's Web Site, and will be sent in the June 2007 Utility Bills.

The Utility Commission was also given to review the *Minnesota Department of Health, Public Water Supply Inventory Report*.

OTHER BUSINESS: Nasby referred the Utility Commission to a letter in the packet from Mark Peterson. This letter is a request from Mark Peterson, 41204 U.S. Highway 71, Windom, Minnesota to detach from the City of Windom. Peterson feels that he is paying taxes to the City of Windom, without the provision of services, such as city water. Nasby indicated to the Commission that he and Haugen had a conversation with Dominic Jones, from Red Rock Rural Water, as the Red Rock Rural Water line runs directly on the Peterson property. Jones indicated that the City could tap the main with a shut off valve and meter at this point. Peterson could then run a line to his home. The metering station for Red Rock Rural Water is north of the Peterson property, therefore this water is essentially City's, until it gets to that meter. Schwabach said that the cost associated to

this needs to be assessed or paid for by Mark Peterson, and the legalities need to be worked out by the City Attorney.

Nasby informed the Commission that he and Haugen met with Travis Lang and Steve Armstrong from PM Windom. Nasby indicated that they informed PM Windom that if the Minnesota Pollution Control Agency imposes any penalties for the overage in nitrogen and ammonia, the City of Windom would be passing those onto PM Windom. This overage was address in the minutes from March 7, 2007. Nasby felt that they had a very good conversation with PM Windom. PM Windom also indicated that once the new Economic Developer is on board they would be interested in seeking funding for improvements to their treatment system.

REGULAR BILLS: Motion by Bloomgren, seconded by Johnson and carried to approve payment of the Bill to Wenck Associates in the amount of \$475.50. Motion carried 3-0.

Next meeting is scheduled for Tuesday, May 29, 2007 at 10:00 a.m.

On motion meeting was adjourned at 11:15 a.m.

Mike Schwalbach, Chairperson

Attest: _____
Steve Nasby, City Administrator

Memo

To: Mayor and City Council

From: Brigitte Olson

CC: Steve Nasby

Date: 2/15/2007

Re: Board of Review

A Special Meeting of the Windom City Council has been scheduled for Tuesday, May 8, 2007 at 4:30 p.m. to conduct the annual Board of Review meeting.

The City Council is required, by the State, to have a quorum and have in attendance at least one Council Member that has attended the required state training and has received certification.

Minnesota Lawful Gambling
LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization conducting lawful gambling activity on five or fewer days, and awarding less than \$50,000 in prizes during a calendar year.

Fee \$50
for each event

For Board Use Only

Fee Paid _____

Check No. _____

ORGANIZATION INFORMATION

Organization name Windom Area Hospital Foundation	Previous lawful gambling exemption number X35546-05-001
--	--

Type of nonprofit organization. Check (✓) one.
 Fraternal Religious Veterans Other nonprofit organization

Mailing address 2150 Hospital Dr., POB 339	City Windom	State/Zip Code MN 56101	County Cottonwood
---	----------------	----------------------------	----------------------

Name of chief executive officer (CEO) Gerri Burmeister	Daytime phone number (507)831-2400
---	---------------------------------------

PROOF OF NONPROFIT STATUS

Check one of the following and attach a copy of your proof of nonprofit status.
 NOTE: Sales tax exempt status or federal ID employer numbers are not proof of income tax exempt status.

1. Nonprofit Articles of Incorporation OR Certificate of Good Standing.
 Attach a copy of your organization's Nonprofit Articles of Incorporation OR current Certificate of Good Standing.
 This certificate must be obtained each year from:
 Secretary of State
 Business Services Div.
 180 State Office Building
 St. Paul, MN 55155
 Phone: 651-296-2803

2. Internal Revenue Service - national organization
 Check if proof previously submitted to Gambling Control Board.
OR
 Attach a copy of the IRS income tax exemption [501(c)] letter in your organization's name. To obtain a copy of your federal income tax exempt letter, send your federal ID number and the date your organization initially applied for tax exempt status to:
 IRS
 P.O. Box 2508, Room 4010
 Cincinnati, OH 45201

3. Internal Revenue Service - Affiliate of parent nonprofit organization (charter)
 Check if proof previously submitted to Gambling Control Board.
OR
 If your organization falls under a national organization, attach both of the following:
 a. a copy of the IRS letter showing that your national organization has been a registered nonprofit 501(c) organization and carries a group ruling, and
 b. a copy of the charter, or letter from your national organization, recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where gambling activity will be conducted (for raffles, list the site where the drawing will take place)
 Windom Area Hospital

Address (do not use PO box) 2150 Hospital Drive	City Windom	Zip Code 56101	County Cottonwood
--	----------------	-------------------	----------------------

Date(s) of activity (for raffles, indicate the date of the drawing)
 September 21, 2007

Check the box or boxes that indicate the type of gambling activity your organization will be conducting:

*Bingo Raffles *Paddlewheels *Pull-Tabs *Tipboards

*Gambling equipment for pull-tabs, tipboards, paddlewheels, and bingo (bingo paper, hard cards, and bingo number selection device) must be obtained from a distributor licensed by the Gambling Control Board. 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, the city must sign this application.

Check (✓) the action that the city is taking on this 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 name of city _____
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, both the county and township must sign this application.

Check (✓) the action that the county is taking on this 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 name of county _____
On behalf of the county, I acknowledge this application.
Signature of county personnel receiving application

Title _____ Date ____/____/____

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 349.213, subd. 2).]

Print name of township _____

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 _____

Name (please print) _____ Date ____/____/____

- Complete an 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 with the completed application:**
- a copy of your proof of nonprofit status, and
 - \$50 application fee. 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. Within 30 days of your date of activity the financial report form must be completed and returned to the Gambling Control Board.

Questions?
Call the Licensing Section of the Gambling Control Board at 651-639-4076.

If you use a TTY, call the Board by using the Minnesota Relay Service and ask to place a call to 651-639-4000. Or, check our web site at www.gcb.state.mn.us.

Data privacy. This form will be made available in alternative format (i.e. large print, Braille) upon request. The information requested on this form (and any attachments) will be used by the Gambling Control Board (Board) to determine your qualifications to be involved in lawful gambling activities in Minnesota. You have the right to refuse to supply the information requested; however, if you refuse to supply this information, the Board may not be able to determine your qualifications and, as a consequence, may refuse to issue you a permit. If you supply the information requested, the Board will be able to process your application.

Your name and your organization's name and address will be public information when received by the Board. All the other information that you provide will be private data about you until the Board issues your permit. When the Board issues your permit, all of the information that you have provided to the Board in the process of applying for your permit will become public. If the Board does not issue you a permit, all the information you have provided in the process of applying for a permit remains private, with the exception of your name and your organization's name and address which will remain public. Private data about you are available only to the following:

Board members, staff of the Board whose work assignment requires that they have access to the information; the Minnesota Department of Public Safety; the Minnesota Attorney General; the Minnesota Commissioners of Administration, Finance, and Revenue; the Minnesota Legislative Auditor, national and international gambling regulatory agencies; anyone pursuant to court order; other individuals and agencies that are 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 consent.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUL 11 2003

WINDOM AREA HOSPITAL FOUNDATION INC
2150 HOSPITAL DR
WINDOM, MN 56101

Employer Identification Number:
72-1543872
DLN:
17053063101033
Contact Person:
TERRY W BREWER ID# 31227
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
April 30
Form 990 Required:
Yes
Addendum Applies:
No

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

We have further determined that you are not a private foundation within the meaning of section 509(a) of the Code, because you are an organization described in section 509(a)(3).

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. In the case of an amendment to your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Since you are not a private foundation, you are not subject to the excise taxes under Chapter 42 of the Code. However, if you are involved in an excess benefit transaction, that transaction might be subject to the excise taxes of section 4958. Additionally, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please contact your key district office.

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(3) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the

Letter 947 (DO/CG)

WINDOM AREA HOSPITAL FOUNDATION INC

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are expended only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), there should be evidence that the funds will remain dedicated to the required purposes and that they will be used for those purposes by the recipient.

If we have indicated in the heading of this letter that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements



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Minnesota

Secretary of State Online Access



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BUSINESS ORGANIZATIONS INQUIRY - VIEW ENTITY

Filing Number:	1X-457	Entity Type:	Non-Profit Corporation
Original Date of Filing:	4/30/2001	Entity Status:	Active
Duration:	Perpetual	Good Standing:	2006
		(date of last annual filing)	

Name: Windom Area Hospital Foundation, Inc.
Registered Office Address: 2150 Hospital Drv
 Windom, MN, 56101

Agent Name: No Agent Filed

[Additional Entity Detail](#) | [Return to Search List](#) | [New Search](#)

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RESOLUTION #2007-

INTRODUCED:

SECONDED:

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

RESOLUTION OF APPROVAL OF PREMISE PERMIT

WHEREAS, The City of Windom has hereby reviewed the premise permit application as submitted by the Prairie Ecology Bus Center; and

WHEREAS, the City of Windom has no opposition to the issuance of said permit.

NOW THEREFORE, the City of Windom hereby approves the premise permit as submitted by the Prairie Ecology Bus Center for lawful gambling at the Windom's Eagle Club, 821 4th Avenue, Windom, MN.

Adopted by the Council this 1st day of May, 2007.

Tom Riordan, Mayor

Attest: _____
Steve Nasby, City Administrator

Minnesota Lawful Gambling
LG215 Lease for Lawful Gambling Activity

Check applicable item:
 1. Lease for new application. Submit with new premises permit application.
 2. Renewed lease. Submit with premises permit renewal.
 3. New owner. Submit new or amended lease within 10 days after new lessor assumes ownership. Date effective ___/___/___
 4. Amended lease
 • Check the change(s) in the lease: ___ Rent ___ Premises name ___ Booth/bar ___ Activity change ___ Other
 Date that changes will be effective ___/___/___
 • Both parties must initial and date all changes.
 • Submit changes at least 10 days prior to the change.

Organization name <i>Prairie Ecology Bios Center</i>		License number <i>33048</i>		Daytime phone <i>5076625064</i>	
Name of leased premises <i>Eagles Club</i>	Street address <i>821 4th Ave.</i>	City <i>Wadon</i>	State <i>MN</i>	Zip <i>56101</i>	Daytime phone <i>5078213891</i>
Name of legal owner of premises <i>Eagles Club</i>	Business/street address <i>821 4th Ave.</i>	City <i>Wadon</i>	State <i>MN</i>	Zip <i>56101</i>	Daytime phone <i>"</i>
Name of lessor (if same as legal owner, write in "SAME") <i>Same</i>	Business/street address	City	State	Zip	Daytime phone

Check all activities that will be conducted:
 Pull-tabs Pull-tabs with dispensing device Tipboards Paddiewheel Paddiewheel with table Bingo Bar bingo

Pull-tab, Tipboard, and Paddiewheel Rent (No lease required for raffles.)

Booth operation - sales of gambling equipment by an employee (or volunteer) of a licensed organization within a separate enclosure that is distinct from areas where food and beverages are sold.

Bar operation - sales of gambling equipment within a leased premises by an employee of the lessor from a common area where food and beverages are also sold.

Does your organization OR any other organization conduct gambling from a booth operation at this location? Yes No

- If you answered **YES** to the question above, rent limits are based on the following combinations of operation:
- Booth operation
 - Booth operation and pull-tab dispensing device
 - Booth operation and bar operation
 - Booth operation, bar operation, and pull-tab dispensing device

The maximum rent allowed may not exceed \$1,750 in total per month for all organizations at this premises.

Complete one option:

Option A: 0 to 10% of the gross profits per month. Percentage to be paid _____%

Option B: When gross profits are \$4,000 or less per month, \$0 to \$400 per month may be paid. Amount to be paid \$_____.

Option C: \$0 to \$400 per month may be paid on the first \$4,000 of gross profit. Amount to be paid \$_____. Plus 0% to 10% of the gross profits may be paid per month on gross profits over \$4,000. Percentage to be paid _____%

- If you answered **NO** to the question above, rent limits are based on the following combinations of operation:
- Bar operation
 - Bar operation with pull-tab dispensing device
 - Pull-tab dispensing device only

The maximum rent allowed may not exceed \$2,500 in total per month for all organizations at this premises.

Complete one option:

Option A: 0 to 20% of the gross profits per month. Percentage to be paid _____%

Option B: When gross profits are \$1,000 or less per month, \$0 to \$200 per month may be paid. Amount to be paid \$_____.

Option C: \$0 to \$200 per month may be paid on the first \$1,000 of gross profits. Amount to be paid \$200. Plus 0% to 20% of the gross profits may be paid per month on gross profits over \$1,000. Percentage to be paid 15%

Bingo Rent

Option D: 0 to 10% of the gross profits per month from all lawful gambling activities held during bingo occasions, excluding bar bingo. Percentage to be paid _____%

Option E: A rate based on a cost per square foot not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. No rent may be paid for bar bingo. Rate to be paid \$_____ per square foot. The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.

Bar Bingo Rent

Option F: No rent may be paid for bingo conducted in a bar.

New Bingo Activity

For any new bingo activity not previously included in a Premises Permit Application, attach a separate sheet of paper listing the days and hours that bingo will be conducted.

LG215 Lease for Lawful Gambling Activity

Lease Term - The term of this lease agreement will be concurrent with the premises permit issued by the Gambling Control Board (Board).

Management of Gambling Prohibited - The owner of the premises or the lessor will not manage the conduct of gambling at the premises.

Participation as Players Prohibited - The lessor, the lessor's immediate family, and any agents or gambling employees of the lessor will not participate as players in the conduct of lawful gambling on the premises.

Illegal Gambling

- The lessor is aware of the prohibition against illegal gambling in Minnesota Statutes 609.75, and the penalties for illegal gambling violations in Minnesota Rules 7861.0050, Subpart 3. In addition, the Board may authorize the organization to withhold rent for a period of up to 90 days if the Board determines that illegal gambling occurred on the premises and that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. Continued tenancy of the organization is authorized without the payment of rent during the time period determined by the Board for violations of this provision.
- To the best of the lessor's knowledge, the lessor affirms that any and all games or devices located on the premises are not being used, and are not capable of being used, in a manner that violates the prohibitions against illegal gambling in Minnesota Statutes 609.75, and the penalties for illegal gambling violations in Minnesota Rules 7861.0050, Subpart 3.
- Notwithstanding Minnesota Rules 7861.0050, Subpart 3, an organization must continue making rent payments, pursuant to the terms of the lease, if the organization or its agents are found to be solely responsible for any illegal gambling conducted at that site that is prohibited by Minnesota Rules 7861.0050, Subpart 1, or Minnesota Statutes 609.75, unless the organization's agents responsible for the illegal gambling activity are also agents or employees of the lessor.
- The lessor shall not modify or terminate the lease in whole or in part because the organization reported to a state or local law enforcement authority or the Board the occurrence at the site of illegal gambling activity in which the organization did not participate.

Other Prohibitions

- The lessor will not impose restrictions on the organization with respect to providers (distributors) of gambling-related equipment and services or in the use of net profits for lawful purposes.
- The lessor, person residing in the same household as the lessor, the lessor's immediate family, and any agents or employees of the lessor will not require the organization to perform any action that would violate statute or rule. If there is a dispute as to whether a violation of this provision occurred, the lease will remain in effect pending a final determination by the Compliance Review Group (CRG) of the Gambling Control Board. The lessor agrees to arbitration when a violation of this provision is alleged. The arbitrator shall be the CRG.
- The lessor shall not modify or terminate this lease in whole or in part due to the lessor's violation of the provisions listed in this lease.

Access to permitted premises - The Board and its agents, the commissioners of revenue and public safety and their agents, and law enforcement personnel have access to the permitted premises at any reasonable time during the business hours of the lessor. The organization has access to the permitted premises during any time reasonable and when necessary for the conduct of lawful gambling on the premises.

Lessor records - The lessor shall maintain a record of all money received from the organization, and make the record available to the Board and its agents, and the commissioners of revenue and public safety and their agents upon demand. The record shall be maintained for a period of 3-1/2 years.

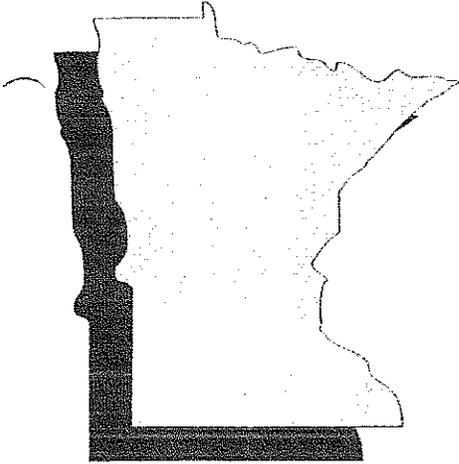
Rent all-inclusive - Amounts paid as rent by the organization to the lessor are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including but not limited to trash removal, janitorial and cleaning services, snow removal, lawn services, electricity, heat, security, security monitoring, storage, other utilities or services, and in the case of bar operations, cash shortages. Any other expenditures made by an organization that is related to a leased premises must be approved by the director of the Gambling Control Board. Rent payments may not be made to an individual.

Acknowledgment of Lease Terms All obligations and agreements are contained in or attached to this lease and are subject to the approval of the director of the Gambling Control Board. I affirm that the lease information is the total and only agreement between the lessor and the organization. There is no other agreement and no other consideration required between the parties as to the lawful gambling and other matters related to the lease. Any changes in this lease will be submitted to the Gambling Control Board at least 10 days prior to the effective date of the change. If a renegotiated lease is made due to a change in ownership, the new lease will be submitted within 10 days after the new lessor has assumed ownership.

List or attach other terms or conditions (must be approved by director of Gambling Control Board)

Signature of lessor <i>Trustee Alvin B Carter</i>	Date 4-17-2007	Signature of organization official (lessee) <i>Nancy Achenbach</i>	Date 4/17/07
Print name and title of lessor Alvin B Carter		Print name and title of lessee Prairie Ecology Bus Center	

Questions on this form should be directed to the Licensing Section of the Gambling Control Board (Board) at 651-639-4000. This publication will be made available in alternative format (i.e. large print, Braille) upon request. If you use a TTY, you can call the Board by using the Minnesota Relay Service and ask to place a call to 651-639-4000. The information requested on this form will become public information when received by the Board, and will be used to determine your compliance with Minnesota statutes and rules governing lawful gambling activities.



**Minnesota
Gambling Control
Board**

has issued

**Lawful Gambling License
33048**

to

Prairie Ecology Bus Center

Effective Date: Feb 1 2006

Expiration Date: Jan 31 2008

Licensing Supervisor

Nancy Ackermann

Gregg Pattison

Prairie Ecology Bus Center

Box 429

Lakefield, MN 56150

Issued by:

Minnesota Gambling Control Board

Suite 300 South

1711 W. County Road B

Roseville, MN 55113



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 133, St. Paul MN 55101-5133
 (651) 215-6209 Fax (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US

Fairer
 \$50.00
 # 1659



APPLICATION AND PERMIT
 FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <i>Windom Lions Club</i>	DATE ORGANIZED <i>4-14-07</i>	TAX EXEMPT NUMBER <i>E41-6175799</i>	
STREET ADDRESS <i>P.O. Box 72</i>	CITY <i>Windom</i>	STATE <i>Mn</i>	ZIP CODE <i>56101</i>
NAME OF PERSON MAKING APPLICATION <i>Deloy King</i>	BUSINESS PHONE ()	HOME PHONE <i>(507) 831-5706</i>	
DATES LIQUOR WILL BE SOLD <i>June 9, June 10 2007</i>	TYPE OF ORGANIZATION <input checked="" type="checkbox"/> CLUB <input type="checkbox"/> CHARITABLE <input type="checkbox"/> RELIGIOUS <input type="checkbox"/> OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <i>Kelly Woizeschke Pres</i>	ADDRESS <i>2215 Williner Drive Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Dan Jones Sec</i>	ADDRESS <i>875 20th St Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Deloy King Treas</i>	ADDRESS <i>136 Buckwheat Ave Windom Mn 56101</i>		
Location license will be used. If an outdoor area, describe <i>Island Park If Rain Barc Building</i>			

Will the applicant contract for intoxicating liquor service? If so, give the name and address of the liquor licensee providing the service.
No

Will the applicant carry liquor liability insurance? If so, please provide the carrier's name and amount of coverage.
Corporate 4 Ins Agency Inc/Lexington Ins Co.

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY _____ DATE APPROVED _____

CITY FEE AMOUNT _____ LICENSE DATES _____

DATE FEE PAID _____

SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____

APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT _____

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 133, St. Paul MN 55101-5133
 (651) 215-6209 Fax (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US

Party #25.00 Per day
 #11660



APPLICATION AND PERMIT
 FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <i>Windom Lions Club</i>		DATE ORGANIZED <i>4-14-07</i>	TAX EXEMPT NUMBER <i>E41-6175799</i>	
STREET ADDRESS <i>P.O. Box 72</i>		CITY <i>Windom</i>	STATE <i>Mn</i>	ZIP CODE <i>56101</i>
NAME OF PERSON MAKING APPLICATION <i>Deloy King</i>		BUSINESS PHONE ()		HOME PHONE <i>(507) 831-5706</i>
DATES LIQUOR WILL BE SOLD <i>June 23 (Stenzel Wedding)</i>		TYPE OF ORGANIZATION CLUB CHARITABLE RELIGIOUS OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <i>Kelly Woizeschke Pres</i>		ADDRESS <i>2215 Williner Drive Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Dan Jones Sec</i>		ADDRESS <i>875 20th St. Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Deloy King Treas</i>		ADDRESS <i>136 Buckwheat Ave Windom Mn 56101</i>		
Location license will be used. If an outdoor area, describe <i>Windom Community Center</i>				

Will the applicant contract for intoxicating liquor service? If so, give the name and address of the liquor licensee providing the service.
No

Will the applicant carry liquor liability insurance? If so, please provide the carrier's name and amount of coverage.
Corporate 4 Ins Agency Inc / Lexington Ins Co.

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY _____ DATE APPROVED _____
 CITY FEE AMOUNT _____ LICENSE DATES _____
 DATE FEE PAID _____

SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____ APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT _____

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 133, St. Paul MN 55101-5133
 (651) 215-6209 Fax (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US

Tax # 25.00
 # 1661 Per day



APPLICATION AND PERMIT
 FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <i>Windom Lions Club</i>		DATE ORGANIZED <i>4-14-07</i>	TAX EXEMPT NUMBER <i>E41-6175799</i>	
STREET ADDRESS <i>P.O. Box 72</i>		CITY <i>Windom</i>	STATE <i>Mn</i>	ZIP CODE <i>56101</i>
NAME OF PERSON MAKING APPLICATION <i>Deloy King</i>		BUSINESS PHONE ()	HOME PHONE <i>(507) 831-5706</i>	
DATES LIQUOR WILL BE SOLD <i>June 30, 07 (Carroll Wedding)</i>		TYPE OF ORGANIZATION <input checked="" type="checkbox"/> CLUB <input type="checkbox"/> CHARITABLE <input type="checkbox"/> RELIGIOUS <input type="checkbox"/> OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <i>Kelly Waizeschke Pres</i>		ADDRESS <i>2215 Williner Drive Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Dan Jones Sec</i>		ADDRESS <i>875 20th St. Windom Mn 56101</i>		
ORGANIZATION OFFICER'S NAME <i>Deloy King Treas</i>		ADDRESS <i>136 Buckwheat Ave Windom Mn 56101</i>		
Location license will be used. If an outdoor area, describe <i>Barc Building</i>				
Will the applicant contract for intoxicating liquor service? If so, give the name and address of the liquor licensee providing the service. <i>No</i>				
Will the applicant carry liquor liability insurance? If so, please provide the carrier's name and amount of coverage. <i>Corporate H Ins Agency / Lexington Ins Co.</i>				
APPROVAL				
APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT				
CITY/COUNTY _____		DATE APPROVED _____		
CITY FEE AMOUNT _____		LICENSE DATES _____		
DATE FEE PAID _____				
SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____		APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT _____		

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar Street Suite 133, St. Paul MN 55101-5133
 (651) 215-6209 Fax (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US

#25.00
 #1662
 25.00 fee
 Per day



APPLICATION AND PERMIT
 FOR A 1 TO 4 DAY TEMPORARY ON-SALE LIQUOR LICENSE

TYPE OR PRINT INFORMATION

NAME OF ORGANIZATION <u>Window Lions Club</u>		DATE ORGANIZED <u>4-14-71</u>	TAX EXEMPT NUMBER <u>E41-6175799</u>	
STREET ADDRESS <u>P.O. Box 72</u>		CITY <u>Window</u>	STATE <u>Mn</u>	ZIP CODE <u>56101</u>
NAME OF PERSON MAKING APPLICATION <u>Deloy King</u>		BUSINESS PHONE ()		HOME PHONE <u>(507) 831-5706</u>
DATES LIQUOR WILL BE SOLD <u>July 28, 2007</u>		TYPE OF ORGANIZATION <u>CLUB</u> CHARITABLE RELIGIOUS OTHER NONPROFIT		
ORGANIZATION OFFICER'S NAME <u>Ron Veemaker Pres</u>		ADDRESS <u>38135 Co. Rd 2 Bingham Lake Mn 56118</u>		
ORGANIZATION OFFICER'S NAME <u>Dan Jones Sec</u>		ADDRESS <u>875 20th St. Window Mn 56101</u>		
ORGANIZATION OFFICER'S NAME <u>Deloy King Treas</u>		ADDRESS <u>136 Buckwheat Ave Window Mn 56101</u>		
Location license will be used. If an outdoor area, describe <u>Community Center Window</u>				

Will the applicant contract for intoxicating liquor service? If so, give the name and address of the liquor licensee providing the service.
No

Will the applicant carry liquor liability insurance? If so, please provide the carrier's name and amount of coverage.
Corporate H Ins Agency Inc/ Lexington Ins Co

APPROVAL

APPLICATION MUST BE APPROVED BY CITY OR COUNTY BEFORE SUBMITTING TO ALCOHOL & GAMBLING ENFORCEMENT

CITY/COUNTY _____ DATE APPROVED _____
 CITY FEE AMOUNT _____ LICENSE DATES _____
 DATE FEE PAID _____

SIGNATURE CITY CLERK OR COUNTY OFFICIAL _____ APPROVED DIRECTOR ALCOHOL AND GAMBLING ENFORCEMENT _____

NOTE: Submit this form to the city or county 30 days prior to event. Forward application signed by city and/or county to the address above. If the application is approved the Alcohol and Gambling Enforcement Division will return this application to be used as the License for the event

ORDINANCE NO. 128, 2ND SERIES

AN ORDINANCE ESTABLISHING FEES FOR EMERGENCY PROTECTION FIRE SERVICES

THE CITY COUNCIL OF THE CITY OF WINDOM, MINNESOTA, DOES ORDAIN:

SECTION ONE: PURPOSES AND INTENT

This ordinance is adopted for the purpose of authorizing the City of Windom to charge for fire service as authorized by Minn. Stat. §§ 366.011, 366.012, and 415.01.

SECTION TWO: DEFINITIONS

- (A) "Fire service" means any deployment of fire fighting personnel and/or equipment to extinguish a fire or perform any preventative measure in an effort to protect equipment, life, or property. It also includes the deployment of fire fighting personnel and/or equipment to provide fire suppression, rescue, extrication, and any other services related to fire and rescue as may occasionally occur.
- (B) "Fire service charge" means the charge imposed by the City for anyone receiving fire service.
- (C) "Motor vehicle" means any self-propelled vehicle designed and originally manufactured to operate primarily upon public roads and highways, and not operated exclusively upon railroad tracks. It includes semi trailers. It does not include snowmobiles, manufactured homes, all terrain vehicles, or park trailers.
- (D) "Fire protection contract" means a contract between the City of Windom and a Town (Township) or other city for the City to provide fire service.
- (E) "Mutual aid agreement" means an agreement between the City and a Town (Township) or other city for the City's fire department to provide assistance to the fire department of a town or other city.

SECTION THREE: PARTIES AFFECTED

- (A) Owners of property within the City who receive fire service.
- (B) Anyone who receives fire service as a result of a motor vehicle accident or fire within the City.
- (C) Owners of property in towns (Townships) or cities to which the City provides fire service pursuant to a fire protection agreement.

SECTION FOUR: RATES

- (A) Fire calls within the City limits will be billed \$500.00 per call.
- (B) Fire calls outside of the city limits will be billed pursuant to the City or Town (Township) Fire Protection Agreements.

SECTION FIVE: BILLING AND COLLECTION

- (A) Parties requesting and receiving fire services may be billed directly by the City. Additionally, if the party receiving fire services did not request services but a fire or other situation exists which, at the discretion of the fire department personnel in charge requires fire service, the party will be charged and billed. All parties will be billed whether or not the fire service is covered by insurance. Any billable amount of the fire charge not covered by a party's insurance remains a debt of the party receiving the fire service.

- (B) Parties billed for fire service will have 60 days to pay. If the fire service charge is not paid by that time, it will be considered delinquent and the City will send a notice of delinquency.
- (C) If the fire service charge remains unpaid for 30 days after this notice of delinquency is sent, the City will use all practical and reasonable legal means to collect the fire service charge. The party receiving fire service shall be liable for all collection costs incurred by the City including, but not limited to, reasonable attorney fees and court costs.
- (D) If the fire service charge remains unpaid for 30 days after the notice of delinquency is sent, the City Council may also, on or before October 15 of each year, certify the unpaid fire service charge to the county auditor in which the recipient of the services owns real property for collection with property taxes. The county auditor is responsible for remitting to the City all charges collected on behalf of the City. The City must give the property owner notice of its intent to certify the unpaid fire service charge by September 15.
- (E) False alarms will be billed as a fire call, if the trucks have left the fire hall.

SECTION SIX: MUTUAL AID AGREEMENT

When the City fire department provides fire service to another fire department pursuant to a Mutual Aid Agreement, the billing will be determined by the Mutual Aid Agreement.

SECTION SEVEN: BILLING PROCEDURE FOR FIRE PROTECTION CONTRACTS WITH TOWNS OR OTHER CITIES

When the City fire department provides fire service to another town (Township) or city pursuant to a Fire Protection Agreement, the billing will be determined by the Agreement.

SECTION EIGHT: APPLICATION OF COLLECTIONS TO BUDGET

All collected fire charges will be City funds and used to offset the expenses of the City fire department in providing fire services.

SECTION NINE: RATIFICATION

This ordinance ratifies all prior fire call billings under a policy that was adopted by motion on January 16, 1996, by the Windom City Council.

SECTION TEN: EFFECTIVE DATE

This ordinance shall be published in the Cottonwood County Citizen and shall be effective immediately upon publication.

Passed by the City Council of the City of Windom, Minnesota, this 15th day of May, 2007.

Tom Riordan, Mayor

ATTEST:

Steve Nasby, City Administrator

1st Reading: May 1, 2007
2nd Reading: May 15, 2007
Adoption: May 15, 2007
Published: May 23, 2007



League of Minnesota Cities

145 University Avenue West, St. Paul, MN 55103-2044

(651) 281-1200 • (800) 925-1122

Fax: (651) 281-1299 • TDD: (651) 281-1290

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CHARGING FOR FIRE CALLS

November 2005

Authority to Charge for Fire Calls

For many years, the authority to charge for fire calls has been unclear. However, in 2003, the Minnesota Legislature passed legislation giving cities express authority to impose fees for emergency services, including fire protection. A city's ability to charge fire fees involves an interplay between three statutes. Minn. Stat. § 415.01, subd. 2, allows cities to charge for emergency services by passing an ordinance that specifies the amount and manner of the charge.

The exact text is as follows:

A city may exercise the power under sections 366.011 and 366.012 relating to charges for emergency services only if the city adopts an ordinance authorizing the manner and amount of charging for those services.

Minn. Stat. §§ 366.011 and 366.012 apply to towns. Under Minn. Stat. § 366.011, a town can impose fees for fire protection services provided by or contracted for by the town. If the charge is not paid, the town can use any means available to private parties to collect it or may certify the unpaid charge with the county auditor for collection with taxes to any real property within the state. Minn. Stat. § 366.012 explains the process for certifying charges with the county auditor. By its terms, Minn. Stat. § 415.01, subd. 2 give cities these same powers.

In 2005, the Legislature amended Minn. Stat. §§ 366.011 and 366.012 to specifically give towns, and thereby cities, the authority to certify the unpaid charge to the auditor of any county in the state in which the person who received fire protection services owns real property. The

county auditor is responsible for remitting to the city all charges collected on behalf of the city. Therefore, a city can certify unpaid fees regardless of where the property is located in the state.

An important note to remember is that fire services generally include not only fire fighting, but first responders as well. Any ordinance authorizing fire service charges should define *fire services* broadly enough to include both of these activities.

Contractual Issues in Collecting Charges

While this law clarifies a long-standing question about city authority, collecting these fees may be complicated in some situations by a 1959 Attorney General opinion that applied contract law to the provision of fire services; the opinion stated that there should be a request for service before the city has an enforceable claim against the property for reimbursement.¹ When a homeowner calls the city for services, the homeowner likely agrees to pay the fee, especially if the city publicizes that it charges a fee.

The situation is less clear if someone other than the property owner contacts the fire department. Ignoring such fires could be dangerous to nearby property and persons; accordingly, for public safety reasons a fire department would generally not stand by while a building burns. Even in these situations, a city could avoid contractual problems by using implied contract theory. The elements of an implied contract are (1) a benefit conferred by one party to another (2) appreciation of that benefit by the receiving party and (3) acceptance of that benefit when retention without payment is inequitable.² Most citizens have an expectation of fire service if a city has a fire department. Moreover, a city can show in the vast majority of cases that preventing property from burning down is a benefit to the property owner.

¹A.G. Op. 688-a (Oct. 6, 1959).

² 8 Dunnell Minn. Digest, *Contracts* § 2.05a (5th ed. 2003).

Providing Service to Property Outside of the City

Many cities contract with towns or other cities to provide fire protection, requiring the city fire department to provide service outside of the city. These contracts typically authorize cities to bill the recipient of the fire protection service who lives outside the city. Cities have the authority to use any means available to private parties to collect unpaid charges, regardless of where the property is located.³ Minn. Stat. § 415.01, subd. 2, also gives cities the ability to certify for collection with taxes the unpaid fire charges on property located outside of city limits that is anywhere within the state. This statute states that cities may exercise the “power under sections 366.011 and 366.012 relating to charges for emergency services.”⁴ One of these powers is certifying unpaid fire charges. With the 2005 amendment, the Legislature did not limit a city’s authority to certify unpaid charges to property within a city’s borders.

Different Rate Structures

Fire departments often respond to car fires, sometimes to non-residents of the city, or to another entity covered by a fire protection contract. Cities have inquired whether they can charge higher rates for these calls. Unequal fees implicate several constitutional concerns. The Supreme Court ruled in *Mem’l Hosp. v. Maricopa County*, that denial of “basic necessities of life” impedes the constitutional right to travel.⁵ Fire protection might be a basic necessity and unequal charges may be a form of denying this basic necessity. Additionally, higher taxes and more stringent licensing requirements imposed on non-residents have run afoul of both the Constitution’s equal protection and commerce clauses.⁶ Because of the possible constitutional

³ Minn. Stat. § § 366.011, 415.01, subd. 2.

⁴ Minn. Stat. § 415.01, subd. 2.

⁵ *Mem’l Hosp. v. Maricopa County*, 415 U.S. 250 (1974) (denying non-residents free non-emergency medical care violated the right to travel).

⁶ *Metro. Life Ins. Co. v. Ward*, 470 U.S. 869 (1985) (taxing non-residents at higher rate than residents violated equal protection clause); *State v. Kolla*, 672 N.W.2d 1 (Minn. Ct. App. 2003) (charging higher state license fee to non-residents violated commerce clause); 9 McQuillin, *Municipal Corporations*, § 26.48 (3rd ed. Revised 1995).

implications resulting from different rates, it is probably preferable to have a uniform policy when charging for fire calls.

Policy Considerations

Since this law was enacted, several cities have passed ordinances charging fire fees and more are considering this option. Aside from the concerns mentioned above, cities should consider the following issues before charging fire protection fees. First, the city should consider whether charging fire fees is the best choice. Some citizens may argue that the mechanisms for collecting and enforcing property taxes are already in place and that paying for fire services out of general revenue may be a better option than charging for fire calls.

Second, the city should decide whether it is prepared to collect charges when the fee is not covered by insurance. Some insurance policies will only pay if the property owner has an obligation to the city. If the city only collects fees in limited instances, the insurance company could argue that the property owner does not really have an obligation to the city. Furthermore, if the city aggressively attempts to collect fees from persons having insurance but looks the other way for persons not having insurance, the city could be committing insurance fraud.

Third, if the city decides to charge fire fees, the statutes do not limit the amount of fees a city may charge. However, as is usually true for city fees, the fee should be reasonably related to the city's cost in providing the service.

Finally, keep in mind that all fire fee collections belong to the city, not the fire relief association or fire department, and should be deposited in the city's accounts.

Model Ordinances

- **Ordinance A:** This is the basic model ordinance. The city will use all practical and reasonable means to collect the unpaid charge and may certify

the amount to the auditor in any county in which the service recipient owns real property.

- **Ordinance B:** The city charges the town or other city, rather than the individual, for fire services pursuant to a Fire Protection Contract. The fees would have to be specified in the Contract.

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
CITY OFFICE	WINDOM AREA CHAMBER	WORKING WOMEN'S LUNCHEON	33.00
		Total for Department 103	33.00*
P & Z / BUILDING OFF	INTERNATIONAL CODE C	DUES	100.00
P & Z / BUILDING OFF	MIDWEST WIRELESS	TELEPHONE	19.84
P & Z / BUILDING OFF	WINDOM AREA CHAMBER	WORKING WOMEN'S LUNCHEON	11.00
		Total for Department 106	130.84*
CITY HALL	MN ENERGY RESOURCES	HEATING	1,041.66
		Total for Department 115	1,041.66*
POLICE	DONNA MARCY	CLOTHING ALLOWANCE	325.00
POLICE	SHAWN HAKEN	CLOTHING ALLOWANCE	325.00
POLICE	TODD HYATT	CLOTHING ALLOWANCE	325.00
POLICE	KENT F. KELLY	CLOTHING ALLOWANCE	325.00
POLICE	KEVIN L. PATTERSON	CLOTHING ALLOWANCE	325.00
POLICE	JEFFREY SHIRKEY	CLOTHING ALLOWANCE	325.00
POLICE	JEFFREY SHIRKEY	EXPENSE	8.40
POLICE	BRUCE TONINATO	CLOTHING ALLOWANCE	325.00
POLICE	DANA WALLACE	CLOTHING ALLOWANCE	325.00
		Total for Department 120	2,608.40*
FIRE DEPARTMENT	QUEST	TELEPHONE	58.67
		Total for Department 125	58.67*
STREET	MIDWEST WIRELESS	TELEPHONE	69.46
STREET	QUEST	TELEPHONE	58.67
STREET	MN ENERGY RESOURCES	HEATING	830.52
		Total for Department 140	958.65*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	96.00
		Total for Department 145	96.00*
PARKS	MN DEPT OF EMPLOY & E	UNEMPLOYMENT	1,773.00
PARKS	ZIESKE LAND SURVEYIN	SERVICE	176.20
		Total for Department 165	1,949.20*
		Total for Fund 01	6,876.42*
LIBRARY	MN ENERGY RESOURCES	HEATING	571.87
		Total for Department 171	571.87*
		Total for Fund 03	571.87*
AMBULANCE	MIDWEST WIRELESS	TELEPHONE	90.15
AMBULANCE	QUEST	TELEPHONE	58.66
		Total for Department 176	148.81*
		Total for Fund 13	148.81*
MULTI-PURPOSE BUILDI	MIDWEST WIRELESS	TELEPHONE	12.39

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
		Total for Department 177	12.39*
MULTI-PURPOSE CENTER MN ASSOCIATION OF TO REFUND - OVER PAYMENT ON			25.00
		Total for Department 277	25.00*
		Total for Fund 14	37.39*
LIQUOR	LOCHER BROTHERS INC	MERCHANDISE	714.00
LIQUOR	GRIGGS COOPER	MERCHANDISE	4,826.63
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	5,455.10
LIQUOR	JOHNSON BROS.	MERCHANDISE	96.00
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	5,998.08
		Total for Department 180	17,089.81*
		Total for Fund 60	17,089.81*
WATER	QUEST	TELEPHONE	58.66
WATER	ZIESKE LAND SURVEYIN	SERVICE	350.40
		Total for Department 181	409.06*
		Total for Fund 61	409.06*
	EDWARD HARROLD	REFUND - UTILITY PREPAYM	10.00
	EMILIE BRANDS	REFUND - UTILITY PREPAYM	125.00
		Total for Department	135.00*
ELECTRIC	CENTRAL MINNESOTA MU	POWER COSTS	227,624.04
ELECTRIC	MARV GRUNIG	EXPENSE	44.62
ELECTRIC	MCDONALD & GUDMESTAD	ABSTRACT FOR IND PARK PR	40.00
ELECTRIC	QUEST	TELEPHONE	55.20
ELECTRIC	SEH	PROFESSIONAL SERVICES	2,257.06
ELECTRIC	ZIESKE LAND SURVEYIN	SERVICE	350.40
ELECTRIC	MICHAEL R ANDERSON	ENERGY REBATE	100.00
ELECTRIC	WOODY JOHNSON	ENERGY REBATE	200.00
ELECTRIC	JIM LE TOURNEAU	ENERGY REBATE	100.00
ELECTRIC	KELLY THONGVIVONG	ENERGY REBATE	100.00
ELECTRIC	DON WIESE	ENERGY REBATE	100.00
ELECTRIC	BOB WILLIAMS	ENERGY REBATE	100.00
		Total for Department 182	231,071.32*
		Total for Fund 62	231,206.32*
SEWER	QUEST	TELEPHONE	396.00
SEWER	MN ENERGY RESOURCES	HEATING	514.69
		Total for Department 183	910.69*
		Total for Fund 63	910.69*
ARENA	MIDWEST WIRELESS	TELEPHONE	44.13
		Total for Department 184	44.13*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount

		Total for Fund 64	44.13*
ECONOMIC DEVELOPMENT	COTTONWOOD CO TREASU	TRANSFER DEED IND PARK P	222.75
ECONOMIC DEVELOPMENT	MIDWEST WIRELESS	TELEPHONE	67.76
ECONOMIC DEVELOPMENT	MN ENERGY RESOURCES	HEATING	99.39
		Total for Department 187	389.90*
		Total for Fund 67	389.90*
TELECOMMUNICATIONS	MN ENERGY RESOURCES	HEATING	103.31
TELECOMMUNICATIONS	TOWER DISTRIBUTION C	SUBSCRIBER	205.63
		Total for Department 199	308.94*
		Total for Fund 69	308.94*
		Grand Total	257,993.34*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

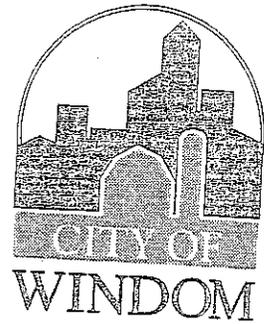
Department	Vendor Name	Description	Amount
P & Z / BUILDING OFF	HSBC BUSINESS SOLUTI	SUPPLIES	127.79
	Total for Department	106	127.79*
POLICE	TODD HYATT	EXPENSE	13.72
POLICE	JEFFREY SHIRKEY	EXPENSE	351.23
POLICE	TRAVEL MANAGEMENT	LEASE CAR	2,419.86
	Total for Department	120	2,784.81*
	Total for Fund	01	2,912.60*
LIBRARY	STAR TRIBUNE	SUBSCRIPTION	234.00
	Total for Department	171	234.00*
	Total for Fund	03	234.00*
AMBULANCE	KRIS JANSSEN	EXPENSE	33.75
AMBULANCE	PAULA RAVERTY	EXPENSE	33.00
	Total for Department	176	66.75*
	Total for Fund	13	66.75*
MULTI-PURPOSE BUILDI	MN ENERGY RESOURCES	HEATING	1,493.11
	Total for Department	177	1,493.11*
	Total for Fund	14	1,493.11*
PM REVOLVING LOAN FU	BANK MIDWEST	LOAN PAYMENT	3,830.79
	Total for Department	172	3,830.79*
	Total for Fund	15	3,830.79*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	1,998.25
LIQUOR	LOCHER BROTHERS INC	MERCHANDISE	439.25
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	3,091.75
LIQUOR	JOHNSON BROS.	MERCHANDISE	1,357.40
LIQUOR	MN ENERGY RESOURCES	HEATING	113.38
LIQUOR	WINE MERCHANTS	MERCHANDISE	161.00
	Total for Department	180	7,161.03*
	Total for Fund	60	7,161.03*
WATER	AMERICAN PAYMENT CEN	SERVICE	16.50
WATER	MN ENERGY RESOURCES	HEATING	682.63
WATER	SECR REV FUND/CITY O	POSTAGE	1.83
	Total for Department	181	700.96*
	Total for Fund	61	700.96*
	SECR REV FUND/CITY O	UTILITY PREPAYMENT REFUN	320.00
	Total for Department		320.00*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	AMERICAN PAYMENT CEN SERVICE		16.50
ELECTRIC	MIDWEST WIRELESS	TELEPHONE	79.28
ELECTRIC	HSBC BUSINESS SOLUTI	SUPPLIES	323.72
ELECTRIC	MN ENERGY RESOURCES	HEATING	198.11
		Total for Department 182	617.61*
		Total for Fund 62	937.61*
SEWER	AMERICAN PAYMENT CEN SERVICE		16.50
SEWER	MN ENERGY RESOURCES	HEATING	89.56
		Total for Department 183	106.06*
		Total for Fund 63	106.06*
ARENA	MN ENERGY RESOURCES	HEATING	1,062.84
ARENA	SECR REV FUND/CITY O	POSTAGE	.48
		Total for Department 184	1,063.32*
		Total for Fund 64	1,063.32*
	SECR REV FUND/CITY O	CONVERTER DEPOSIT REFUND	175.00
		Total for Department	175.00*
		Total for Fund 65	175.00*
	BANK MIDWEST	LOAN PAYMENT	4,585.50
		Total for Department	4,585.50*
ECONOMIC DEVELOPMENT	GODFATHER'S PIZZA	EXPENSE	26.60
		Total for Department 187	26.60*
		Total for Fund 67	4,612.10*
TELECOMMUNICATIONS	AT & T	USAGE CHARGES	155.00
TELECOMMUNICATIONS	AMERICAN PAYMENT CEN SERVICE		49.50
TELECOMMUNICATIONS	E-911	MONTHLY 911 SERVICE	43.80
TELECOMMUNICATIONS	LIFETIME	SUBSCRIBER	596.20
TELECOMMUNICATIONS	LIFETIME MOVIE NETWO	SUBSCRIBER	30.00
TELECOMMUNICATIONS	MIDWEST DATA, INC	CABS PROCESSING	579.05
TELECOMMUNICATIONS	QUEST	TELEPHONE	98.26
TELECOMMUNICATIONS	QWEST	TELEPHONE	261.83
TELECOMMUNICATIONS	OLSEN THIELEN & CO.,	SERVICE	166.67
TELECOMMUNICATIONS	ONVOY	BANDWIDTH BILLING	3,638.46
TELECOMMUNICATIONS	ONVOY	DEDICATED FACILITIES	650.00
TELECOMMUNICATIONS	ONVOY	SS7 SERVICE	1,799.76
TELECOMMUNICATIONS	SECR REV FUND/CITY O	POSTAGE	14.40
		Total for Department 199	8,082.93*
		Total for Fund 69	8,082.93*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	AFSCME	UNION DUES	214.50
	AFLAC	INSURANCE	190.68
	LOCAL UNION #949	UNION DUES	1,434.44
	MN BENEFIT ASSOCIATI	INSURANCE	96.18
	Total for Department		1,935.80*
	Total for Fund 70		1,935.80*
	Grand Total		33,312.06*



April 17, 2007

Mark and Jan Peterson
41204 U.S. Highway 71
Windom, MN 56101

RE: Request for Detachment of Property

Dear Mark and Jan:

This letter is in response to your request for detachment from the City of Windom (see attached).

Minnesota statute 414.06, subdivision 1 says that the "proceeding may be initiated by submitting to the director a resolution of the municipality to which the land is attached or by submitting to the director a petition of all of the property owners of the land to be detached if the area is less than 40 acres...." In short, the "director" must get a resolution passed by the City Council or a petition of the property owners. "Director" is defined in Minnesota Statute 414.011 as the director of the Office of Strategic and Long-Range Planning, which is a State of Minnesota office.

Under the advice of legal counsel the City of Windom does not have the procedural ability to receive your resolution.

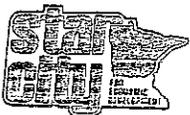
Per our discussion, you will need to make your request to the State of Minnesota Office of Strategic and Long-Range Planning.

Sincerely,

Steve Nasby
City Administrator

Cc: City Attorney
Planning and Zoning Official

Enclosure



TO: DIRECTOR OF CITY OF WINDOM, MN

PURPOSE : TO REQUEST A DETACHMENT OF PROPERTY
FROM THE CITY OF WINDOM, MN

MARK AND JAN PETERSON
41204 US HIWAY 71
WINDOM, MN 56101
ACRES: 1.99
LEGAL SECT-24 TWP-105
DESC. TRACT IN N 1/2 NW 1/4
RESIDENTIAL--HOMESTEAD

WE ARE SUBMITTING A RESOLUTION TO THE CITY OF WINDOM, MN TO DETACH OUR PROPERTY FROM THE CITY OF WINDOM TO GREAT BEND TOWNSHIP.

OUR PROPERTY ABUTTING THE MUNICIPAL BOUNDARY OF WINDOM, MN IS RURAL IN CHARACTER AND THE SURROUNDING PROPERTY IS FARM LAND. THE CHARACTER OF OUR PROPERTY IS A SINGLE FAMILY DWELLING WITH A DETACHED OUTBUILDING. THE PROPERTY AND SURROUNDING AREA ARE WITH NO MUNICIPAL IMPROVEMENTS.

SERVICE: NO WATER
NO SEWER
NO ELECTRICAL
NO SNOW REMOVAL
NO STREET IMPROVEMENT

THE PROPERTY IS RURAL IN CHARACTER AND ABUTS A BOUNDARY TO THE WEST TO GREAT BEND TOWNSHIP. WE ARE SURE THAT THE DETACHMENT WOULD NOT EFFECT THE FUTURE DEVELOPMENT OF THE CITY OF WINDOM.

414.06, Minnesota Statutes 2006

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414.06 DETACHMENT OF PROPERTY FROM A MUNICIPALITY.

Subdivision 1. **Initiating the proceeding.** Property which is situated within a municipality and abutting the municipal boundary, rural in character and not developed for urban residential, commercial, or industrial purposes may be detached from the municipality according to the following procedure. The proceeding may be initiated by submitting to the director a resolution of the municipality to which the land is attached or by submitting to the director a petition of all of the property owners of the land to be detached if the area is less than 40 acres or of 75 percent of the property owners if over 40 acres. The petition or resolution shall set forth the boundaries and the area of the land to be detached, the number and character of the buildings, the resident population, and the municipal improvements, if any, in the area.

Subd. 2. **Hearing, if needed.** If both a resolution of the municipality and a petition by all the property owners are submitted, no hearing is necessary. In any other case, upon receipt of a petition or resolution, the director shall designate a time and place for a hearing in accordance with section 414.09.

Subd. 3. **Order.** Upon completion of the hearing, the director may order the detachment on finding that the requisite number of property owners have signed the petition if initiated by the property owners, that the property is rural in character and not developed for urban residential, commercial or industrial purposes, that the property is within the boundaries of the municipality and abuts a boundary, that the detachment would not unreasonably affect the symmetry of the detaching municipality, and that the land is not needed for reasonably anticipated future development. The director may deny the detachment on finding that the remainder of the municipality cannot continue to carry on the functions of government without undue hardship. The director may decrease the area of property to be detached and may include only a part of the proposed area to be detached. If the tract abuts more than one township, it shall become a part of each township, being divided by projecting through it the boundary line between the townships. The detached area may be relieved of the primary responsibility for existing indebtedness of the municipality and be required to assume the indebtedness of the township of which it becomes a part, in such proportion as the director shall deem just and equitable having in view the amount of taxes due and delinquent and the indebtedness of each township and the municipality affected, if any, and for what purpose the same was incurred, all in relation to the benefit inuring to the detached area as a result of the indebtedness and the last net tax capacity of the taxable property in each township and municipality.

Subd. 4. **Effective date of detachment.** The detachment shall be effective upon the issuance of the order, or at such later date, as provided by the order.

Subd. 5. **Copy to county auditors.** A copy of the detachment order must be delivered immediately by the director to the appropriate county auditors.

Subd. 6. **Timing of tax levy.** For the purposes of taxation, if the detachment becomes effective on or before August 1 of a levy year, the towns acquiring the detached area may levy on it beginning with that same levy year. If the detachment becomes effective after August 1 of a levy year, the municipality may continue to levy on the detached area for that levy year, and the towns acquiring the detached area may not levy on it until the following levy year.

History: 1959 c 686 s 6; 1961 c 645 s 6; 1963 c 807 s 11; 1965 c 899 s 15; 1969 c 1146 s 15; 1975 c 271 s 6; 1978 c 705 s 24; 1988 c 719 art 5 s 84; 1989 c 329 art 13 s 20; 1991 c 291 art 12 s 25; 2002 c 223 s 18

Please direct all comments concerning issues or legislation
to your [House Member](#) or [State Senator](#).

For Legislative Staff or for directions to the Capitol, visit the [Contact Us](#) page.

[General questions or comments.](#)

414.011, Minnesota Statutes 2006

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414.011 DEFINITIONS.

Subdivision 1. **Application.** For the purposes of this chapter, the terms defined in this section have the meanings given them.

Subd. 2. **Municipality.** "Municipality" means any city, however organized.

Subd. 3. **Incorporated land.** "Incorporated land" means land within a municipality; "unincorporated land" means land outside a municipality.

Subd. 4. **Property, area, land.** The terms "property," "area," and "land" mean geographical units of land within or outside a municipality, depending upon the context in which the term is used.

Subd. 5. **Property owner.** "Property owner" means the fee owner of land, or the beneficial owner of land whose interest is primarily one of possession and enjoyment. The term includes, but is not limited to, vendees under a contract for deed, and mortgagors. Any reference to a percentage of property owners shall mean in number.

Subd. 6. **Abut, abuts, abutting.** The terms "abut," "abuts," and "abutting" refer to areas whose boundaries at least touch one another at a single point, including areas whose boundaries would touch but for an intervening roadway, railroad, waterway or parcel of publicly owned land.

Subd. 7. **Boundary adjustment.** "Boundary adjustment" means any proceeding authorized by this chapter.

Subd. 8. [Repealed, 2002 c 223 s 29]

Subd. 9. **Corporate boundary map.** "Corporate boundary map" means a map which accurately describes the boundaries of a municipality.

Subd. 10. **Plat map.** "Plat map" means that document recorded in the office of the county recorder in the county where the area is located.

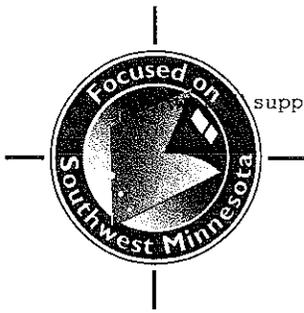
Subd. 11. **Director.** "Director" means the director of the Office of Strategic and Long-Range Planning.

History: 1969 c 1146 s 7; 1973 c 123 art 5 s 7; 1978 c 705 s 9,10; 2002 c 223 s 2,3

Please direct all comments concerning issues or legislation
to your [House Member](#) or [State Senator](#).

For Legislative Staff or for directions to the Capitol, visit the [Contact Us](#) page.

[General questions or comments.](#)



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Southwest Regional Development Commission

Serving the Counties of

Cottonwood • Jackson • Lincoln • Lyon • Murray • Nobles • Pipestone • Redwood • Rock

2401 Broadway Avenue
Suite 1
Slayton, MN 56172-1142
(507) 836-8547
Fax: (507) 836-8866
E-Mail: srdc@swrdc.org / Website: www.swrdc.org

Eugene Short, Chairman
Larry Hansen, Vice-Chairman
Robert Jarchow, Secretary
Gary Sorenson, Treasurer

April 23, 2007

MEMO TO: County Auditors, County Coordinators, City Clerks,
and Township Asasociation Clerks in Region 8

MEMO FM: Rhonda L. Wynia, SRDC Administrative Specialist

MEMO RE: Public Hearing Notice

PUBLIC HEARING NOTICE

The Southwest Regional Development Commission (SRDC) will hold a public hearing on its budget for Fiscal Year 2008 (July 1, 2007 through June 30, 2008) on Tuesday, May 8, 2007 at the Nobles County Government Center, Farmers Room, 315 10th Street, Worthington, MN. The Hearing will begin at 5:30 p.m. and continue until all persons wishing to offer testimony have been heard. Copies of the proposed budget may be obtained at the Southwest Regional Development Commission Office, 2401 Broadway Avenue, Slayton, Minnesota. Copies of the proposed budget are also on file with each county auditor, county coordinator, city clerk, and township association clerk in Region 8.

/rw

Attachment: SRDC FY'2008 Proposed Budget

SOUTHWEST REGIONAL DEVELOPMENT COMMISSION

July 1, 2007 - June 30, 2008

Revenues	FY2008 BUDGET
Tax Levy	266000
MNRAAA-Adm/Pdc Funds-2007	27989
MNRAAA-Adm/Pdc Funds-2008	21482
MNRAAA-Information & Assistance Funds-2007	114645
MNRAAA-Information & Assistance Funds-2008	123411
State CSC Funds	146459
MNRAAA-Eldercare Development Partnership	27185
Economic Development Administration	54628
MN Department of Transportation	50000
Federal Transit Funds	0
Current Contracts	170285
Dept. Public Safety-Hazard Mitigation	28900
CERTS Funds-LCMR & MN Project-Blandin	6349
Interest Earned & Miscellaneous	46020
Inkind Match for Programs	36695
Reserves used for Equipment Purchases	27700
Total Revenues	1147748
Expenditures	FY2008 BUDGET
Committee Expense	42215
Salaries & Fringe	888503
Staff Travel	71319
Office Space	45500
Postage	10800
Communications	14482
Print/Publication	10775
Supplies-Mtg/Wkshp Expenses	14086
Insurance	4404
Depreciation (Non-building)	19335
Audits	6400
Computer	12150
Equipment	27700
Other	11370
Consultant/Contracted Services/Legal	3250
Program Inkind Match	36695
Debt Service-Principal & Interest	11800
Office Building Principal Payment	9118
Total Expenditures	1239902
Balance	-92154
Incr/(Decr) in Equipment Reserve	-8365
Incr/(Decr) in Building Reserve	14302
Incr/(Decr) in Human Service Project Dedication	
Incr/(Decr) in Unrestricted Reserve	-98091
Tax Revenue (Bond)	232080
Allowance for delinquencies (5%)-2.5%PY	-5802
Present reserve for FY07 bond payments	52240
Bond Payment -August, 2007	-17929
Bond Payment-February, 2008	-202929
Reserve for Future Bond Payments	57661

Loan Budget-\$300,000

Getting Started with Community Visioning

Is a community's future one of fate and happenstance, or one of intent and leadership determination?

Through community visioning, people envision a community's desired future and develop the courage and means to achieve that future.

By Carl H. Neu, Jr.

Communities are future seeking. But first, they must be able to imagine and decide what they want the future to be. Secondly, they must decide how they are going to make this desired future a reality.

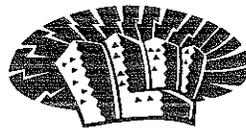
Strategic thinking is a process that brings people from all walks of life together to think about the future, create a vision, and invent ways to make this happen through community teamwork and disciplined actions. It is an act of leadership; making a reality happen that would not otherwise happen and preventing things from happening that might ordinarily occur. It is getting people to work together to achieve common goals and aspirations, and to develop strategies that transform visions into reality.

A vision plan is a document that records what people think—it's a broad blueprint for positive change that defines a vision and key outcomes which must occur to attain this vision. Other implementation policies and plans, such as comprehensive, resource management, financial, and developmental and redevelopment plans, are vitally important tools that assist the community, city council, and city administration in achieving the vision.

The vision plan will challenge and stretch the community's imagination in defining what is possible, and test its will to commit to a great and exciting, rather than "good enough," future. It also will help forge and sustain the critical partnerships and relationships that will make the plan a reality.

Developing, using a community vision and plan

Traditionally, community-visioning efforts occur as distinct undertakings, separate from comprehensive planning, that result in a citizen-created document (vision plan) presented to the city council for its consideration. The vision plan can



"Strategic thinking is a process that brings people from all walks of life together to think about the future, create a vision, and invent ways to make this happen through community teamwork and disciplined actions."

be used to set direction and create appropriate plans and policies affecting the community's future.

However, more and more, cities are using the community vision and plan as a prelude to updating the comprehensive plan, city policies, and council priorities and goals. This "two-step" planning process allows for the participation and imagination of community members, and the content of the work product they provide, to be enriched and refined in two consecutive steps leading to well-crafted results: an updated comprehensive plan and related official controls, such as zoning and subdivision ordinances and resource management policies, that are needed to implement the citizens' vision.

The role of the citizen visioning committee.

The visioning portion of this integrated effort usually begins with a citizen visioning committee. Members of the committee are selected from the entire community. These volunteers both guide and participate in a city-sponsored, citizen-driven visioning process.

Community forums are held to generate public input. At these forums, citizens select their issues of primary importance that they believe need to be addressed in the vision plan. Some communities augment the citizen input received from the public forums with scientifically-valid community surveys and web site communications tools.

The role of issue project teams. Issue project teams, comprised of members of the citizen visioning committee and additional volunteers from the community, address in detail each core vision element and prepare a vision statement, goals, rationale, and proposed strategies for inclusion in the vision plan. These issue project teams utilize city staff liaisons and other resource persons to gain insight into issues assigned to them. This insight helps shape strategic approaches to the future based upon a carefully studied and

realistic assessment of factual data, factors, trends, events, and options likely to influence and shape the city's progression to the future it desires.

The purpose of the vision plan document.

Members of the citizen visioning committee and issue project teams present the vision plan document to the city council for acceptance and input. The plan also serves to update the council's leadership priorities and goals and other critical city policy tools such as the comprehensive plan.

The community-visioning process

There are multiple approaches to undertaking a community-visioning process, but all are unique to the "personality" of the community. Common themes in every approach include the following:

The concept of community as a "living entity." Cities and counties, all communities, are living entities energized and sustained through human interactions, ideas, hopes and aspirations, and shared values and concern about better futures.

Community visioning is "community" dialogue. It is the collective recognition that the future is to be "achieved and managed" by people working together because they care about their community.

Perceived benefits. A successful community visioning process has several perceived benefits:

- It gives people the opportunity for involvement.
- It provides city and county officials with a long-term perspective and framework for goal setting, establishing priorities, and creating policy.
- It helps people understand what they want and value for themselves, their families, and as a community.
- It provides an opportunity to reflect on a community's history and generate ideas for the future.
- It creates excitement and a sense of adventure about the future.
- It creates a sense of "we" and "we'll" as the basis for creating the relationships and commitment to get things done—a barn-raising "can-do" mentality.

Processes and relationships. Community visioning is a process of partnerships, workshops, forums, dialogues, and communications involving citizens and elected officials, working together to forge a strategic plan for the community. Successful community visioning requires careful preparation and professional facilitation to ensure that the time commitments

"There are multiple approaches to undertaking a community visioning process, but all are unique to the "personality" of the community."

and hard work of all parties involved produce rich rewards for the future.

The role of the professional facilitator. A professional facilitator assists communities in designing community-visioning processes appropriate to their needs. That person also provides the facilitation and consulting support required to help citizens frame their visions and strategic plans for the future.

The end result

Examples within Minnesota cities of these bursts of imagination and "people energy" include community visioning efforts in Burnsville, Lino Lakes, Prior Lake, Roseville, St. Louis Park, and many other cities. In addition, the greater Willmar area, where the city, county, school district, businesses and civic leaders, and interested citizens created a vision and strategic plan for a whole region seen as "a community achieving its desired future." (For information about St. Louis Park's community visioning effort, please see article on page 6.)

A successful community-visioning process results in a better, more rewarding future. It is also a breakthrough in "people energy" to get things done. But, first, there has to be a vision. Otherwise, a community just condemns itself to a future fashioned by fate and reactionary impulses, rather than a future designed and achieved with intent and commitment. ■

Carl H. Neu, Jr. is executive vice president of Neu and Company, a local government consultancy firm in Lakewood, Col. Web site: www.carlneu.com. © Neu and Company and The Center for the Future of Local Governance™, 2007.

Developing a Shared Sense of a Desired Future

By Derek Okubo

Communities that deal successfully with the challenges they face have developed a clear picture of where they want to go and also have a clear sense of their past.

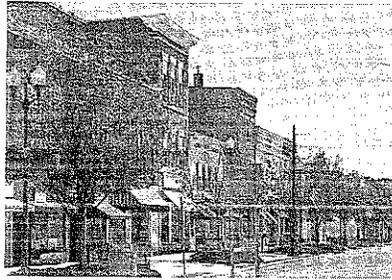
As the International City/County Management Association (ICMA) explains, "A growing number of places are using the term 'vision' to describe the first step of the long-range planning process. Starting with a vision implies seeking agreement about the desired outcome of the plan [and] visualizing and articulating the kind of community residents want in the future, which might be defined as five or 10 or even 20 years hence."

A community's vision should reflect the common values of that community; at the same time, however, it should be inclusive of the diverse populations which make up that community. Moreover, a community vision is not a "cookie cutter" type of document. A vision should reflect those qualities that make a community unique.

Having a vision can motivate community residents; it gives them a goal. It must be remembered, however, that a vision is an ideal; it may not be attained in its entirety and for that matter it probably won't be. But it can and should guide community actions. Moreover, a community vision is not dogma, set in stone. A community should revisit its vision often, to account for changes in the community's environment.

A long-term community vision helps guide the community's short-term strategic decisions; each immediate policy should fit in the plan to reach the overall goal.

For example, the community of Broomfield, Col., developed a simple, long term vision—to be its own city and county. A series of annexations in the 1970s had resulted in Broomfield



being located in four different counties, creating a logistical nightmare in terms of coordinating services and enacting any community-wide decisions.

With this long-term vision in mind, short-term goals were clearly definable: create community spirit; run a referendum campaign, etc. The result was that Colorado's voters on Nov. 2, 1998, voted to approve the formal creation of the city and county of Broomfield.

Some questions a community can ask to evaluate whether or not it has a vision, and whether or not that vision is widely held, are:

- Is there a shared sense of a desired future for the community?
- Has the community completed a broad strategic plan?
- Does the community have a positive self-image?
- Does the community preserve and enhance what is special and unique?
- Does the community proactively monitor critical issues?
- Does the community deal with problems before they become crises?

One way of achieving these goals is through a community-visioning project. Such a process brings together all sectors of a community to identify problems, evaluate changing conditions, and build collective approaches to improve the quality of life in the community.

To establish a vision for the future and pride in past accomplishments requires broadly participatory strategic planning activities. These activities can

take many forms. "Goal for" or "Year 2010" projects are examples of processes that have been undertaken across the country.

For example, beginning in 1995 Saranac Lake Village, New York, a winner of the National Civic League's All-America City Award in 1998, spent over 700 hours evaluating who they were and where they wanted to go. A cross-section of the community first compiled a list of the community's strengths and weaknesses (referring to weaknesses as opportunities). The city then used this information to create a mission and vision statement. The result was "Saranac Lake: 2001—A Five Year Strategic Plan for Community Revitalization."

Sharing in problem-solving and planning for the future as a community is an empowering experience that raises the community's collective self-esteem and pride in their community. When citizens are brought into the community vision/creation process, they become invested. The community vision that emerges is theirs, and they become stakeholders in their community's future. ■

Derek Okubo is vice president of the National Civic League. For information on how the concepts and techniques presented in this article can be applied in your community, contact NCL at ncl@ncl.org, www.ncl.org, or (303) 571-4343. Reprinted by permission from the NCL web site, copyright 2007.



-FridayFax-

A weekly legislative update from the League of Minnesota Cities

April 13, 2007

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As House plays catch-up, session conclusion looks less certain

As the Senate almost casually approached this week's Saturday policy committee deadline, the House pace has been frenetic with the Finance and Tax Committees busy processing the major omnibus appropriations bills. Most of the Senate policy committees will complete their work today and will not have to meet on Saturday. The House, on the other hand, has a backlog of major bills that must be processed by three important committees—Finance, Taxes and Ways and Means—before they are finally debated on the House floor.

Beginning on Tuesday, the House Finance Committee was the first of three final stops for major appropriations legislation including bills for State Government, Housing, Public Safety, Environment, Natural Resources and Energy, E-12 Education, Higher Education, Economic Development and Health Care and Human Services. Many of these bills had to be sliced and diced by the committee to match the structure of the Senate omnibus bills. On Wednesday and Thursday, the Tax Committee worked late into the evening to process the environment, natural resources and energy bill, the public safety bill, the agricultural rural economies and veteran's affairs bill, the state departments bill and the E-12 finance bill.

Although the House Finance Committee has now completed the major appropriations bills, the Ways and Means Committee and the Tax Committee have announced Saturday hearings to continue processing omnibus bills and a variety of smaller tax provisions.

The one major piece of legislation that has not been fully unveiled is the House omnibus tax

bill. To date, the only piece of the House omnibus tax bill that has been released is the property tax, state aid and local sales tax article. The other major pieces, including the income, sales, economic development and public finance articles are still being compiled and will not likely be completed and considered in committee until late next week or during the week of April 23.

Although most of the city-relevant tax provisions are contained in the property tax and state aid article, the yet-to-be-released income and sales tax articles will likely contain the revenue increases needed to fund LGA, MVHC and the expanded circuit breaker programs.

We expect many of the major conference committees, with the possible exception of the tax committee, to be appointed over the next two weeks and initial hearings will be held shortly thereafter. The conference committees will have to reconcile many major differences between the House and Senate priorities, but leave enough time before the May 21 deadline to renegotiate bills in the event of a veto.

In discussions with various DFL and Republican legislators and key staff members during the week, we heard more comments and questions about whether the House, Senate and governor will be able to reach agreements on the state budget before the constitutional deadline. There is ample speculation that the governor will veto many if not most of the omnibus budget bills and almost certainly the omnibus tax bill if it ultimately contains significant tax increases. The legislature may have to quickly return to the drawing board if they are to avoid a special session.



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The House state government finance bill includes a provision that would allow state agencies to continue operations through July in the event that a state budget cannot be ironed out. Ironically, that provision was inserted in a bill that may be vetoed by the governor.

If all this uncertainty sounds familiar, the legislature has not been able to finish all of their work in a budget-setting year without going to a special session since the last millennium—1999 to be exact.

Questions? Contact Gary Carlson at 651.281.1255 or gcarlson@lmnc.org.

Local road and bridge funding report released

The League of Minnesota Cities, the City Engineers Association of Minnesota, the Minnesota County Engineers Association (CEAM), and the Minnesota Chapter of the American Public Works Association this week released a report on local road and bridge funding. The report, "The End of the Road: Challenges of Funding Minnesota's Local Road and Bridge Network" was prepared by Matt Shands of Bonestroo under the direction of an advisory committee representing Minnesota cities, counties, and Mn/DOT State Aid for Local Transportation.

This report is available electronically in PDF format on the CEAM website at <http://ceam.govoffice.com/>. Hard copies were provided to legislators this week.

The report does not contain a lot of narrative; rather it primarily uses charts and graphs to convey the key challenges and concerns of city and county officials throughout the state as they

struggle to meet the challenges of local road and bridge funding. The report provides answers to the following questions, and addresses both the state aid systems and the local road systems for Minnesota cities and counties:

1. What does the local system consist of?
2. What is the state's historic role in funding the local road network?
3. How has the function of the local road network changed?
4. What are some of the key challenges faced by local officials?
5. How large is the funding gap?
6. What have been the implications of the funding gap?
7. How have local governments responded?
8. How has the state responded?
9. What must be done?

In the remaining weeks of session, the sponsors will use the report to advocate for passage of a comprehensive transportation funding package.

Questions? Contact Anne Finn at 651.281.1263 or e-mail afinn@lmnc.org.

Administrative fine authority won't be clarified without urging from locals

The League is suggesting city officials contact legislators and ask them to support legislation that would provide limited authority to issue administrative citations for minor traffic violations. Bills that would explicitly allow this practice have lost momentum in recent weeks, as have bills that would prohibit administrative fines for traffic violations.

The language the League is supporting would authorize cities to issue their own tickets for



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speeding under ten miles per hour above the limit. Commercial vehicle license-holders would not be eligible for administrative citations. The House bill, HF 847 (Hosch, DFL-St. Joseph) was heard in the Local Government and Metropolitan Affairs Committee, where it was recommended to pass and re-referred to the Public Safety and Civil Justice Committee. Rep. Joe Mullery, Chair of the Public Safety and Civil Justice Committee, did not schedule the bill for a hearing before the policy committee deadline.

In the Senate, a bill (SF 155) that was introduced as a measure to prohibit cities from issuing administrative fines for traffic violations was amended by the Senate Transportation Committee to allow local law enforcement agencies to use administrative fines for moving violations such as speeding under ten miles per hour above the limit. The bill's author, Sen. Leo Foley (DFL-Coon Rapids) opposed the amendment, but the committee adopted it resoundingly, and then proceeded to pass the bill. The bill is floundering because the author now opposes his own bill. An attempt to amend the omnibus transportation policy bill with language that would allow administrative fines for traffic violations was offered in the Senate Transportation Committee by Sen. Michelle Fischbach (R-Paynesville) on Thursday, but failed by one vote.

The last hope for the initiative is that it will be adopted as amendment on the floor of the House and/or Senate. Some legislators have indicated they are willing to offer the amendment if the League and other supporters can generate support.

Key points to convey to legislators:

- Over the years, the state legislature has increased the surcharge on a \$40 traffic violation fine to \$72, bringing the cost of a minor moving violation to over \$115 when other fees are factored in. Of this amount, less than \$14 is allocated to the local unit of government issuing the citation.
- District courts are clogged, and appeals of statutory tickets are exacerbating the problem.
- Current surcharges imposed by the state make the cost of statutory citations excessive for residents, and the cost of prosecuting statutory violations is excessive for taxpayers.
- There is a lack of clarity in existing state law on this issue.
- Administrative fines allow local law enforcement officers to cite drivers for minor violations that may otherwise be warnings, and serves as a deterrent for other, more serious future violations.

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

House appoints transportation finance conferees

The House on Wednesday appointed five conferees to work on reconciling SF 1986 (Murphy, DFL-Red Wing) and HF 946 (Lieder, DFL-Crookston), the omnibus transportation funding bills. Both bills passed well before the recent spring recess, and advocates have been waiting intently for the conferees to be named so final negotiations on the bill can begin.



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House conferees are:

Rep. Bernie Lieder (DFL-Crookston), Co-Chair

Rep. Ron Erhardt (R-Edina)

Rep. Frank Hornstein (DFL-Minneapolis)

Rep. Melissa Hortman (DFL-Brooklyn Park)

Rep. Terry Morrow (DFL-St. Peter)

The Senate has not yet named conferees, which means conference committee work on the measure will not begin until next week at the earliest. Senate leaders have not indicated when the body will designate conferees.

Members of the conference committee will face immense pressure not only to agree on a package, but to bring forth a bill that will garner support from a veto-proof majority of the legislature. Given Governor Tim Pawlenty's (R) promise to veto any bill containing a tax increase, a veto override appears to be the only avenue to a comprehensive transportation funding package in 2007.

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

House TIF working group announced

Following tradition, the House Tax Committee has informally appointed a TIF working group to consider which TIF legislation will be included in the omnibus tax bill. Most of the bills were heard in committee earlier in March, but the details of these proposals are often reviewed in more depth by certain members. Those members this year are: Tax Chair/Rep. Ann Lenczewski (DFL-Bloomington), Rep. Morrie Lanning (R-Moorhead), Rep. Jim Davnie (DFL-Minneapolis) and Rep. Chris DeLaForest (R-Andover). Cities with special

TIF legislation should consider contacting these members ASAP, as they work to put their recommendations together by next mid-week.

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

JOBZ under attack

The JOBZ program has been under considerable scrutiny this year in both the House and Senate. The House is expected to include several reform measures in their omnibus tax bill—likely including provisions to further restrict intra-state business relocation situations. The Senate tax bill goes considerably further by including language to eliminate any new JOBZ deals after May 1, 2007. Cities would need to have their business subsidy agreement with a new business complete by this date in order to use the current program. The governor's recommendation was to basically extend the program to allow a full 10 years of benefits for a business, as long as they were in the program by 2015.

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

Liquor store fee increase bill alive

The Senate Commerce Committee worked on their omnibus liquor bill yesterday in committee. The backbone of this bill is SF 1070 (Pappas, DFL-Saint Paul), and it increases the fee caps currently on off-sale liquor licenses for cities by 40% plus \$100. Liquor stores could have their fee reduced by \$100 if they complied with certain requirements geared toward reducing underage



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consumption. The League testified in support of this bill in the Senate yesterday, and the liquor stores association was agreeable with the compromise amendment. The bill also sets up a class between first-class and second-class cities for those over 10,000 outside the metro area, and lets them charge up to \$560 to account for some of the pressures in dealing with college populations and drinking.

The House companion, HF 1958 (Atkins, DFL-Inver Grove Heights), basically allows a lower increase of 25% across the board, amending MS 340.408., subdivision 3. These fees have been capped for over 22 years, so this would be a welcome bump for cities across the board. The next stop for both bills would be the floor, so now is a good time to contact legislators and let them know that the fee increase would be helpful.

The "wine in grocery stores" bill was not heard in committee, so any further action on that would likely be in the form of a floor amendment, which many are expecting this year before adjournment.

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

Town hall meetings

Town hall meetings are a great chance to meet with your legislators and tell your city story close to home. Upcoming meetings in a city near you include:

April 14 in **Rochester** (Dunn Bros Coffee, 120 Elton Hills Lane NW, 8:30-9:30 a.m.) with Rep. Kim Norton

April 14 in **Apple Valley** (Caribou Coffee, 9:00 a.m.) with Rep. Shelley Madore

April 21 in **Minnetonka** (Glen Lake Activity Center, 14350 Excelsior Blvd., 10:30 - 11:30 a.m.) with Rep. Maria Ruud

Check your local newspaper or radio station for additional dates. To receive e-mail notice of upcoming town hall meetings near you, subscribe online at <http://www.house.leg.state.mn.us/maillist/mailnolist.asp> and <http://www.senate.leg.state.mn.us/schedule/listserv.htm>

Staying informed

To keep informed on news from the House of Representatives, subscribe to the nonpartisan Session Weekly newsmagazine at <http://www.house.leg.state.mn.us/hinfo/subscribe.asp> or call (651) 296-2146 or (800) 657-3550.



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City officials urged to contact legislators on police and fire disability cost containment initiative

With just a few weeks left in the 2007 regular legislative session, city officials are growing concerned that a critical piece of legislation has not received a hearing in the Legislative Commission on Pensions and Retirement (LCPR).

The bill, HF 125 (Murphy, M., DFL-Hermantown)/SF 84 (Betzold, DFL-Fridley), would help control employee, employer, and Public Employees Retirement Association (PERA) Police and Fire Plan disability benefit costs. It represents the work of a number of stakeholder groups, including PERA, the League of Minnesota Cities (LMC), the Minnesota Police and Peace Officers Association (MPPOA) and the Minnesota Professional Firefighters Association (MPFF).

The stakeholders agree that without passage of the bill, the costs of the existing benefits will grow to the point that the plan will be unable to sustain commitments to eligible employees without significant, further increases in employer and employee contributions which are already scheduled to increase to 23.5 percent of salary in 2009.

HF 125/SF 84 would:

- Clarify in state statute that a "duty disability" is an injury sustained while performing activities that present "inherent dangers specific to these professions;"
- Define "regular disability" as an injury sustained while performing activities that are not specific to public safety positions,

as well as from events that occur while not on the job;

- Limit the amount paid for a "duty disability" benefit to 60% of final average salary and the amount paid for a "regular disability" to 45% of final average salary; and
- Convert the disability benefit to a retirement benefit at normal retirement age.

An amendment that has been drafted to the bill would create an additional tier for members that are totally and permanently disabled, and would continue benefits for these members for life.

The intent of this legislation is to protect the fund for all PERA Police and Fire Plan members, to control contribution rates for employers and employees, and to narrow eligibility for continued employer-paid health insurance for injured public safety employees under Minnesota Statutes (MS) 299A.465.

HF 125 has been referred to the House Government Operations, Reform, Technology and Elections Committee and SF 84 has been referred to the Senate State and Local Government Operations and Oversight Committee. However, standing committees typically do not act on bills with pension plan implications without the recommendation of the LCPR.

In recent days, the League has become aware of opposition to this legislation from some public safety union groups. Union representatives have suggested the LCPR lay the bill over and conduct hearings on the matter during the interim.



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Rep. Mary Murphy, the chair of the LCPR, has indicated she intends to convene a meeting of the LCPR on Tuesday or Wednesday of next week. The LCPR may take up HF 125/SF 84, in addition to a number of other issues. The League is urging members to contact legislators—particularly members of the LCPR—and convey the urgent need to pass legislation to addressing escalating costs related to the existing PERA Police and Fire disability benefits.

LCPR Members:

Rep. Mary Murphy (DFL-Hermantown), Chair: 651-296-2676

Rep. Phyllis Kahn (DFL-Minneapolis): 651-296-4257

Rep. Michael V. Nelson (DFL-Brooklyn Park): 651-296-3751

Rep. Steve Smith (R-Mound): 651-296-9188

Rep. Paul Thissen (DFL-Minneapolis): 651-296-5375

Sen. Don Betzold (DFL-Fridley), Vice Chair: 651-296-2556

Sen. Dan Larson (DFL-Bloomington): 651-297-8061

Sen. Ann Lynch (DFL-Rochester): 651-296-4848

Sen. Mary A. Olson (DFL-Bemidji): 651-296-4913

Sen. Betsy L. Wergin (R-Princeton), Secretary: 651-296-8075

Questions? Contact Anne Finn at 651.281.1263 or e-mail afinn@lmnc.org.

Conference committees set to convene

With the House passage of their versions of omnibus funding bills, the conference committee process will begin next week. Many of the issues the League has been working on during the session have been folded into omnibus bills. Below is a list of the major funding bills, conferees if they have been appointed and a brief list of issues of interest to cities contained in those bills. The bolded bills will be the vehicles for conference committee action. Please note that where a Senate file will be the conference committee vehicle, the House link will take you to the House version of the Senate bill. We will include a more complete, descriptive listing of issues in upcoming editions of the *Cities Bulletin*.

Omnibus Transportation Finance Bill

SF 1986 (Murphy)/ HF 946 (Lieder)

House Conferees: Lieder, Hornstein, Hortman, Morrow, Erhardt

Senate Conferees: Murphy, Dibble, Sieben, Carlson, Bonoff

Highlights: Gas tax increase, indexing of the gas tax, county wheelage tax authority, local government authority to impose a sales tax dedicated to transportation, trunk highway bonds and a number of additional smaller provisions.

Contact: Anne Finn at 651.281.1263 or e-mail afinn@lmnc.org.

Omnibus State Government Finance Bill

SF 1997 (Betzold)/HF 953 (Kahn)

House Conferees: Not yet appointed

Senate Conferees: Not yet appointed



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Highlights: Other Post Employment Benefit Trusts (OPEB), best value bidding alternative, increased LGA deduction to fund State Auditor functions, outdoor lighting fixture regulation, expanded use of sick leave, price of government repeal, and elections provisions.

Contacts: Gary Carlson (651.281.1255 or gcarlson@lmnc.org), Anne Finn (651.281.1265 or afinn@lmnc.org) and Craig Johnson (651.281.1259 or cjohnson@lmnc.org).

Omnibus Public Safety Bill

SF 1992 (Higgins)/HF 829 (Paymar)
House Conferees: Paymar, Mullery, Liebling, Hilstrom, Smith
Senate Conferees: Higgins, Foley, M. Olson, Neuville, Rosen

Highlights: Funds the Supreme Court, Court of Appeals, Trial Courts, Tax Court, Uniform Laws Commission, Board on Judicial Standards, Board of Public Defense, Department of Public Safety, Peace Officers Standards and Training Board, Private Detective Board, Department of Human Rights, Department of Corrections, and Sentencing Guidelines Commission.

Contact: Anne Finn at 651.281.1263 or e-mail afinn@lmnc.org.

Omnibus Environment, Natural Resources and Energy Bill

SF 2096 (Anderson)/HF 1651 (Wagenius)
House Conferees: Wagenius, Hiltv, Hansen, Dill, Ozment
Senate Conferees: Anderson, Fredrickson, Saxhaug, Chaudhary, Torres Ray

Highlights: Clean Water Legacy funding, shade tree pest control grants, wetlands replacement,

renewable energy production incentives, other environmental program funding and policies.

Contact: Craig Johnson at 651.281.1259 or cjohnson@lmnc.org.

Omnibus Jobs and Economic Development Bill

SF 2089 (Tomassoni)/HF 797 (Rukavina)
House Conferees: M. Murphy, Rukavina, Clark, Mahoney, Gunther
Senate Conferees: Tomassoni, Metzen, Sparks, Scheid, Koch

Highlights: "whistle-blower" legislation, DEED's redevelopment account funding and changes, other non-tax economic development programs at DEED, housing funding, statewide building code.

Contact: Jennifer O'Rourke at 651.281.1261 or jorourke@lmnc.org and Ann Higgins at 651.281.1257 or ahiggins@lmnc.org.

Omnibus Capital Investment Bill

SF 2157 (Langseth)/HF 886 (Hausman)
House Conferees: Hausman, M. Murphy, Carlson, Pelowski, Tingelstad
Senate Conferees: Langseth, Cohen, Senjem, Metzen, Wergin

Highlights: Modified local capital funding criteria, Public Facilities Authority funding, local bridge replacement and rehabilitation funding, transit way funding, rail corridor funding.

Contact: Craig Johnson at 651.281.1259 or cjohnson@lmnc.org.



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House omnibus tax bill to be released on Monday

The full House Tax Committee was supposed to hear the last of their individual tax bills today (Friday) and then release the initial draft of the omnibus bill on Monday. This morning, the committee was unable to hear each of the bills on the agenda due to the scheduled floor session. According to Chair Ann Lenczewski (DFL-Bloomington), the committee will now hear a few remaining bills on Monday morning and then release the omnibus tax bill at some point later in the day. The committee will then take public testimony on Tuesday, and then consider amendments on Wednesday. This schedule could be delayed a day or two given the fluid schedules of the floor session that the committee needs to work around, and depending on the amount of testimony or number of amendments that are ultimately offered.

Shortly before spring break, the House Property Tax Division compiled their recommendations for the property tax article and amended the provisions into HF 3, which will become the House omnibus tax bill.

Once it is passed out of committee, the bill will be considered by the House Ways & Means Committee, before being considered on the floor. The bill will eventually match up with SF 1024 (Bakk, DFL-Cook) as it goes to conference committee.

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

House smoking ban bill update

Under the current statewide smoking ban legislation in the House, HF 305 (Huntley, DFL-Duluth), liquor-licensed bars and restaurants would be able to build "smoking rooms" which effectively sets-up an "opt-out" situation for local units of government by issuing smoking licenses for bars. This is language that would create a new mandate by allowing a smoking license to be issued by a city, and forces the issue at the local level when many cities and counties have been expecting the state to pass a statewide ban.

The intent of both Senate and House authors, and the health groups promoting the bill has been to create a minimum statewide health standard in dealing with indoor air, and workers. Furthermore, proponents of HF 305 have advocated for local control, and not preempting local governments from doing anything more restrictive. The League's position states that if the legislature enacts a uniform statewide smoking ban, it should preserve the ability of local units of government to enact more restrictive ordinances at the local level.

Next stop for the bill will be House floor, which could occur as early as the last week of April. Concerned local officials should contact their House legislators now and explain any issues this would create at the local level. The Senate companion, SF 235 (Sheran, DFL-Mankato) was passed by the Senate in March.

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



Coalition of Greater Minnesota Cities
CGMC in Brief

April 19, 2007

Contact: Sarah Kleppe
651.225.8840

**Let the Bargaining
Begin: House,
Senate, and
Governor Headed
for Showdown on
Taxes**

As the session moves into its final month, it is becoming clear that the main area of debate will be the budget. The governor has vowed to veto any tax increases, which are plentiful in both the Senate and the House bills. There are some rumblings around the Legislature of a special session, but that is pure speculation at this point.

The House Tax Committee will likely release its omnibus tax bill to the public on Monday. On Wednesday, the Tax Committee plans to mark up the bill, offer amendments, and finalize the bill.

The Senate's omnibus tax bill, finished on March 31, will likely be considerably different than the House omnibus tax bill. The differences will have to be worked out in conference committee before a bill is sent to the governor. If the House and Senate compromise bill contains income or other tax increases, the governor is likely to veto the bill. This will force the Legislature to put together another proposal before May 22, the last day of session.

For more details on the House and Senate tax proposals, please read the attached document put together by Steve Peterson, Flaherty & Hood, P.A.'s policy analyst.

Transportation

The conferees for the Transportation Conference Committee are as follows: **Reps. Bernie Lieder, DFL-Crookston; Frank Hornstein, DFL-Minneapolis; Melissa Hortman, DFL-Brooklyn Park; Terry Morrow, DFL-St. Peter; and Ron Erhardt, R-Edina; and Senators Steve Murphy, DFL-Red Wing; D. Scott Dibble, DFL-Minneapolis; Katie Sieben, DFL-Newport; Jim Carlson, DFL-Eagan; and Terri Bonoff, DFL-Minnetonka.** The CGMC is concerned that only three out of 10 of the Conferees are from Greater Minnesota.

Although both the House and Senate transportation bills contain similar sources of increased revenue, **it is unclear at this point what the final bill will look like.** It will certainly include a gas tax increase ranging from five to ten cents. The Transportation Conference Committee will most likely meet next week, although no date has been set.

If the bill comes out of conference committee containing a gas tax, the governor will most likely veto it. If the Legislature is unable to override his veto, a new bill will have to be developed or there will be no new transportation funding.



2007 CGMC Summer Conference in Detroit Lakes

The 2007 Summer Conference will be in **Detroit Lakes Wednesday, July 25 to Friday, July 27**. The city has many great events planned for CGMC members and guests, so be sure to reserve your hotel rooms today!

The agenda and registration form should be available in May. In addition to CGMC meetings on issue areas and opportunities to review the 2007 session, there will be city tours, panel discussions, and activities for families and guests.

Additionally, we are pleased to announce that **State Auditor Rebecca Otto** will be our featured lunch speaker on Thursday, July 26.

Most of the conference events will be at the Holiday Inn Lakeside, but The Lodge on Lake Detroit is only a short distance away. Please be sure to book your hotel room, as rooms are sure to fill up fast!

Holiday Inn Lakeside - www.dlinn.com

Phone: 218.847.2121

Ask for the CGMC rate (\$84.95 plus taxes)

The Lodge on Lake Detroit - www.thelodgeonlakedetroit.com

Phone: 218.847.8439

Ask for the CGMC rate (\$129 plus taxes)

CGMC Labor and Employee Relations Seminar a Huge Success!

The CGMC Labor and Employee Relations Committee's spring seminar was a huge success! Nearly 60 city and county officials attended the April 18 seminar at Melrose City Hall.

Attendees heard presentations from Flaherty & Hood, P.A. staff and St. Cloud City Attorney Jan Petersen, received reference materials, and engaged in discussions on numerous public sector labor and personnel issues. Many attendees said they left the seminar feeling more informed and confident on handling labor and employee relations matters in their local units of government. With the success of this third seminar, the committee will begin brainstorming issues to cover at next year's seminar!



Comparison of House and Senate Income Tax Proposals

Income tax increases have been the center of attention at the Legislature. Both the House and Senate DFL have proposed increasing income taxes on the state's highest earners. Currently the highest income tax rate is 7.85 percent on incomes over \$123,750 for married joint filers and \$69,990 for single filers.

The Senate proposes a new fourth income tax bracket of 9.7 percent for all income earned over \$250,000 for married joint filers and \$141,250 for single filers. The Senate's income tax increase will generate \$993 million over the next biennium and will be used to increase funding for early education, K-12, and college tuition reductions.

The House also proposes a new fourth income tax bracket, though at a lower rate and on higher earners than the Senate's bill. The House's new tax bracket is 9 percent of all income earned over \$400,000 for married joint filers and \$226,000 for single filers. The House's bill will generate \$453 million over the next biennium and will be used for property tax relief through an increased "circuit breaker" program (property tax refunds based on income), Local Government Aid, and aids to other local units of government.

Comparison of House and Senate Income Tax Increases

	Filers Affected	Pct. of all Filers	Tax Increase on a Single Filer with an Income of \$250,000	Tax Increase on a Married Couple with an Income of \$500,000	Pct. of Increased State Revenue Paid by Filers with Incomes over \$1 million
Senate	78,200	3.7%	\$1,656	\$4,256	63.1%
House	20,700	1.0%	\$52	\$921	81.4%

One of the main concerns regarding the income tax increases has been the possible affects on residents with small business income. The Senate's bill would affect 29,800 such residents or 9.1 percent of small business residents' filers. The House would affect 9,500 or 2.9 percent of residents with small business incomes.

The DFL points to the 2007 Minnesota Department of Revenue's Tax Incidence Study as to why this new tax bracket on Minnesota's most wealthy is fair. The study showed that Minnesota residents in the top 5 percent of earners pay 10.5 percent of their income to state and local taxes, while most other Minnesotans pay around 12 percent. Comparatively, in 1990 the top 5 percent paid 11.6 percent, which was similar to the rest of Minnesotans.

Income Tax Rates History

Income taxes were reduced in 1999 and again in 2000. In 1998, before these reductions the pervious rate on the highest earners was 8.5 percent on income earned over \$55,730 for a single filer and \$98,930 for a married couple.



Coalition of Greater Minnesota Cities
CGMC in Brief

April 26, 2007

Contact: Sarah Kleppe
651.225.8840

Tax Bill Moves to House Floor

The comprehensive House Tax Bill passed out of the House Taxes Committee on Tuesday and is expected to be approved by the full House on Friday. The property tax section of the bill increases a variety of aids to local governments that should help reduce property taxes in greater Minnesota.

Tim Flaherty testified in support of the bill, stating that for several years the state has shifted tax burden to local property taxpayers through cuts in aid to cities and counties, along with an increased reliance on property taxes to fund schools.

The CGMC supports the bill because it begins to restore the partnership between the state and local units of government. But Flaherty also told the committee that the CGMC would have liked to see LGA funding restored to its 2003 level – an increase of \$100 million rather than the \$60 million in the bill – and that remains the coalition's goal.

The coalition was also disappointed that a proposal to adjust the regional center aid by current population was not included in the bill. Nevertheless, the CGMC does support the following three formula changes, which are included in the bill:

- Adjusting the need inflation factor to reflect inflation since 2000
- Removing the taconite offset for all cities
- Increasing the maximum aid caps

The CGMC will continue to advocate for an increase of at least \$100 million in LGA. **Look for an updated analysis of the House, Senate, and governor's property tax relief proposals at our website, www.greatermncities.org, within the week.**

Cities asked to Discuss LGA Formula

Rep. Paul Marquart, DFL-Dilworth, asked representatives of the CGMC, the League of Minnesota Cities (LMC), and Metro Cities to meet to discuss the LGA formula and possible changes.

Metro Cities, a suburban lobbying organization, made a proposal to expand LGA to include cities based on "suburban need," which the CGMC has rejected. The CGMC's property tax relief bill included a formula change that would have provided more aid to lower wealth suburban communities, but the proposal was rejected by Metro Cities.

No formula changes were made in either the House or Senate bills to expand LGA to the suburbs. More meetings are planned to continue the discussion.



JOBZ Update

Although the CGMC has no official position on the issue, the following is a brief update on Job Opportunity Building Zones (JOBZ) for interested cities. The Senate Tax Bill eliminates the JOBZ program, even though Gov. Tim Pawlenty proposed extending the program. The House Tax Bill made the following changes to the program that fall somewhere between the two extremes: First, the bill requires a business that intends to relocate 25 or more full-time equivalent jobs from a location in Minnesota to a JOBZ location in another city to **notify the city from which it is moving**. The city it is moving **from** then has the ability to pass a resolution that in effect vetoes the move, provided that the city has an adequate site for the business to expand.

Secondly, the bill creates a Family Agricultural Revitalization Zone (FARMZ), a new part of the JOBZ program that allows JOBZ benefits for farms based on certain criteria.

