

**Council Meeting**  
**Tuesday, May 17, 2011**  
**City Council Chambers**  
**7:30 p.m.**



**AGENDA**

Call to Order  
Pledge of Allegiance

1. Approval of Minutes
  - Council Minutes–May 3 & 9, 2011
2. Consent Agenda
  - Minutes
    - Tree Commission – May 4, 2011
    - EDA Commission – May 9, 2011
    - Park & Recreation Commission – May 9, 2011
    - Library Board – May 10, 2011
  - License Application
    - Amplification Permit
      - Phat Pheasant Pub – June 10 & 11, August 27, 2011
      - Windom Riverfest Committee – June 11, 2011
      - Windom Chamber - Revised Exempt Permit for Riverfest
3. Department Heads
4. 2011 Emergency Medical Service Week Proclamation
5. MN DNR 2012 Rural Fire Department Grant Application
6. LMCIT Annual Insurance Renewal – Ken Hoffman
7. Community Orientated Policing Services (COPS) Grant Application
8. Short Elliott Hendrickson Inc, (SEH) Contract - Des Moines River Dam Removal Project
9. Unfinished Business
10. New Business
11. Contractor Bills – Everstrong Construction Inc. – Street Shop Repairs - \$33,278.50
12. Regular Bills
13. Council Concerns
14. Adjourn



**Council Meeting**  
**Windom City Hall, Council Chamber**  
**May 3, 2011**  
**7:30 p.m.**

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

2. Roll Call: Mayor: Kirby Kruse

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

Council Members Absent: None

City Staff Present: Steve Nasby, City Administrator; Marv Grunig,  
Electric Utility Manager and Terry Glidden, Telecom

3. Pledge of Allegiance

4. Approval of Minutes:

**Motion by Maricle second by Ray, to approve the City Council minutes from April 19, 2011. Motion carried 5 – 0.**

5. Consent Agenda:

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

- Housing & Redevelopment Commission – March 9, 2011
- Parks & Recreation Commission – April 18, 2011
- Telecommunications Commission – April 26, 2011
- Utility Commission – April 27, 2011

Correspondence was received from the following:

- SW Regional Development Commission – Public Hearing Notice
- Federal Communications Commission – Narrowband Deadline

Kruse said that license requests are as follows:

- Exempt permit for the Windom Area Chamber of Commerce for Riverfest. A raffle on June 12, 2011.
- On-site Wine License for Happy Chef
- Beer License for Happy Chef

Jones noted that the owners of Happy Chef were present and inquired if they wanted to address the City Council. If so, what would be the procedure as this is a consent agenda item. Kruse said the item could be removed from the consent agenda or with Council consent they could address Council at this time. Nasby said the owners were present in the event of questions on the license applications.

**Motion by Jones second by Maricle, to approve the Consent Calendar. Motion carried 5 – 0.**

6. Department Heads:

None.

7. Central Minnesota Municipal Power Agency Transmission Owner Services and Assignment Agreement:

Marv Grunig, Electric Utility Manager, said that this agreement between the City of Windom and the Central Minnesota Municipal Power Agency (CMMPA) is part of the CapX transmission project. It outlines the process or conduit for the transfer of Windom's investment into transmission projects into the revenue stream; as such it is referred to as the "cash conversion" agreement. Revenue from the CapX project go to CMMPA then to the Midwest Independent System Operator (MISO) and then to Windom through an Attachment O filing. Three assets are covered in this agreement, which consist of the CapX project, existing participant transmission facilities and future transmission assets. This agreement will replace a 2008 agreement between the City and CMMPA. The revenue generated by CapX will go to CapX debt services, expenses and obligations. There are assurances that Windom's return on investment are not used to off-set the obligations of other investors. Grunig said this agreement was drafted and reviewed by a team of attorneys, utility managers and City Administrators including Windom's City Attorney, City Administrator and himself. The Windom City Attorney is satisfied with the language in the agreement knowing it must be worded to fit the needs of many parties.

**Council member Jones introduced the Resolution No. 2011-18, entitled "RESOLUTION APPROVING THE CENTRAL MINNESOTA MUNICIPAL POWER AGENCY "CMMPA" TRANSMISSION OWNER SERVICES AND ASSET ASSIGNMENT AGREEMENT" and moved its adoption. The resolution was seconded by Ray and on roll call vote: Aye: Maricle, Powers, Ray, Fossing and Jones. Nay: None. Absent: None. Resolution passed 5 – 0.**

8. Bureau of Criminal Apprehension (BCA) Master Joint Powers Agreement:

Nasby said that this agreement between the City and State of Minnesota is an extension of an existing agreement that allows the City and BCA to continue providing services to each other as needed.

Preliminary

**Council member Powers introduced the Resolution No. 2011-19, entitled “AUTHORIZATION TO APPROVE AND EXECUTE STATE OF MINNESOTA JOINT POWERS AGREEMENTS FOR THE CITY OF WINDOM ON BEHALF OF ITS CITY ATTORNEY AND POLICE DEPARTMENT” and moved its adoption. The resolution was seconded by Maricle and on roll call vote: Aye: Powers, Ray, Fossing, Jones and Maricle. Nay: None. Absent: None. Resolution passed 5 – 0.**

9. Well Head Protection Grant:

Nasby said that funding for well head protection was made available through the Minnesota Department of Health using Legacy monies. Mike Haugen, Water\Wastewater Superintendent and Denise Nichols, Finance\Information Analyst worked on the grant application, which is a 50\50 matching project for the removal of an existing septic system within the City’s well head protection area. Dick’s Welding is the property that will be participating in the project and the property owner is committed to paying for the private share of the project.

**Motion by Jones, second by Fossing, to accept the Minnesota Department of Health grant for well head protection and completion of the project. Motion carried 5 – 0.**

10. Long Range Planning/Goal-setting – Selection of Facilitator:

Kruse said that the ad hoc committee of Dominic Jones, Corey Maricle, Administrator Nasby and himself reviewed the information from the last meeting and the proposals from the consultants. The recommendation of the ad hoc committee is to hire Springsted, Incorporated to provide the facilitation services and to work with the Finding Windom group to do public outreach and public input. The project budget is estimated to be \$6,500.

Ray asked where the \$6,500 is budgeted. Nasby said it is not budgeted and would need to be paid for out of the General Fund reserves, reductions in expenses within the Mayor\Council budget or the funds could be fronted in 2011 and repaid in 2012 if the item were included in that budget.

Jones noted that the pool recently asked for previously unbudgeted funds too. He recognizes the need to watch where all the funds are spent.

**Motion by Fossing, second by Jones, to engage Springsted, Incorporated for facilitation services. Motion carried 5 – 0.**

Dave Unmacht, Springsted, Inc. and Mari Harries, Finding Windom introduced themselves. Unmacht provided an overview of the facilitation process and asked the City Council about their general expectations from this process. He said that he would be in touch with Nasby and Harries to further define the project and draft a work plan.

Harries said that her group is excited to be part of this process as Windom has a lot to offer.

Preliminary

11. Unfinished Business:

Nasby said that the Council had requested information about the costs of contracting law enforcement services. In the packet there is a memorandum outlining a number of items, Windom's expenses and terms within the City of Luverne's contract with Rock County. Also, there is a copy of Luverne's contract from 2005 – 2015 and a memorandum from Chief Shirkey showing Windom's costs from 2004 – 2011.

Maricle said that one item that could be another factor would be the size of budget the Rock County Sheriff's Department had compared to the Cottonwood County budget.

Fossing said that he reviewed the information and he thought that if the City contracted for services there may be less officers and time spent in town. So he would favor keeping the department the way it is.

Powers thought it is always prudent to look at services and departments for ways to save money, but it would be much more costly to get back a local department in the future if it were contracted out and that scenario did not work out.

Jones said that the Windom Police Department does a great job and we need to keep the department as the additional coverage is important.

Jones asked for an update on the Windom Dam. Nasby said the engineers are working on an amendment for their services, a local surveyor has been contacted, the City crews have marked some high water lines and the hydrologic study is moving ahead.

Powers asked about the status of the Southwest Broadband Group project. Nasby said the project is just to the point of opening bids this month. Maricle recalled the dates were May 5 and 10. Nasby said the group has concerns on pricing and availability of materials so we will have to wait until the bids are opened.

12. New Business:

Kruse said that the Windom Baseball Association had requested a letter of support for a grant application to the Minnesota Twins Community Fund.

**Motion by Maricle, second by Jones, to enthusiastically support the Windom Baseball Association's grant application to the Minnesota Twins Community Fund. Motion carried 5 – 0.**

13. Regular Bills:

**Motion by Ray, seconded by Maricle, to approve the bills. Motion carried 5 – 0.**

14. Council Concerns:

Fossing reminded citizens that the west side of town is up for Spring Clean Up on May 7.

Preliminary

Jones asked about insect control. Nasby said the City has about \$5,000 budgeted for insect control and has a vendor contracted. The black flies require a DNR permit so there has to be data collection and application before a permit is obtained. Mosquito control can be done anytime and the City usually does that for Riverfest, depending on the weather. The City could do it more often if the pest budget were higher.

Kruse noted that the annual Board of Review meeting is on May 9, 2011 at 4:30 p.m. in the Council Chamber.

15. Adjourn:

**Kruse adjourned the meeting by unanimous consent at 8:17 p.m.**

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Kirby Kruse, Mayor

Attest: \_\_\_\_\_  
Steve Nasby, City Administrator

**Council Meeting**  
**Windom City Hall, Council Chamber**  
**May 9, 2011**  
**4:30 p.m.**

1. Call to Order: The Board of Review meeting was called to order by Mayor Kruse at 4:30 p.m.

2. Roll Call: Mayor: Kirby Kruse

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

Council Members Absent: Kelsey Fossing

City Staff Present: Steve Nasby, City Administrator

County Assessors Office: Gayle Bondhus, County Assessor; Lisa Will, County Assessor's Office and Allen Coners, County Assessor's Office

3. Pledge of Allegiance

4. 2011 Board of Review:

Kruse said that the Board of Review process is established for property owners to request a review of the valuation of their properties for tax purposes. The County Assessor's Office performs this function for the City and they are present to provide information and answer questions.

Gayle Bondhus, County Assessor's Office, provided an overview of the process for persons requesting revisions to the property valuations. She said that the valuations are based on sales data from the prior year (October 1, 2009 to September 30, 2010). There were 58 residential sales and two commercial sales that were eligible to be used in calculating the valuation data. The sales to valuation ratio on the residential sales were 95.9%. As such she had left the valuations on the residential properties the same unless there was new construction, improvements or other significant factors that would change the value. The two commercial sales had a ratio of 77.8% but this was not a factor used for the 2011 valuations, however, based on the sales data from 2010 – 2011 it is likely that an increase will be coming next year.

Kruse opened the floor to any members of the public that wanted to discuss the valuation of their properties.

Preliminary

Parcel #25-820-0010 – 735 2<sup>nd</sup> Avenue (a.k.a. Chuck's BP Amoco) – Staples Oil

Corey Maricle said that he would be abstaining from any vote or discussion on the two appeals by Staples Oil as that is his employer. Maricle moved away from the Council table to the audience. He said that the valuation on the parcel for Chuck's BP Amoco went from \$97,500 to \$116,200 and a jump of 19.2% is too high as there were no changes to the property.

Parcel #25-820-0061 – 866 1<sup>st</sup> Avenue – (a.k.a. Fulda Credit Union) – Alan Staples

Maricle said the valuation on this property went up 12.2% from \$121,500 to \$136,300 and felt the amount of increase was too high as no changes were made to the property.

Maricle returned to the City Council desk.

Parcel #25-103-0010 – 2420 Hwy 60 E – (a.k.a. Running's Farm and Fleet)

Mary Diederich, Running's Manager, said that the valuation of the property went up between 6.5% and 7% but there were no changes at the store. She had with her a commercial real estate appraiser for reference and their opinion was that the valuation was not sustained. The increase in valuation was from \$1,216,200 to \$1,297,400.

Bondhus said that the appraisal system used by the Assessor's office had changed. The old software used building costs from 1993 and the new system uses building costs from 2007. Also the new system has some differences in the depreciation schedules that are used in the formula. Bondhus noted that these items did impact values and raise them on commercial properties, but if the sales data were used from 2009 – 2010 that data indicated the assessed values were low by about 30% so that was not a factor in these commercial changes.

Powers asked if the type of building had differing influences on the building valuations and within the new software system. Bondhus replied that the building type and materials used did impact values, but the costs for these materials are obtained through a regional assessors group from SW Minnesota so the costs could relate across the entire area and not be artificially high or low in any one place.

Maricle asked if commercial property located in the Hwy 60\71 corridor was the primary location for the increases in valuation. Bondhus said that if those were the sites that were visited then they did get adjustments, but other properties went up as well based on the new data from the software valuation system.

Parcel #25-025-4100 -- 975 1st Avenue – Dale Friesen

Kruse said that a letter from Dale Friesen had been submitted for this property and another property. The letter states that the value on this property had increased 9.4% and there were no building changes.

Bondhus said that she had reviewed this property and is in agreement to leave the valuation at \$26,600.

## Preliminary

### Parcel #25-820-1080 -- 350 10<sup>th</sup> Street – Dale Friesen

Kruse said that a letter from Dale Friesen had been submitted for this property and the letter states that the value on this property had also increased 9.4% and there were no building changes. The value went up from \$73,200 to \$80,100. He feels the increase due to only the change in software is arbitrary, but would agree to a 4.7% increase that is half of what the Assessor's change is for this parcel

### Parcel #25-821-0030 -- 160 9<sup>th</sup> Street – Eugene Harnack

Harnack said that he purchased the property about six weeks ago for \$13,000 and the valuation is \$53,900, which he feels is way off. The property was unoccupied and had damage due to frozen pipes. He is in the process of fixing up the home.

Lisa Will, County Assessor's Office said that the former owner had not allowed the County Assessor's office to visit the property and the sale did not occur in the 2009 – 2010 range used for this valuation hearing. The Assessor's office would certainly come and do visits for the 2012 valuation so any needed adjustments can be made.

Bondhus asked how the property was purchased. Harnack said it was listed with Mark Hanson Realty for \$20,000 and he purchased it for \$13,000.

Kruse said that since the former owner had not allowed access the valuation cannot be appealed so the City Council cannot take any action.

### Parcel #25-622-0010 – 1955 1st Avenue – Guardian Inn, LLC.

Jean Fast, Manager\Owner, said that the valuation on the property was up 7.8% and she talked with the Assessor's Office and an adjustment to the value had been agreed upon at \$1,013,900. Fast said that there are a number of vacant properties by the motel and that large increases in valuations relate to higher taxes and businesses cannot sustain the additional expense. The economy is poor and higher taxes will hurt businesses and could force them to close.

Allen Coners, County Assessor's Office, said that part of the increase in valuation here was for the parking lot. Overall, the values on asphalt paved areas were low and adjustments were made in the valuation program to account for this. As such, a number of the increases in commercial properties were due partly because of the asphalt adjustment.

Bondhus also noted that in the case of the motel, the depreciation schedule for motels changes from 35 to 45 years so this too will impact the valuation.

Kruse asked if there was anyone else from the public that wished to address the City Council on the market valuations. Nasby checked with several people that arrived after the meeting started and none of them wanted to address the City Council.

Bondhus said that there were several adjustments and recommendations from her office to be presented to the City Council. These recommendations from the County Assessor's Office are as follows:

Preliminary

- Parcel #25-024-0620 – 2480 Hwy 60E – Firefly Properties (a.k.a. Dollar General)  
Bondhus said that the chain is appealing the valuations at all of their locations and she has spoken to a number of other County Assessors and the sales data that she has found indicates these properties have sold for around \$650,000 and the 2011 valuation is \$446,600. She recommends leaving the valuation at \$446,600.

- Parcel #25-793-0020 -- Jim Erickson  
The owner purchased this property in May 2010 for \$115,000, which the owner states are under the assessed value. The owner will not allow access to the County Assessor. So the value is recommended to remain “as is”. The City Council cannot take any action.

- Parcel #25-820-0520 – 245 9<sup>th</sup> Street – Bank Midwest  
Bondhus said there was a clerical error on this valuation. Her office is recommending the valuation be \$22,300.

- Parcel #25-164-0020 – 1755 1<sup>st</sup> Avenue – Messer Machine & Manufacturing  
Bondhus said she had talked with the property owner and they agreed upon a change in the valuation from \$90,100 to \$99,300 and she is recommending that amount.

- Parcel #25-164-0030 – 1755 1<sup>st</sup> Avenue – Messer Machine & Manufacturing  
Bondhus said she had talked with the property owner and they agreed upon a change in the valuation from \$104,700 to \$202,100 and she is recommending that amount be set at \$165,100.

- Parcel #25-820-0960 – 303 9<sup>th</sup> Street – Windom Area Chamber of Commerce  
Bondhus said she had talked with the property owner and they agreed upon a change in the valuation from \$36,400 to \$54,400 and she is recommending that amount.

- Parcel #25-025-4100 -- 975 1st Avenue – Dale Friesen  
Bondhus said that she had reviewed this property and is in agreement to leave the valuation at \$26,600.

**Motion by Powers, second by Ray, to leave the value on Parcel #25-024-0620 – 2480 Hwy 60E – Firefly Properties (a.k.a. Dollar General) at \$446,600. Motion carried 4 – 0 (Fossing absent).**

**Motion by Powers, second by Maricle, to change the value on Parcel #25-820-0520 – 245 9<sup>th</sup> Street – Bank Midwest to \$22,300 to correct a clerical error at the County Assessor’s Office. Motion carried 4 – 0 (Fossing absent).**

**Motion by Maricle, second by Ray, to set the value on Parcel #25-164-0020 – 1755 1<sup>st</sup> Avenue – Messer Machine & Manufacturing at \$99,300 which is the recommendation of the County Assessor’s Office. Motion carried 4 – 0 (Fossing absent).**

**Motion by Powers, second by Maricle, to set the value on Parcel #25-164-0030 – 1755 1<sup>st</sup> Avenue – Messer Machine & Manufacturing at \$165,100 which is the**

**recommendation of the County Assessor's Office. Motion carried 4 – 0 (Fossing absent).**

**Motion by Ray, second by Powers, to set the value on Parcel #25-820-0960 – 303 9<sup>th</sup> Street – Windom Area Chamber of Commerce at \$39,700 which is the recommendation of the County Assessor's Office. Motion carried 4 – 0 (Fossing absent).**

**Motion by Ray, second by Jones, to set the value on Parcel #25-025-4100 -- 975 1st Avenue – Dale Friesen at \$26,600 which is the recommendation of the County Assessor's Office. Motion carried 4 – 0 (Fossing absent).**

**Motion by Ray, second by Jones, to set the value on Parcel #25-622-0010 – 1955 1st Avenue – Guardian Inn, LLC. at \$1,013,900 which is the recommendation of the County Assessor's Office. Motion carried 4 – 0 (Fossing absent).**

Conors reiterated that part of the increase in valuation for these properties was for the parking lot. Overall, the values on asphalt paved areas were low and adjustments were made in the valuation program. The asphalt value went up from \$2 per square foot to \$3 per square foot and then that figure has a \$0.60 discount, so the starting point is \$2.40 per square foot for asphalt and then the depreciation is taken from that figure.

Jones asked if the Assessor's Office can calculate how much of the increase was due to the re-valuation of the asphalt. Coners answered that he thought it was about \$5,100 and \$20,000 in the building as there was a canopy not previously accounted for that is valued at \$13,500. Site visits were done in 2008 and 2010.

Jones asked if the property owner discusses the valuation with the County Assessor would there be a possibility the number would come down as it has for several of the others that have appealed.

Kruse said that the change in the appraisal software all came in at one time with these higher valuations and it is a lot for businesses to absorb in one year, and the value at one was nearly 20% higher than last year.

Jones asked if the property owners still have the ability to come into the County Assessor's Office and discuss the valuations. Bondhus said that they can come in anytime prior to the County Board meeting.

**Motion by Ray, second by Jones, to leave the value on Parcel #25-820-0010 – 735 2<sup>nd</sup> Avenue (a.k.a. Chuck's BP Amoco) – Staples Oil at \$116,200 and encouraged the property owner to discuss the valuation with the County Assessor's Office. Motion carried 3 – 0 (Fossing absent and Maricle Abstained).**

**Motion by Ray, second by Jones, to leave the value on Parcel #25-820-0061 – 866 1<sup>st</sup> Avenue – (a.k.a. Fulda Credit Union) – Alan Staples at \$136,300 and encouraged the**

**property owner to discuss the valuation with the County Assessor's Office. Motion carried 3 – 0 (Fossing absent and Maricle abstained).**

Coners and Bondhus said that at Runnings there was a change in valuation due to the way the interior was valued. Last year the offices were valued like the store's floor area and this year the offices were taken out and valued separately, which office space is a higher value. There were also changes in value on the porches and the parking lot went up \$23,000 according to the new asphalt values.

**Motion by Maricle, second by Powers, to leave the value on Parcel #25-103-0010 – 2420 Hwy 60 E – (a.k.a. Running's Farm and Fleet) at \$1,297,400. Motion carried 4 – 0 (Fossing absent).**

**Motion by Maricle, second by Powers, to leave the value on Parcel #25-820-1080 -- 350 10<sup>th</sup> Street – Dale Friesen at \$80,100. Motion carried 4 – 0 (Fossing absent).**

**Motion by Maricle, second by Powers, to leave the value on Parcel #25-821-0030 -- 160 9<sup>th</sup> Street – Eugene Harnack "as is" as the City Council cannot take action due to a denial by the prior owner for the County Assessor's visit. Motion carried 4 – 0 (Fossing absent).**

Bondhus said that the total valuation in Windom, prior to the adjustments made today, was \$197,002,100. There was \$1,593,100 in new construction which consisted of \$613,500 residential, \$406,200 commercial and \$573,400 industrial.

**Motion by Jones, second by Powers, to accept the balance of all the assessment valuations for the City of Windom. Motion carried 4 – 0 (Fossing absent).**

Bondhus said that there will be Market Value training at the Cottonwood Law Enforcement Center coming up on September 7, 2011 and she encouraged the City Council members to attend. Additional information will be provided for inclusion in the City Council packets at a later date.

5. Adjourn:

**Kruse adjourned the meeting by unanimous consent.**

Meeting adjourned at 5:30 p.m.

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Kirby Kruse, Mayor

Attest: \_\_\_\_\_  
Steve Nasby, City Administrator

**CITY OF WINDOM TREE COMMISSION MEETING  
MINUTES May 4, 2011**

1. Call to Order: The meeting was called to order by Vice-Chair, Eldon Moon at 5:15 p.m. in the council chambers at city hall.
  
2. Roll Call:

Commission Present:	Joanne Kaiser, Deborah Polzin, Craig Zimmerman Eldon Moon
Commission Absent:	Lindsey Cartwright
City Staff Present:	Bruce Caldwell, City of Windom Tree Inspector
Council Liaisons:	Kelsey Fossing (Absent)
Public Present:	David Bucklin
  
3. Approve Minutes of April 6, 2011  
**Motion by Joanne Kaiser, seconded by Craig Zimmerman**  
**Motion Carried.**
  
4. Old Business
  - a. Updated List of Tree Planting Sites: Bruce Caldwell handed out an updated listing of property owners requesting boulevard trees planted this May. 26 trees have been requested. Property owners have until May 10 to contact Bruce about purchasing a boulevard tree.
  
5. New Business:
  - a. Delivery Date Nears: David Bucklin stated the trees are expected to arrive the week of May 9<sup>th</sup>. Actual delivery date could not be determined at this time but would depend upon the freight company. The trees will be stored at the Street shop until planting which will take place on May 23, 24 and 25.
  - b. Trees In Need of a Home: Of the 33 trees ordered, 7 are in need of a planting site. Bruce Caldwell has indicated he will be able to place any remaining trees in various parks or boulevard areas in need of shade. Some property owners specified a tree variety but in most cases, trees will be selected on the basis of how best to diversify the tree population in that particular area.
  
6. Open Mike: Discussion was held about rental property in need of shade trees but owner/renter won't purchase a tree or perhaps won't water the tree during the critical first year. Some planting sites are unsuitable because of the numerous buried lines in the area.
  
7. Meeting adjourned at 5:56 pm.

**Next Tree Commission Meeting June 8, 2011 at 5:15 p.m. at Council Chambers.**

ATTEST:

Tree Commission President \_\_\_\_\_

Tree Commission Secretary \_\_\_\_\_

**ECONOMIC DEVELOPMENT AUTHORITY OF WINDOM  
MINUTES  
MAY 9, 2011**

1. Call to Order: The meeting was called to order by President Erickson at 12:01 p.m.

2. Roll Call & Guest Introductions:

EDAWN Commissioners: Juhl Erickson, Trevor Slette, Sally Larson, Corey Maricle, and Kelsey Fossing.

Also Present: EDA Staff –Mark Hanson, Executive Director, and Mary Hensen, Admin. Asst.; City Administrator Steve Nasby, Mayor Kirby Kruse, Scott Burdorf and Robyn Traxler.

3. Approval of Minutes:

**Motion by Commissioner Maricle, seconded by Commissioner Larson, to approve the Minutes of the EDA Meeting held on April 11, 2011. Motion carried 5-0.**

4. River Bluff Townhomes

A. Van Binsbergen & Associates – Report: Scott Burdorf and Robyn Traxler from Van Binsbergen & Associates (management company for the townhomes) presented the annual report for 2010 and provided copies of the 2010 year-end profit and loss statement and current financial statements. Mr. Burdorf reviewed the furniture and fixture replacements. Five tenants moved out during 2010 due to changes in job positions or purchasing of homes. Currently there are no vacancies and there is a fairly long waiting list. After further discussion and consideration of the rental rates in relation to MHFA and HUD guidelines, the following action was taken.

**Motion by Commissioner Slette, seconded by Commissioner Larson, to increase the rental rates at the River Bluff Townhomes by \$10.00 per month per unit effective August 1, 2011, following the required sixty-day notice to the tenants; following discussion, Commissioner Slette amended his motion to increase the rental rates by \$15.00 per month per unit effective August 1, 2011, following the required sixty-day notice to the tenants, and the amended motion was seconded by Commissioner Larson. Motion carried 5-0.**

There was a discussion concerning the responsibilities of the management company and the local caretaker, Brady Powers, and also the wage rate for the local caretaker. Van Binsbergen has received positive comments concerning Mr. Powers' upkeep of the townhomes and his responses to the tenants' requests for assistance. This year Doug's Lawn & Landscaping will be fertilizing and spraying the lawns at the townhomes due to the need for more commercial-grade chemicals. The Board directed Scott Burdorf from Van Binsbergen and Associates to negotiate with Mr. Powers concerning the wage rate for his services as caretaker, including snow removal but not including mowing of the lawns at the townhomes.

B. Mower Quotes: Mr. Powers had obtained quotes from three businesses concerning the possible replacement of the EDA's existing John Deere mower which is used to mow the lawns at the River Bluffs Townhomes and also the EDA's undeveloped lots in Riverbluff Estates Subdivision. After review of the quotes and other options, the EDA Board decided not to purchase a new mower at this time.

**Motion by Commissioner Maricle, seconded by Commissioner Larson, to seek "lump sum" bids for the 2011 lawn mowing services at the River Bluff Townhomes and the**

**undeveloped lots at Riverbluff Estates Subdivision; requirements include the bidder's ability to provide his/her own equipment, to carry the appropriate insurance, to mow the properties at least once every ten (10) days, and to complete the required trimming of the properties. Motion carried 5-0.**

5. Spec Building – Refinancing – Ratify Resolution: At the April 11, 2011, EDA Meeting, the Board adopted EDA Resolution No. 2011-01 for refinancing of the spec building. The resolution has been revised to include the loan specifics, including the EDA's option to have the loan closing costs and fees generated by the refinance included in the loan; and the revised resolution needs to be ratified by the Board.

**Resolution introduced and motion by Commissioner Larson, seconded by Commissioner Maricle, to ratify and adopt the revised EDA Resolution No. 2011-01, entitled "Resolution Approving Refinancing of Spec Building Loan" based on the foregoing terms.**

**Upon roll call vote being taken, the following voted in favor thereof: Commissioner Maricle, Commissioner Slette, Commissioner Larson and Commissioner Fossing; the following voted against the same: None; Commissioner Erickson abstained from the voting; and the following were absent: None. (The revised Resolution was adopted.)**

6. Small Cities Development Program

A. Owner-Occupied Rehab Project Review: Western Community Action processed and inspected an additional property for the housing rehabilitation program. The Board received a recap sheet for this project that outlined the scope of work, the total project costs, owners' match, and proposed loans of SCDP funds. The average SCDP loan is \$15,600. The maximum SCDP loan per project is \$18,000. The proposed project is within the funding range and is within the designated target area.

<u>Application No.</u>	<u>Proposed Improvements</u>	<u>Project Costs</u>	<u>SCDP Funds (Maximum for Project)</u>
Windom No. 196	Door, Siding, Insulation, Electrical Code Upgrades	\$16,842	\$10,105

**Motion by Commissioner Slette, seconded by Commissioner Maricle, approving the SCDP owner-occupied rehab request for Windom Project No. 196 as submitted by Western Community Action. Motion carried 5-0.**

7. Executive Director's Report

A. Minnesota Main Street - Overview: The Board received copies of the "Minnesota Main Street" fact sheet and information from "An Introduction to Minnesota Main Street 2011". Director Hanson advised that he will be meeting with other cities that have participated in this program for their assessments. He requested that the Board review these materials and the item will be placed on the June agenda for discussion and consideration of a membership in the Minnesota Main Street Program for 2011. Director Hanson will contact the WADC and Chamber concerning the possibility of their participation in the membership fee.

B. Meetings, Seminars & Business Activity – Recap: Director Hanson provided a brief recap of meetings, seminars, conferences, and business activity since the April 11, 2011, EDA Meeting, including the Community Venture Network Meeting, MIRC training, and a regional competitiveness program. He advised that he is the new Co-Chair of the SW ED Pros which meets quarterly.

- C. Prospect Update: Director Hanson updated the Board concerning recent inquiries.
8. Unfinished Business: Director Hanson updated the Board concerning the theater marquee which was declared an “unsafe sign” and has been braced pending receipt of bids for the structure and repair of the sign.
9. Miscellaneous Information
- A. Monthly Budget Recap: The Board received a copy of the monthly budget report for March, 2011.
- B. River Bluff Townhomes – Monthly Financial Report: The Board received copies of the financial reports provided by Van Binsbergen & Associates for the periods ending March, 2011, and April, 2011.
10. Adjourn: By consensus, President Erickson adjourned the meeting at 1:03 p.m.

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Sally Larson, EDA Secretary-Treasurer

Attest: \_\_\_\_\_  
Mark P. Hanson, Executive Director

**PARK AND RECREATION COMMISSION MEETING  
MINUTES MAY 9, 2011**

1. Call to Order: The meeting was called to order by Kay Clark at 5:15 p.m. in the council chambers at city hall.
2. Roll Call:  
Commission Present: Sherri Zimmerman, Kay Clark, Jeff LaCanne & Angie Blanshan  
Commission Absent: Terry Fredin  
City Staff Present: Recreation Director Al Baloun, Park Superintendent Bruce Caldwell & Marcus Schultz "Newly appointed summer recreation baseball coordinator."  
Council Liaisons: Corey Maricle attending & JoAnn Ray absent  
Public: Heather Paulsen "Youth Sand Volleyball, Rahn Larson "Windom Baseball Association"
3. Approve Agenda  
**Motion by Blanshan, seconded by Zimmerman to approve agenda**  
**Motion Carried Unanimous**
4. approve Minutes April 18, 2011 Park & Recreation Commission Meeting  
**Motion by Blanshan, seconded by Zimmerman**  
**Motion Carried Unanimous**
5. Park Superintendent Report – Bruce Caldwell:
  - a. Island Park Restroom Facility and Camp Dump Station; the underground water line valve at this restroom facility is damaged and needs to be repaired. Due to the high ground water the repairs can not made. This water line is also used at the camper dump station. Meanwhile until the repairs are completed the restrooms and dump station have been closed.
  - b. Kastle Kingdom Repairs; the staff will be changing all the wood chips in Kastle Kingdom the week following Riverfest. At the same time some minor repairs will be taking place and the entire structure will be sprayed with a wood sealer. It will take approximately two weeks to complete these items. Notices will be posted on the city cable TV rollup and at the playground.
6. Recreation Director's Report- Al Baloun
  - a. Youth Baseball: Marcus Schultz introduced himself to the commission. The group exchanged some of the goals for the program this year. Marcus was instructed to design a handout for the first day of the recreation programs explaining the program and what he expects from the youth and parents. The commission also stated they desire all issues or questions from the participants and parents go directly to Marcus first then if needed go to Baloun and the commission.
  - b. Youth Sand Volleyball: Heather Paulson stated that she would like to start a new youth sand volleyball program this year. She would like to run the program for two 9 week periods throughout the summer. Several questions were raised concerning if the program would be run strictly by her or would it be run through the city recreation program. Also there was some concerns about field maintenance costs, fees for the students in the program & how much Heather would receive for payment to run the program if it is handled through the summer recreation program. The commission agreed to table this request until we can get some answers from the City Administrator concerning procedure. The commission agreed to meet on Wednesday May 18<sup>th</sup> at 5:30 pm. to discuss this request further.

- c. Rahn Larson Windom Baseball Association their Windom Baseball Association Island Park Morning Baseball program was discussed. Rahn handed out a proposal reviewing their ideas and requests. A couple of their options they stated if they have to pay for the usage of the ball fields then they would require the city to do all the field prep work however if the city would drop the fees their group would handle all of the field prep using their own equipment and personnel. The program will run June 1<sup>st</sup>-July 13<sup>th</sup> for kids in grades 4-6. They would be using the fields on Monday, Wednesday & Fridays starting at 10:00-12:00 noon.

**Motion by LaCanne, seconded by Blanshan to permit the Windom Baseball Association to use both the small fields at Island Park for their summer baseball program and the fee for field usage will be waived as long as they do all the field prep work using their own equipment, personnel or labor and materials.**

**Motion Carried Unanimous**

- d. Pool Water Slide: the cities application that was sent to the State for the new water slide improvement was approved. Contractors are currently working on the project with completion slated sometime during the week of May 31st. Baloun stated that he will need to staff the water slide area with a guard and we will have to post rules by it as well. The manufacturer will also have to build a retainer to prevent anyone using the slide when a guard isn't present or when that area is closed. The pool is scheduled be opened on June 6<sup>th</sup>.

7. Open Mike: None

8. Meeting Adjourned at 6:26 P.M.

## **Next Special Meeting Park & Recreation Discussion "Youth Sand Volleyball Program"**

**Wednesday May 18, 2011 at 5:30 p.m. Council Chambers**

Windom Library Board Meeting  
Windom Library  
May 10, 2011  
5:05 p.m.

- 1. Call to order:** The meeting was called to order by John Duscher at 5:05 p.m.
- 2. Roll Call:**

Members Present: Kathy Hiley, Charles Reid, Mary Erickson, Beth Fleming, Anita Winkel and John Duscher

Members Absent: Jan Johnson

Library Staff Present: Joan Hunter

City Council Member Present: None
- 3. Agenda and Minutes**  
Motion by Charles Reid, seconded by Mary Erickson to approve the Agenda and the Minutes.
- 4. Financial Report:**  
Motion by Anita Winkel and seconded by Beth Fleming to approve the Financial Report.
- 5. Librarians Report:**  
Dawn has been busy preparing for the summer reading program. She will have a booth at school on the last day of school as part of the Community Pride Day. She will be promoting the summer reading program at that time.

Joan reported that during National Library Week, April 10 – 16, popcorn was offered after school and the kids enjoyed that. On Friday of that week, coffee and lemonade was offered to adults during the day.

On June 18<sup>th</sup>, Plum Creek Library is offering a bus trip to the Pipestone Theater for a play. This trip is free and is funded from the state's Legacy Fund. Each library will be allowed so many seats on the bus. The bus for Cottonwood County will pick up in Windom, Mountain Lake and Westbrook. Joan will share this information with patrons of the library.

Motion by Kathy Hiley and seconded by Charles Reid to approve the librarian's report.
- 6. Old Business:**  
In regards to new book shelving for the library, Joan reported that the funds from the Myrtle Stroud estate have been received by the Friends of the Library. She is working with Dan Fossing and is waiting for a quote.

As of this date, to Joan's knowledge, no one has stepped forward from Cottonwood County to be a member of the Plum Creek Board. Anita Winkel indicated she would be willing to serve if the position was still open.

7. New Business:

A suggestion was made that if there are funds remaining from the Myrtle Stroud estate gift to the Friends of the Library, DVDs be purchased to replace the VHS movies. Joan stated that she is replacing classic movies over time with DVD's.

Joan has suggested to The Friends of the Library that they rent the Wolf Building for 3 days this summer for their annual Book Sale. Room here at the library is limited. Sentenced to Serve would transport the books to the Wolf building. More volunteers would be needed to staff the sale. Perhaps the library board members could help with this.

9. New Book Suggestions:

The board presented their suggestions.

10. Adjourn:

Motion by Charles Reid, seconded by Beth Fleming to adjourn.

Meeting adjourned at 5:25 p.m.

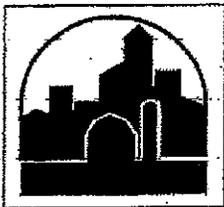
Respectfully submitted,

Kathy Hiley, recording secretary









City of Windom.  
Windom, Minnesota

Permit Application

For Use of Amplification Equipment in Public

7:30 - 9 a.m. Windom Area Hospital's

Vickie Schendel Fun Run = Taped Music

State of Minnesota )

10 a.m. - 5:30 p.m. - "Live" + Taped Music

County of Cottonwood )

6 p.m. - 8:30 p.m. = Parade - "Live" + taped music

8:30 - 10:30 p.m. = Idol Contest - Taped music + "live" vocalists

To the City Council of the City of Windom in said County and State:

The undersigned hereby applies for a permit to allow the use of amplifying equipment in the City of Windom in said County and State in accordance with the information given below and City of Windom Code 10.28 (5)(A):

Date of Event Saturday, June 11, 2011

Location Courthouse Square

Hours 7:30 a.m. to 10:30 p.m.

Type of Event RIVERFEST CELEBRATION

Application made this 1<sup>st</sup> day of May, 20 11

License Fee - None \$0.00

Recommends  
 Approval     Denial

Brian Lundberg  
 Street/Park Superintendent

Recommends  
 Approval     Denial

Jeffrey A. Stueber  
 Police Chief

RIVERFEST  
 Name of Individual/Organization

Cheyl Hanson  
 Signature

303 9<sup>th</sup> Street  
 Street Address

WINDOM                      MN  
 City                                      State

831-2752  
 Telephone Number

Application APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Application DISAPPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
City Council

## RESOLUTION #2011-

**INTRODUCED:**

**SECONDED:**

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

### City of Windom 2011 EMS Week Proclamation

**WHEREAS**, emergency medical services are vital public services; and

**WHEREAS**, the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

**WHEREAS**, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

**WHEREAS**, the emergency medical services system consists of emergency physicians, emergency nurses, emergency medical technicians, paramedics, firefighters, educators, administrators and others; and

**WHEREAS**, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

**WHEREAS**, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF WINDOM, MINNESOTA**, that the City Council in recognition of this event does hereby proclaim the week of May 15-21, 2011, as

#### **EMERGENCY MEDICAL SERVICES WEEK**

with the theme, "*EMS: Everyday Heroes.*" The Mayor and City Council encourage the community to observe this week with appropriate programs, ceremonies and activities.

Adopted by the Council this 17th day of May, 2011.

\_\_\_\_\_  
Kirby G. Kruse, Mayor

Attest: \_\_\_\_\_  
Steven Nasby, City Administrator



# Memo

**To:** Mayor and City Council Members  
**From:** Dan Ortmann, Fire Chief  
**Date:** May 13, 2011  
**Re:** MN Dept of Natural Resources Grant Application

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The Windom Fire Department is requesting authorization to submit a grant application to the MN Dept. of Natural Resources 2012 Rural Fire Department Grant program to purchase communication equipment.

Funding would be used to purchase narrow band communication equipment. The project will assist the department in complying with the requirement that all public safety agencies must operate radio equipment on narrow band on or before January 1, 2013.

The grant would provide a maximum federal share of \$10,000. A local match of 50% is required.

**Requested Action: Approve the submission of a grant application to the MN DNR 2012 Rural Fire Department Grant Program.**



**Minnesota Department of Natural Resources**  
Division of Forestry, 402 SE 11<sup>th</sup> Street, Grand Rapids, MN 55744

March 24, 2011

**Attention Fire Chiefs:**

**2012 Rural Fire Department Grant Application enclosed**  
**[www.mndnr.gov/grants/ruralfire](http://www.mndnr.gov/grants/ruralfire)**

Enclosed is the 2012 Volunteer Fire Assistance (VFA) grant application project proposal form. The grant application deadline is June 1, 2011. The end of this grant period will be June of 2012. This grant is a 50:50 match so for example, if your application is for \$2,000.00, we would grant you no more than \$1,000.00.

The main purpose of this grant is to increase the effectiveness of rural fire departments, especially in wildland firefighting. An interagency committee evaluates each project proposal primarily based on the information received on the enclosed form. Completing reports to the State Fire Marshall's - Minnesota Fire Incident Reporting System (MFIRS) is required. Applications that are late and incomplete may not be considered.

Notification of grant awards should be made in July of 2011 (**due to the uncertainty in both the State and Federal budgets, the amount of grant money and the date of availability are certain at this time**). If awarded a grant, Fire departments will be sent a grant agreement contract indicating the amount of matching funds they will receive. Any purchases made before the begin date on the Grant Contract will not be accepted. Fire departments not receiving grants will also be mailed a notification in July.

Project Proposal applications must be postmarked no later than **June 1, 2011**.

**EXAMPLES of acceptable projects:**

- Organizing a new fire department or re-organizing a non-active fire department.
- Wildland firefighting equipment.
- Dry Hydrant/Rural water storage systems.
- Personal Protective Equipment (PPE), both wildland and structural.
- Conversion of Federal Excess Property vehicles to fire control rigs.
- Class A foam systems.
- Water movement apparatus (hose, nozzles, pumps, slip in units, foam units, etc.)
- Communications equipment.

May 11, 2011

City of Windom  
City Officials  
444 9<sup>th</sup> St.  
Windom, MN 56101

Re: 2011 Insurance Renewal Summary

Attached is the summary of the renewal premiums and coverages of the policies offered by the LMCIT. I have also included policies secured through other markets for coverages that are either more competitive than the LMCIT or not offered by the LMCIT.

I have listed the previous years premiums for your information to see the changes that are taking place.

The LMCIT has declared a dividend to participating cities this year. Windom's dividend is \$25,776 and was paid out in December 2010. I have attached the chart showing the city of Windom's share of the dividends for the past 10 years. As you can see these dividends vary from year to year.

Presented by:



Ken Hoffmann, CIC  
Agent of Record



CONNECTING & INNOVATING  
SINCE 1913

December 15, 2010

To: LMCIT Members and Agents

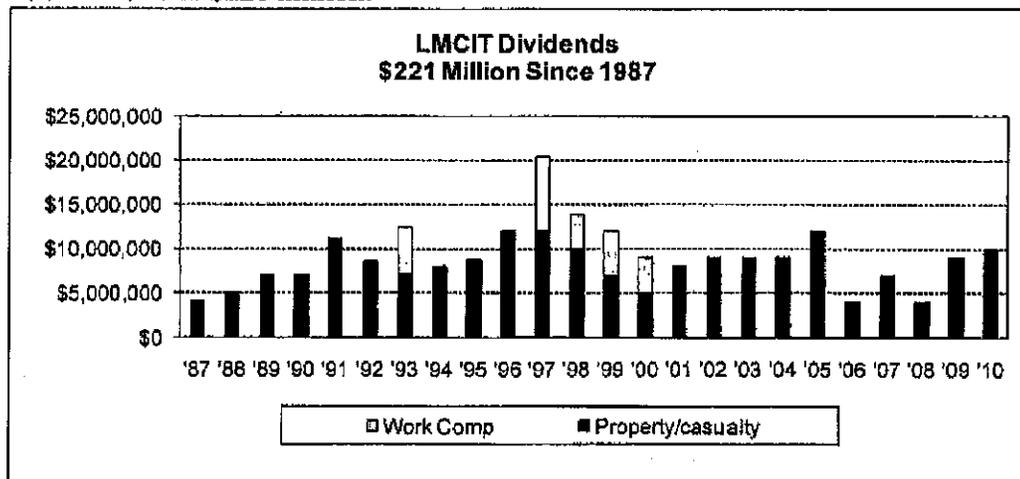
From: LMCIT Board of Trustees

Les Heitke, Mayor, Willmar  
Del Hag, Councilmember, Buffalo  
Desyl Peterson, City Attorney, Minnetonka  
Jim Miller, Executive Director, League of Minnesota Cities

Joel Hanson, City Administrator, Little Canada  
Mark Karnowski, City Administrator, Princeton  
Todd Prafke, City Administrator, St. Peter

Re: **2010 LMCIT Property/Casualty Dividend**

Members of the League of Minnesota Cities Insurance Trust (LMCIT) property/casualty program will share in a \$10 million dividend this year. This brings the sum of dividends returned to members since 1987 to \$221 million.



### Dividend Determination and Calculation

The dividend is determined in two steps:

- First, the LMCIT Board of Trustees determine how much surplus, if any, is available to be returned to members. The surplus is the difference between premiums collected, and the amounts paid for losses, expenses and reserves. For 2010, the Trustees determined that \$10 million could be returned to members.
- Second, the dividend is then allocated to members based upon each member's total premiums and total losses experienced during all the years of its membership with LMCIT.

LEAGUE OF MINNESOTA CITIES  
INSURANCE TRUST

145 UNIVERSITY AVE. WEST  
ST. PAUL, MN 55103-2044

PHONE: (651) 281-1200  
TOLL FREE: (800) 925-1122

FAX: (651) 281-1298  
WEB: WWW.LMC.ORG

remained close to projections. Costs for other types of liability were lower than projected, which helps offset some of the increased costs for land use litigation and police liability.

### **Future Dividends**

The Board of Trustees can't say a dividend always will be returned to members because it is impossible to determine what losses will ultimately occur from tornadoes, storms, sewer backups, fires, lawsuits and so on. Dividend amounts will vary from year to year just as they have in the past. A perfect example is the series of large property losses that occurred during the last several months due to severe weather events. Because claims develop over time, it's possible these losses could reach into LMCIT's safety margin during the 2011 coverage year. That means it's also possible that next year's incurred losses will be greater than projected, which could mean less money available to be returned as a dividend.

#### **Your League Resource**

For dividend, rate, or coverage questions, please contact your LMCIT underwriter at 800-925-1122 or 651-281-1200.

In addition, during the past several years the Trustees have increased the amount of risk retained by LMCIT. What this ultimately means is that LMCIT has been able to lower its reinsurance costs, which in turn helps reduce premium costs to members. But, on the other side of the coin, retaining more risk means LMCIT's net loss costs vary more from year to year and, consequently, the dividend is more variable.

### **Congratulations**

Regardless of what the future may hold, member cities should be congratulated on another successful year. The record shows that the basic idea of cooperative risk management by cities – in this case through LMCIT – really works. It works largely because of members' commitment to cooperation and to managing losses. It's a record that Minnesota cities should be proud of.

LEAGUE OF MINNESOTA CITIES INSURANCE TRUST  
PROPERTY/CASUALTY  
2010 DIVIDEND CALCULATION  
AT MAY 31, 2010

MIS AGENCY INC  
BANK MIDWEST INSURANCE  
PO BOX 189  
WINDOM MN 56101-0189

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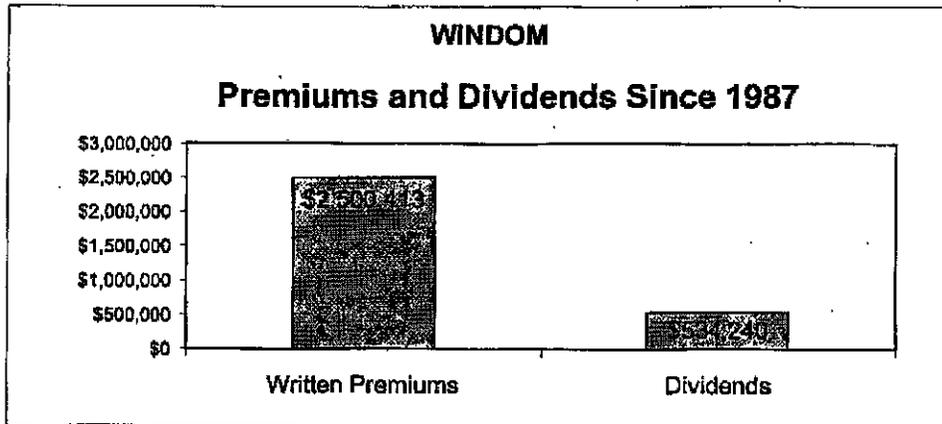
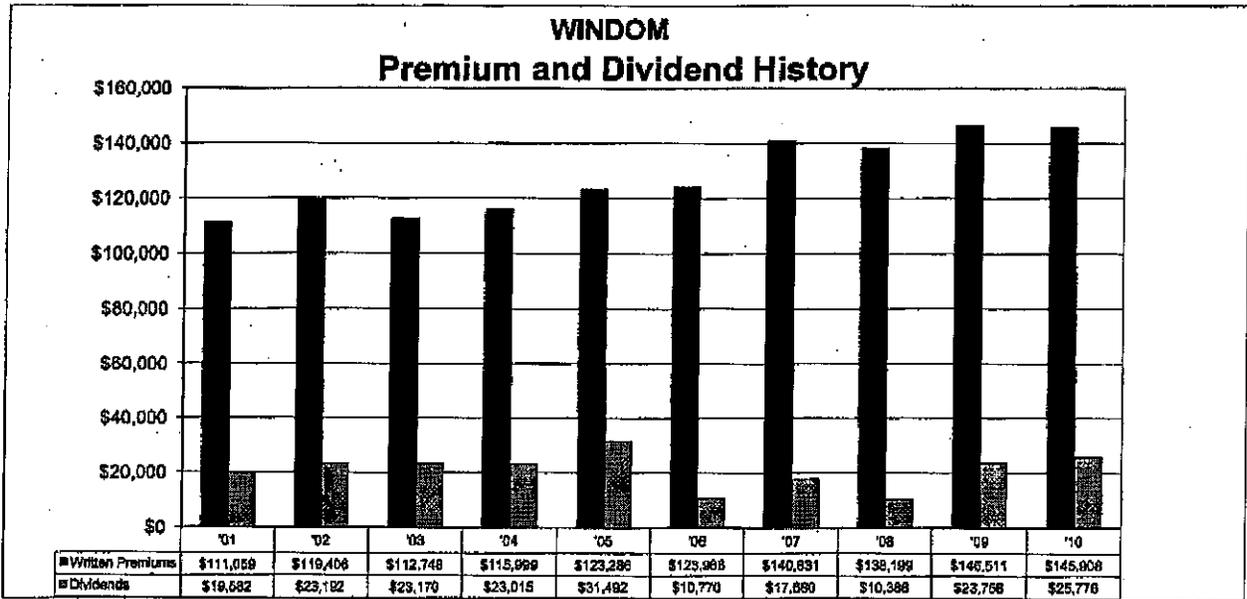
WINDOM

444 9TH STREET  
PO BOX 38  
WINDOM MN 561010

GROSS EARNED PREMIUM	\$ 2,506,698
ADJUSTED LOSSES	\$ 805,746
MEMBERS DIVIDEND PERCENTAGE	.00257755154
DIVIDEND AMOUNT	\$ 25,776

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### LMCIT Property/Casualty Program





Date: Nov. 4, 2010  
To: Members and Agents of LMCIT's Property/Casualty and Workers' Compensation programs  
From: Dan Greensweig, LMCIT Assistant Administrator  
RE: **2010-11 Coverage Changes**

The League of Minnesota Cities Insurance Trust (LMCIT) Board has approved a number of changes in LMCIT's liability, property, workers' compensation, and other coverages for the 2010-11 underwriting year. Changes will be effective for property/casualty coverage written or renewed on or after November 15, 2010 and for workers' compensation coverage on or after January 1, 2011.

### **Property Coverage Changes**

The LMCIT property coverage pays for the cost to rebuild a Leadership in Energy and Environmental Design (LEED) certified building as it was if it were damaged or destroyed. The property coverage has been amended to cover losses related to vegetative materials that are necessary for green buildings.

### **Liability Coverage Changes**

LMCIT's liability coverage has been expanded to include dredging or excavation claims as part of its pollution coverage. The types of claims covered include damages arising out of the deposit of certain materials when the excavation or dredging was undertaken to construct, maintain, repair, or reconstruct streets, ditches, sanitary sewer, storm sewer, drainage, or water supply systems, or electric, gas, cable communications, or other public utilities. These claims are subject to a \$250,000 sublimit.

### **Crime Coverage Changes**

LMCIT has eliminated the distinction between theft, disappearance, and destruction of money that occurs on city or banking premises and those that occur elsewhere.

### **Liquor Liability Coverage Changes**

Language has been added to LMCIT's liquor liability coverage to provide at least the coverage required under Minn. Stat. Sec. 340A.409, which was amended during the last legislative session. The Statute requires that liquor liability coverage include:

- \$50,000 of coverage because of bodily injury to any one person in any one occurrence;
- \$100,000 because of bodily injury to two or more persons in any one occurrence;

- A quorum of the city council;
- The chair and another planning commission member;
- The city planner or another staff person with lead responsibility for planning activities.

Cities can qualify for the incentive at any time by meeting the training requirement, at which point the city will receive an endorsement. Any land use claims made against the city after receiving the endorsement will qualify for the savings.

The cost for the online training is \$30 per person, with group discounts available. For more details or to enroll in the online training please see the E-Learning area of the Training and Conferences section of the League website at [www.lmc.org](http://www.lmc.org).

### **Sanitary Sewer Incentive**

Beginning November 15, 2010, a mandatory minimum deductible will apply to all liability claims for sanitary sewer backups unless the city meets specified standards for its sewer operations.

Members that do not meet LMCIT's criteria by Nov. 15 will see coverage that includes a minimum mandatory deductible of \$1,000 for each sanitary sewer backup claim. That amount will increase to \$2,500 on Nov. 15, 2011 for each sanitary sewer backup claim.

To avoid the higher mandatory minimum deductible, cities must meet the criteria spelled out on the sewer incentive questionnaire, which can be found in the Loss Control area of the Risk Management section of the League website at [www.lmc.org](http://www.lmc.org).

It's important to note that member cities that already use a higher deductible are not directly affected. In addition, cities that use an aggregate deductible for coverage will be impacted, if the aggregate limit is reached and the maintenance deductible is less than \$1,000 in 2010-11, and \$2,500 in 2011-12.

### **Minnesota Safety Council Membership**

In support of the LMCIT Board of Trustees' effort to actively promote loss control efforts among members, all program members will be provided three years free membership in the Minnesota Safety Council. Membership provides reduced-rate safety training, access to video and document libraries, sample safety plans and checklists, and more. Additional information on this program will be provided in the coming weeks.

If you have questions or comments, feel free to contact the LMCIT underwriting department at 651-281-1200 or 800-925-1122.

CITY OF WINDOM  
RENEWAL PREMIUM SUMMARY

Coverage	2011 Prem. Basis	Premium	2010	Premium
Property	\$40,573,382	\$63,405	\$40,017,011	\$65,595
	Property Values			
Mobile Property	\$1,184,953	\$5,072	\$1,184,953	\$5,290
	Equipment Values			
Municipal Liability Inc. Airport Liab.	Various	\$56,096	Various	\$52,207
	Expenditures, payroll, sq.ft., etc.			
Automobile Liability	All Units	\$8,414	All Units	\$8,473
Automobile Physical Damage		\$6,955		\$7,199
	Physical damage is inc. on police, fire, & emerg. veh. No physical damage on other dept. veh. >10 yrs old			
Equipment Breakdown	\$29,553,068	\$4,581	\$29,005,811	\$4,512
	Total bldg value minus municipal power plant			
Open Meeting Law		included		included
	Percent of the municipal liability premium			
Liquor Liability	Receipts	<u>\$5,982</u>	Receipts	<u>\$2,632</u>
	Total	\$150,505	Total	\$145,908

\* Refer to the next page for a summary of changes.

General rate changes are as follows:

liability rates have increased about 3%  
auto physical damage rates decreased about 10%  
liquor liability rates for off sale operations decreased 5%  
on sale operations rates remain unchanged  
property rates decreased 4%  
auto liability, uninsured and underinsured motorist, and machinery breakdown rates remain unchanged

The rate changes do not mean that your city's actual premium will change by these exact amounts. Each city's actual premium is affected by changes in city expenditures, property values, payrolls, other exposure measures, and experience rating.

Comments specific to the City of Windom:

1. The property values (building, contents, property in the open) are \$40,573,382 which compares with \$40,017,011 on last years renewal. Property values have been increased by the inflation factors currently in place which is 2.5% building and property in the open; no inflation on contents and mobile property.
2. Mobile property values are flat with expiring.
3. The liability experience mod is .954 which compares with .975 on last year's renewal. Rateable Expenditure comparison; GL \$3,675,884 which compares with \$3,152,967 expiring. The EO expenditures are \$13,861,486 which compares with \$13,478,170 on last year's renewal.
4. The liquor liability increase is due to the additional on-sale liquor receipts projected for the community center.
5. Auto: The units are flat with expiring.

CITY OF WINDOM  
RENEWAL OF  
OTHER POLICIES

	2011	2010
1. Boiler and Machinery – Municipal Power Plant and Substation	Premium \$38,695	Premium \$37,477
Limit of \$10,601,507		
Deductible: \$100,000 on Detroit Allison Gas Turbine \$100,000 on any other object covered by policy		
• This premium has been the same for 4 years		
2. Miscellaneous bonds as required	\$ 722	\$ 847
Package Premium from summary page	<u>\$150,505</u>	<u>\$145,908</u>
Total Premium	\$189,922	\$184,232

## WORKERS COMPENSATION

Year	Payroll	Exp. Mod. Factor	Premium
2004	\$2,299,160	1.26	\$69,683
2005	\$2,515,187	1.31	\$84,268
2006	\$2,755,735	1.05	\$76,862
2007	\$3,009,735	1.15	\$95,808
2008	\$3,045,443	.83	\$73,099
2009	\$3,188,463	.84	\$78,113
2010	\$3,118,552	.82	\$76,547
2011	\$3,178,963	.80	\$73,203

11 new claims for 2006  
 11 new claims for 2007  
 6 new claims for 2008  
 8 new claims for 2009  
 7 new claims for 2010

The experience modification factor decreased to .80 in 2011 from .82 in 2010. The experience modification factor is determined by a formula taking into account the actual losses versus the expected losses in each classification and premiums paid. A three year period is used for this formula not including the most recent year. The experience modification factor for 2011 is determined by using data from years 2007, 2008 and 2009.

2006 claims total cost \$ 2,554.08  
 2007 claims total cost \$ 4,284.77  
 2008 claims total cost \$ 3,760.23  
 2009 claims total cost \$ 2,107.39  
 2010 claims total cost \$ 4,104.13

The city is taking advantage of the 10% non-smoker discount for fire department and police department class rates.

**Items needing council action:**

**Statutory Limits on Municipal Tort Liability:** \$500,000 per claimant and \$1,500,000 per occurrence.

**Waiver of Statutory Tort Limit:** The city currently does not waive the statutory tort limit of \$500,000 per claimant.

**I need a motion to leave this the same or waive the statutory tort limit.**

**Excess Liability:** You can add \$1,000,000 excess liability coverage for an annual premium of \$16,663.

The city has not elected to accept this coverage in the past.

LMCIT provides a standard \$1,500,000 liability coverage limit to match the statutory limit. However, there are a number of ways in which that coverage could turn out not to be enough: federal civil rights suits, liability assumed by contract, liability for actions in another state, inverse condemnation liability for land use claims, the possibility of the caps being found invalid, and exhaustion of annual aggregate limits on products liability, limited pollution and land use claims are some examples.

Recommendation to secure the bond coverage of \$250,000 from the LMCIT. The premium would be \$740. The current bonds would be eliminated for a reduction of \$622.

**I need a motion to accept or reject the Excess Liability coverage for 2011 and change in bond coverage.**

Another option available would be to increase the deductible from \$1,000 to \$2,500 on property and liability claims. The premium savings would be \$8,036.

The claims incurred in 2010 would have cost the city \$9,752 in additional deductible expense so it wouldn't have saved any dollars increasing the deductible. It would always depend upon the number of claims paid in a year. This is something that needs to be tracked for a couple years to see if it would save the city money in the long run.



# Memo

**To:** Mayor and City Council Members  
**From:** Jeff A. Shirkey, Police Chief  
**Date:** May 13, 2011  
**Re:** Community Orientated Policing Services (COPS)  
Grant Application

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The Windom Police Department is requesting authorization to submit a grant to the COPS Secure our Schools (SOS) Program on behalf of the Windom School District 177 to install surveillance cameras in the Windom Public Schools.

The project would work in conjunction with the Blandin MIRC Emergency Services Project, which provided laptop computers in the City's squad cars. The cameras would allow the police department remote access to the school. The cameras would also provide monitoring systems in real time and will allow officers to take quick actions and respond directly to emergencies within Windom's schools.

The grant is two years in duration and provides a maximum federal share of \$500,000. A local match of 50% is required and will be provided by Windom School District 177.

**Requested Action:** Approve the submission of a grant to the COPS Secure our Schools program.



May 9, 2011

RE: City of Windom  
Des Moines River Dam Removal Project  
SEH No. WINDM 115856

Steve Nasby  
City of Windom  
444 Ninth Street  
P.O. Box 38  
Windom, MN 56101

Dear Mr. Nasby:

This letter supplements the Agreement for Professional Services between City of Windom, Owner, and Short Elliott Hendrickson Inc. (SEH<sup>®</sup>) dated September 8, 2008 and addresses providing services in connection with the Des Moines River Dam Removal Project (hereinafter called the "Project"). The scope of said services is detailed in the attached Exhibit A.

Our services will consist of conducting studies and investigations, preparing a report containing the findings of the studies and investigations along with our recommendations for the Project, preparing a preliminary design based on the approved studies and report, preparing final design documents based on the approved preliminary design, providing assistance with receiving bids for the work and negotiating a construction contract with the successful bidder, providing construction services including resident project representative services during construction, and assistance during the start-up, all as set forth in this letter and the Agreement for Professional Services between SEH and City of Windom dated September 8, 2008.

We will also furnish such Additional Services as you may request or as required.

You will pay us a fee for our services, as described in Appendix A, a not-to-exceed amount of \$69,500 in accordance with Exhibit C-1.

Payment for additional services shall be based on the time required to perform the services and the billable rates for the principals and employees engaged directly on the Project, plus charges for expenses and equipment, all in accordance with Exhibit C-1.

We will start our services promptly after receipt of your authorization. We estimate our services will be completed by July 31, 2012. If there are delays in the Project that are beyond our control, you agree to grant additional time to complete the services.

Your budgetary limitations for construction of the Project should be provided to us in writing at an early date. We will endeavor to work within those limitations. If you request, we will submit periodic estimates of cost to give you our opinion of the probable cost of the Project. Where appropriate, if the estimated cost exceeds the budget, we will either request an adjustment in the budget or suggest a revision in the extent or quality of the Project to assist in bringing construction cost back within the budget. We do not guarantee that our opinions of probable construction cost will not differ materially from negotiated prices or bids. If you wish greater assurance as to probable construction cost or if you wish formal estimates, an independent cost estimator should be employed as provided in Section IV.A. of the Agreement, and in Exhibit B.

This letter and the Agreement for Professional Services dated September 8, 2008 along with Exhibits A, B, C-1, Appendix A represent the entire understanding between you and us in respect of the Project and may only be modified in writing signed by both of us. If it satisfactorily sets forth your understanding of our agreement, please sign the enclosed copies of this letter in the space provided below. Return one copy to us and the remaining copy is for your records.

Sincerely,

SHORT ELLIOTT HENDRICKSON INC.



Rocky J. Keelin  
Project Manager

rjk

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**Accepted by: City of Windom**

By: \_\_\_\_\_  
Authorized Client Signature

Date: \_\_\_\_\_

**Exhibit A**  
**to Supplemental Letter Agreement**  
**Between City of Windom (Client)**  
**and**  
**Short Elliott Hendrickson Inc. (Consultant)**  
**Dated May 9, 2011**

**Scope of Work**

**Task 1 – Hydraulic and Hydrology Study (\$5,500)**

Complete a HEC-RAS model of the Des Moines River. It is anticipated that LIDAR information will be available in the summer of 2011 which can be used to supplement survey information collected in Task 2. The purpose of the model is to determine velocities in the reach to aid in the design of the rock riffles and thus a range of flows will be modeled which will include the existing Flood Insurance Study flow rates for 10-, 50-, 100- and 500-year flow rates. The model will not be used to revise the Flood Insurance Study.

**Task 2 – Survey (\$10,000 include SEH coordination time plus subconsultant fee estimate)**

Local surveying firm will be used to complete a survey of the area. It is anticipated that cross-sections will be required about every 500 feet from the downstream railroad bridge to just upstream of the Highway 62 Bridge. Also, key structure surveys of the existing dam and bridge will be completed as well as critical elevation in the park to verify overflow location of the water during high water events. The survey will require bottom elevation of the river that can be obtained more cost effectively during low flows and thus it is anticipated that the survey will take place in two phases. The first phase will be to obtain ground surveys in areas above the spring flows. During late spring and early summer it is anticipated that the river flow will be at a level to obtain most of the low flow bottom of river surveys. It is also anticipated some boat work may be required downstream of the current dam. The fee is thus an estimate based on current information and may need to be revised based on actual river flow conditions when survey is required.

**Task 3 - Plans and Specifications (\$19,000)**

Complete draft and final plans and specification for the project based on input from the City and DNR and other agencies. It is anticipated that the DNR will play a role in determining best location for rock riffles and SEH designing the project to assure it will have low to no maintenance long term.

**Task 4 - Bidding Services (\$2,500)**

This Task includes:

- Complete advertisement for bid
- Answer questions during bidding process
- Review bids
- Determine if low bidder has the experience to complete the project
- Recommend contractor to be selected for project
- Complete Contract Documents

**Task 5 - Meetings - Council and Agency Coordination (\$3,000)**

Assumed four meetings:

- Coordination meeting with key agencies,
- Coordination meeting with City to discuss project,
- Council presentation of final rock riffle options prior to approving final plans and specifications
- Council meeting to present final plans and specifications to get approval to bid the project

**Task 6 - Environmental Assessment Worksheet determination (\$1,500)**

Our environmental staff will review the feasibility study and discuss the need for an EAW with the appropriate agencies. Upon this discussion they will prepare a memorandum of findings that will be shared with the City and DNR. A final decision will then be made if a full EAW is required. If the City determines an EAW is not required, a findings summary with references to discussion completed with key agencies will be prepared that discusses in detail the reason an EAW is not required.

**Task 7 - Permits (\$3000)**

Assumed permits per the feasibility study were:

- MN DNR Protected Waters Permit
- MN DNR Dam Safety Permit
- USACE Section 404 Permit
- MN PCA Section 401 Certification
- MN PCA Site Disposal Permit
- MN PCA NPDES Construction Stormwater Permit

The final permit list may depend on the project selected (location and number of riffles). The permit list will be adjusted after Task 6 and if the number of permits required differs from the feasibility list, the final fee to obtain the permits will be discussed with the City. It is anticipated the number of permits will be reduced and thus the permit effort will be less than the estimated fee proposed for this Task.

**Task 8 - Environmental Assessment Worksheet (\$5,000)**

If an EAW is required, then additional work will be needed to complete the required information for a full EAW. This includes detailed project discussions, options considered, graphics and completion of the EAW forms. This Task will only be required if the City determines an EAW is required.

**Task 9 – Construction Administration (\$20,000)**

Since the final project is unknown and the construction schedule has not been determined, a final fee for the Construction Administration cannot be determined until the project is bid. For budgeting purposes a fee estimate (includes labor and expenses) has been included based on the following assumptions:

- Kick-off meeting with contractor – 1 day
- Dam removal – 2 days (beginning and final clean-up)
- Rock Riffle placement – 2 weeks (Full time SEH staff and DNR staff)
- Fall Restoration, Substantial Completion and Winter Button-up – 2 days (punch list and final pre-winter review to prepare project for winter freeze up and spring floods)
- Spring Repairs and Final Completion – 2 days (site visit to prepare final punch list and final review of project close-out and final contractor payment)

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SECTION 00530

PAYMENT REQUEST FORM

OWNER: City of Windom  
PROJECT: 2011 Street Shop Improvements  
CONTRACTOR: Everstrong Construction, Inc.

PAY ESTIMATE NO. 1 (One)

Original Contract Amount .....	\$ <u>310,277.50</u>
Contract Changes approved to Date (List Change Order Numbers) .....	\$ <u>6,077.50</u>
Revised Contract Price .....	\$ <u>304,200.00</u>
Work Completed to Date (see attached) .....	\$ <u>35,030.00</u>
Retainage to Date, 5% .....	\$ <u>1,751.50</u>
Work Completed to Date Less Retainage to Date .....	\$ <u>33,278.50</u>
Total Amount Previously Certified .....	\$ <u>0</u>
Payment Request This Estimate .....	\$ <u>33,278.50</u>

I declare under penalty of perjury that this account, claim, or demand is just and correct and that no part of it has been paid.

  
CONTRACTOR



**CERTIFICATE OF CONTRACTOR**

I hereby certify that the work and the materials supplied to date, as shown on the request for payment, represents the actual value of accomplishment under the terms of the contract dated

March 16, 2011 between CITY OF WINDOM (OWNER)

and Everstrong Construction (CONTRACTOR) and all authorized changes thereto.

Everstrong Construction, Inc.

By

*Pete J. Miller*

Title

President

Approval:

CONTRACTOR

*Pete J. Miller*  
*Dennis Johnson*

Date

4-29-11

WENCK ASSOCIATES, INC.

Date

5/11/11

Dennis Johnson, P.E.

CITY OF WINDOM

Date

\*\*\*END OF SECTION\*\*\*

SCHEDULE OF PRICES

BIDDER agrees to perform all of the work described in the CONTRACT DOCUMENTS for the following unit prices or lump sums:

NOTE: BIDS shall include sales tax and all applicable taxes and fees.

BIDDER must fill in unit prices in numerals, make extension for each item and total.

ITEM	UNIT		ESTIMATED	AMOUNT	Amount Applied For
	UNIT	PRICE	QUANTITY		
<u>OPTION 1 - SPRAY FOAM INSULATION</u>					
Remove Steel Wall Panel	S. F.	\$ <u>.60</u>	8500	\$ <u>5,100.00</u>	
Remove Steel Roof Panel	S.F.	\$ <u>.60</u>	15000	\$ <u>9,000.00</u>	
Remove West Overhead Door	Each	\$ <u>300.00</u>	1	\$ <u>300.00</u>	
Furnish & Install 26 Gauge Steel Wall Panel	S.F.	\$ <u>3.00</u>	8500	\$ <u>25,500.00</u>	50% \$12,750.00
Furnish & Install 26 Gauge Steel Roof Sheeting	S.F.	\$ <u>2.60</u>	15000	\$ <u>39,000.00</u>	50% \$19,500.00
Furnish & Install Wall Insulation	S.F.	\$ <u>2.78</u>	8500	\$ <u>23,630.00</u>	20% \$ 4,726.00
Furnish & Install Roof Insulation	S.F.	\$ <u>2.35</u>	15000	\$ <u>35,250.00</u>	
Furnish & install East Ventilation System	EA.	\$ <u>73,500.00</u>		\$ <u>73,500.00</u>	
Furnish & install West Ventilation System	EA.	\$ <u>36,750</u>	1	\$ <u>36,750.00</u>	

ITEM	UNIT	PRICE	ESTIMATED QUANTITY	AMOUNT
<u>OPTION 1 - SPRAY FOAM INSULATION - CONTINUED</u>				
Furnish & Install Movable Ventilation System	EA.	\$ <u>9,143</u>	1	\$ <u>9,143.00</u>
Exterior Doors with Lever Handles	EA.	\$ <u>1,680.00</u>	3	\$ <u>5,040.00</u>
Lever Handles for Interior Doors	EA.	\$ <u>275.00</u>	12	\$ <u>3,300.00</u>
Remove & Replace Windows: 72" x 36"	EA.	\$ <u>544.00</u>	8	\$ <u>4,352.00</u>
60" x 36"	EA.	\$ <u>532.00</u>	1	\$ <u>532.00</u>
40" x 40"	EA.	\$ <u>507.00</u>	1	\$ <u>507.00</u>
32" x 32"	EA.	\$ <u>481.00</u>	1	\$ <u>481.00</u>
Remove & Replace Overhead Door & Opener (East)	EA.	\$ <u>4,200.00</u>	1	\$ <u>4,200.00</u>
Remove & Reinstall Center Overhead Door & Opener (West)	EA.	\$ <u>1,500.00</u>	1	\$ <u>1,500.00</u>
1-hour Firewall	L.F.	\$ <u>35.00</u>	60	\$ <u>2,100.00</u>
40-Min. fire Door	EA.	\$ <u>1,050.00</u>	1	\$ <u>1,050.00</u>
1-Hour Overhead Door (Interior Wall)	EA.	\$ <u>10,085.00</u>	1	\$ <u>10,085.00</u>
OPTION 1 - TOTAL:				\$ <u>290,320.00</u>
Salvage value of removed steel				\$ <u>4,000.00</u>

OPTION 4 - WEST STORAGE SHED

Remove Steel  
Wall Panel S.F. \$ 160 1200 \$ 1920.

~~XXXX~~

UNIT ESTIMATED  
ITEM UNIT PRICE QUANTITY AMOUNT  
OPTION 4 - WEST STORAGE SHED-CONTINUED

Remove Steel  
Roof Panel S.F. \$ 160 850 \$ 579.00

Remove  
Overhead Door Each \$ 300.00 1 \$ 300.00

Furnish & Install  
26 Gauge Steel  
Wall Panel S.F. \$ 3.00 1200 \$ 3,600.00

Furnish & Install  
26 Gauge Steel  
Roof Sheeting S.F. \$ 2.60 850 \$ 2,210.00

*PJU  
Everstrong  
\$21,210  
CAM*

Furnish & Install  
Wall Insulation S.F. \$ 3.40 1200 \$ 4,080.00

Furnish & Install  
Roof Insulation S.F. \$ 2.35 850 \$ 1,997.50

Exterior Doors with  
Lever Handles EA. \$ 1,680.00 3 \$ 5,040.00

Remove & Replace  
Overhead EA. \$ 1,500.00 1 \$ 1,500.00

*PJU  
\$19,957.50  
CAM*

OPTION 4 - TOTAL: \$ 34,231.50

Salvage value of removed steel \$ 100.00

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	BEIM CONSULTING	WEB SITE REDESIGN	24.22
	Total for Department 101		24.22*
CITY OFFICE	BEIM CONSULTING	WEB SITE REDESIGN	24.21
CITY OFFICE	ELECTRIC FUND	UTILITIES	192.00
CITY OFFICE	LEAGUE OF MN. CITIES	REGISTRATION	295.00
CITY OFFICE	MN NCPERS LIFE INSUR	INSURANCE	80.00
	Total for Department 103		591.21*
P & Z / BUILDING OFF	BEIM CONSULTING	WEB SITE REDESIGN	24.21
P & Z / BUILDING OFF	ELECTRIC FUND	UTILITIES	53.38
P & Z / BUILDING OFF	Verizon Wireless	TELEPHONE	34.05
P & Z / BUILDING OFF	MN NCPERS LIFE INSUR	INSURANCE	24.00
	Total for Department 106		135.64*
CITY HALL	ELECTRIC FUND	UTILITIES	554.02
CITY HALL	SANDRA HERDER	CLEANING	362.90
CITY HALL	MELISSA PENAS	CLEANING	362.90
	Total for Department 115		1,279.82*
POLICE	BEIM CONSULTING	WEB SITE REDESIGN	24.21
POLICE	ELECTRIC FUND	UTILITIES	78.62
POLICE	MN NCPERS LIFE INSUR	INSURANCE	144.00
	Total for Department 120		246.83*
FIRE DEPARTMENT	BEIM CONSULTING	WEB SITE REDESIGN	24.21
FIRE DEPARTMENT	ELECTRIC FUND	UTILITIES	27.86
FIRE DEPARTMENT	Verizon Wireless	TELEPHONE	34.05
	Total for Department 125		86.12*
STREET	BEIM CONSULTING	WEB SITE REDESIGN	24.21
STREET	DEFRIES COLLISION CE	MAINTENACE	103.00
STREET	ELECTRIC FUND	UTILITIES	3,328.29
STREET	Verizon Wireless	TELEPHONE	38.40
STREET	MN NCPERS LIFE INSUR	INSURANCE	80.00
	Total for Department 140		3,573.90*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	128.00
	Total for Department 145		128.00*
RECREATION	BEIM CONSULTING	WEB SITE REDESIGN	24.21
	Total for Department 150		24.21*
PARKS	BEIM CONSULTING	WEB SITE REDESIGN	24.21
PARKS	ELECTRIC FUND	UTILITIES	36.09
PARKS	MN NCPERS LIFE INSUR	INSURANCE	16.00
	Total for Department 165		76.30*
	Total for Fund 01		6,166.25*
LIBRARY	BEIM CONSULTING	WEB SITE REDESIGN	24.21

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
LIBRARY	ELECTRIC FUND	UTILITIES	282.15
LIBRARY	SANDRA HERDER	CLEANING	362.90
LIBRARY	MELISSA PENAS	CLEANING	362.90
	Total for Department 171		1,032.16*
	Total for Fund 03		1,032.16*
AIRPORT	ELECTRIC FUND	MAINTENANCE	14.68
AIRPORT	RED ROCK RURAL WATER	WATER	23.50
AIRPORT	SO. CENTRAL ELECTRIC	POWER COST	840.47
	Total for Department 174		878.65*
	Total for Fund 11		878.65*
POOL	Verizon Wireless	TELEPHONE	123.11
	Total for Department 175		123.11*
	Total for Fund 12		123.11*
AMBULANCE	BEIM CONSULTING	WEB SITE REDESIGN	24.21
AMBULANCE	ELECTRIC FUND	UTILITIES	25.76
AMBULANCE	GRAPHIC EDGE	T SHIRTS	448.91
AMBULANCE	TIM HACKER	EXPENSE	71.22
AMBULANCE	BUCKWHEAT JOHNSON	EXPENSE	23.38
AMBULANCE	ROBIN SHAW	EXPENSE	467.00
AMBULANCE	KIM POWERS	EXPENSE	11.50
AMBULANCE	ALLAN REMPEL	EXPENSE	22.20
AMBULANCE	AVIS BOSTON	REFUND - AMBULANCE	16.16
AMBULANCE	WILLARD JOHNSON	REFUND - AMBULANCE	173.96
AMBULANCE	RICHARD MAJERUS	REFUND - AMBULANCE	42.84
AMBULANCE	CONLEY A WILDER	REFUND - AMBULANCE	85.68
	Total for Department 176		1,412.82*
	Total for Fund 13		1,412.82*
MULTI-PURPOSE BUILDI	ELECTRIC FUND	UTILITIES	1,341.49
MULTI-PURPOSE BUILDI	Verizon Wireless	TELEPHONE	34.05
MULTI-PURPOSE BUILDI	MN NCPERS LIFE INSUR	INSURANCE	32.00
MULTI-PURPOSE BUILDI	RIVER BEND LIQUOR	MERCHANDISE	509.68
	Total for Department 177		1,917.22*
	Total for Fund 14		1,917.22*
N IND PARK	SO. CENTRAL ELECTRIC	POWER COST	35.77
	Total for Department 147		35.77*
	Total for Fund 18		35.77*
LIQUOR	ABC HORSE PRIZE FUND	AD	45.00
LIQUOR	ADRIAN'S PLUMBING &	MAINTENANCE	95.00

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
LIQUOR	BEIM CONSULTING	WEB SITE REDESIGN	24.21
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	7,346.02
LIQUOR	ELECTRIC FUND	UTILITIES	877.04
LIQUOR	FIELDSTONE VINEYARDS	MERCHANDISE	123.84
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	11,725.95
LIQUOR	JOHNSON BROS.	MERCHANDISE	1,279.66
LIQUOR	MN NCPERS LIFE INSUR	INSURANCE	32.00
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	2,963.55
LIQUOR	S&K LINES	FREIGHT	617.60
LIQUOR	THE AMERICAN BOTTLIN	MERCHANDISE	115.72
LIQUOR	WINE MERCHANTS	MERCHANDISE	539.25
	Total for Department 180		25,784.84*
	Total for Fund 60		25,784.84*
WATER	BEIM CONSULTING	WEB SITE REDESIGN	24.21
WATER	ELECTRIC FUND	UTILITIES	3,609.70
WATER	GOPHER STATE ONE CAL	LOCATES	27.92
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	168.75
WATER	MN NCPERS LIFE INSUR	INSURANCE	40.00
	Total for Department 181		3,870.58*
	Total for Fund 61		3,870.58*
	DAN STEENHOEK	REFUND - UTILITY PREPAYM	125.00
	DRANNA BUCHER	REFUND - UTILITY PREPAYM	125.00
	WM CRISPIN JR	REFUND - METER DEPOSIT	23.00
	JULIE DATALICO	REFUND - METER DEPOSIT	20.00
	JESSICA FLAHERTY	REFUND - UTILITY PREPAYM	125.00
	LORI JOHNSON	REFUND - METER DEPOSIT	40.00
	CHARLOTTE KRUSE	REFUND - METER DEPOSIT	10.00
	DEB MAXSON	REFUND - METER DEPOSIT	20.00
	ANN MAY	REFUND - METER DEPOSIT	20.00
	HENRY MISCHKE	REFUND - METER DEPOSIT	10.00
	JUDY RAND	REFUND - METER DEPOSIT	20.00
	JAMES RICK	REFUND - METER DEPOSIT	10.00
	MELVIN SCHUMACHER	REFUND - METER DEPOSIT	20.00
	CRISTA STAHL	REFUND - METER DEPOSIT	20.00
	Total for Department		588.00*
ELECTRIC	BEIM CONSULTING	WEB SITE REDESIGN	24.21
ELECTRIC	ELECTRIC FUND	UTILITIES	273.69
ELECTRIC	GOPHER STATE ONE CAL	LOCATES	27.93
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	168.75
ELECTRIC	Verizon Wireless	TELEPHONE	39.39
ELECTRIC	MN NCPERS LIFE INSUR	INSURANCE	96.00
ELECTRIC	ODDSON UNDERGROUND I	ENERGY REBATE	850.00
ELECTRIC	HSBC BUSINESS SOLUTI	SUPPLIES	133.71
ELECTRIC	BRAD BUSSA	CLEANING	184.60
ELECTRIC	BANK MIDWEST	NSF CHECK	243.90

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	ALLEN BARTOSH	ENERGY REBATE	850.00
ELECTRIC	MEL DUERKSEN	ENERGY REBATE	100.00
ELECTRIC	RENEE HARNACK	ENERGY REBATE	50.00
ELECTRIC	KEN HENRY	ENERGY REBATE	10.00
ELECTRIC	EDNA KLIEWER	ENERGY REBATE	50.00
ELECTRIC	JAMES KRUEGER	ENERGY REBATE	10.00
ELECTRIC	ROSELLA SMITH	ENERGY REBATE	35.00
ELECTRIC	DARREL STOFFERAHN	ENERGY REBATE	50.00
	Total for Department 182		3,197.18*
	Total for Fund 62		3,785.18*
SEWER	BEIM CONSULTING	WEB SITE REDESIGN	24.21
SEWER	ELECTRIC FUND	UTILITIES	16,298.51
SEWER	GOPHER STATE ONE CAL LOCATES		27.92
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	168.75
SEWER	MN NCPERS LIFE INSUR	INSURANCE	40.00
	Total for Department 183		16,559.39*
	Total for Fund 63		16,559.39*
ARENA	BEIM CONSULTING	WEB SITE REDESIGN	24.21
ARENA	CITY OF WINDOM	APPLIANCE TAG PRICE - PI	30.00
ARENA	ELECTRIC FUND	UTILITIES	4,304.50
ARENA	Verizon Wireless	TELEPHONE	68.63
ARENA	MN NCPERS LIFE INSUR	INSURANCE	32.00
	Total for Department 184		4,459.34*
	Total for Fund 64		4,459.34*
ECONOMIC DEVELOPMENT	BEIM CONSULTING	WEB SITE REDESIGN	24.21
ECONOMIC DEVELOPMENT	ELECTRIC FUND	UTILITIES	72.61
ECONOMIC DEVELOPMENT	MARK HANSON	EXPENSE	161.16
ECONOMIC DEVELOPMENT	Verizon Wireless	TELEPHONE	-20.23
ECONOMIC DEVELOPMENT	MN NCPERS LIFE INSUR	INSURANCE	24.00
	Total for Department 187		261.75*
	Total for Fund 67		261.75*
	MN 9-1-1 PROGRAM	911 SERVICE	1,093.31
	MELANIE MARTIN	REFUND - STATEMENT CREDI	2.09
	MILLIE ELGIN	REFUND - STATEMENT CREDI	2.85
	CAROLYN FRODERMAN	REFUND - STATEMENT CREDI	4.95
	HALLIE MATTISON	REFUND - STATEMENT CREDI	.99
	THRIVENT FINANCIAL/P	REFUND - STATEMENT CREDI	4.67
	Total for Department		1,108.86*
TELECOMMUNICATIONS	BEIM CONSULTING	WEB SITE REDESIGN	72.63
TELECOMMUNICATIONS	BOND TRUST SERVICE C	ADM FEE	450.00
TELECOMMUNICATIONS	BOND TRUST SERVICE C	BOND PAYMENT	19,800.00

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
TELECOMMUNICATIONS	ELECTRIC FUND	UTILITIES	1,515.21
TELECOMMUNICATIONS	GOPHER STATE ONE CAL	LOCATES	27.93
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	506.25
TELECOMMUNICATIONS	Verizon Wireless	TELEPHONE	240.05
TELECOMMUNICATIONS	MN NCPERS LIFE INSUR	INSURANCE	64.00
TELECOMMUNICATIONS	MELANIE MARTIN	REFUND - STATEMENT CREDI	30.49
TELECOMMUNICATIONS	MILLIE ELGIN	REFUND - STATEMENT CREDI	41.60
TELECOMMUNICATIONS	CAROLYN PRODERMAN	REFUND - STATEMENT CREDI	72.06
TELECOMMUNICATIONS	MUMASAR GULED	REFUND - STATEMENT CREDI	1.06
TELECOMMUNICATIONS	HALLIE MATTISON	REFUND - STATEMENT CREDI	14.46
TELECOMMUNICATIONS	THRIVENT FINANCIAL/P	REFUND - STATEMENT CREDI	99.88
	Total for Department 199		22,935.62*
	Total for Fund 69		24,044.48*
	MN BENEFIT ASSOCIATI	INSURANCE	262.28
	MN NCPERS LIFE INSUR	INSURANCE	32.00
	Total for Department		294.28*
	Total for Fund 70		294.28*
	Grand Total		90,625.82*

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	COMMUNITY CENTER	REIMBURSE F/MEMORIAL SER	300.00
		Total for Department 101	300.00*
CITY OFFICE	INDOFF, INC	SUPPLIES	38.46
CITY OFFICE	MII LIFE	VEBA	198.40
		Total for Department 103	236.86*
P & Z / BUILDING OFF	INDOFF, INC	SUPPLIES	43.10
P & Z / BUILDING OFF	MII LIFE	VEBA	148.80
P & Z / BUILDING OFF	VET'S WHOA N'GO	GAS	37.45
		Total for Department 106	229.35*
CITY HALL	JOE'S LAWN CARE	MOW LAWN/BOILER	47.50
		Total for Department 115	47.50*
POLICE	INDOFF, INC	SUPPLIES	13.24
POLICE	MII LIFE	VEBA	1,584.64
POLICE	VET'S WHOA N'GO	GAS	121.66
POLICE	VOYAGER FLEET SERVIC	GAS	372.18
		Total for Department 120	2,091.72*
FIRE DEPARTMENT	VET'S WHOA N'GO	GAS	42.05
		Total for Department 125	42.05*
STREET	MII LIFE	VEBA	841.92
STREET	VET'S WHOA N'GO	GAS	75.69
STREET	VOYAGER FLEET SERVIC	GAS	114.91
		Total for Department 140	1,032.52*
RECREATION	WINDOM COMMUNITY EDU	ADVERTISING	280.00
RECREATION	JERRY BROOKS	REGISTRATION FEE	200.00
		Total for Department 150	480.00*
PARKS	MII LIFE	VEBA	185.68
PARKS	SANFORD LABORATORIES	TESTING	36.96
		Total for Department 165	222.64*
		Total for Fund 01	4,682.64*
LIBRARY	JOE'S LAWN CARE	MOW LAWN/BOILER	47.50
		Total for Department 171	47.50*
		Total for Fund 03	47.50*
POOL	WINDOM COMMUNITY EDU	ADVERTISING	280.00
		Total for Department 175	280.00*
		Total for Fund 12	280.00*
AMBULANCE	VET'S WHOA N'GO	GAS	2,193.08
		Total for Department 176	2,193.08*

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
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	Total for Fund 13		2,193.08*
MULTI-PURPOSE BUILDI	INDOFF, INC	SUPPLIES	14.43
MULTI-PURPOSE BUILDI	ELECTRIC FUND	MAINTENANCE	10.81
MULTI-PURPOSE BUILDI	MII LIFE	VEBA	284.88
	Total for Department 177		310.12*
	Total for Fund 14		310.12*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	3,160.95
LIQUOR	EXTREME BEVERAGE, LL	MERCHANDISE	33.50
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	3,415.60
LIQUOR	A H HERMEL CANDY & T	MERCHANDISE	362.23
LIQUOR	MII LIFE	VEBA	371.36
LIQUOR	MN MUNICIPAL BEVERAG	REGISTRATION	345.00
	Total for Department 180		7,688.64*
	Total for Fund 60		7,688.64*
WATER	DATA-PAC MAILING SYS	RESET FEE	1.49
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	151.04
WATER	SOURCE ONE SOLUTIONS	POSTAGE	5.08
WATER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	789.54
WATER	MII LIFE	VEBA	374.54
WATER	VOYAGER FLEET SERVIC	GAS	244.27
	Total for Department 181		1,565.96*
	Total for Fund 61		1,565.96*
	BARRY MARCY	REFUND - UTILITY PREPAYM	300.00
	MARGARET KIPFER	REFUND - UTILITY PREPAYM	320.00
	MARTA REYES	REFUND - UTILITY PREPAYM	150.00
	Total for Department		770.00*
ELECTRIC	DATA-PAC MAILING SYS	RESET FEE	1.50
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	151.04
ELECTRIC	SOURCE ONE SOLUTIONS	POSTAGE	5.10
ELECTRIC	SOURCE ONE SOLUTIONS	SPECIAL SERVICE	19.80
ELECTRIC	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,628.47
ELECTRIC	MII LIFE	VEBA	1,049.86
ELECTRIC	VOYAGER FLEET SERVIC	GAS	89.23
ELECTRIC	STEVE BEIHOFFER	ENERGY REBATE	700.00
ELECTRIC	VIRGINIA ABILD	ENERGY REBATE	600.00
ELECTRIC	KIMBERLY ARMSTRONG	ENERGY REBATE	600.00
ELECTRIC	KEN FAST	ENERGY REBATE	600.00
ELECTRIC	DAVID KRUEGER	ENERGY REBATE	850.00
ELECTRIC	MICHELELAMOTE	ENERGY REBATE	850.00
ELECTRIC	WARREN MEYERS	ENERGY REBATE	850.00
ELECTRIC	GREG PETERSON	ENERGY REBATE	850.00
ELECTRIC	ROBERT VARILEK	ENERGY REBATE	600.00

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	BARBARA VOTH	ENERGY REBATE	600.00
		Total for Department 182	10,045.00*
		Total for Fund 62	10,815.00*
SEWER	DATA-PAC MAILING SYS	RESET FEE	1.49
SEWER	ELECTRIC FUND	MAINTENANCE	4.55
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	151.04
SEWER	RANDY LYONS	REGISTRATION	20.00
SEWER	SOURCE ONE SOLUTIONS	POSTAGE	5.08
SEWER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	789.54
SEWER	MII LIFE	VEBA	745.90
SEWER	VET'S WHOA N'GO	GAS	67.72
		Total for Department 183	1,785.32*
		Total for Fund 63	1,785.32*
ARENA	MII LIFE	VEBA	371.36
ARENA	WINDOM COMMUNITY EDU	ADVERTISING	70.00
		Total for Department 184	441.36*
		Total for Fund 64	441.36*
ECONOMIC DEVELOPMENT	INDOFF, INC	SUPPLIES	27.23
ECONOMIC DEVELOPMENT	MII LIFE	VEBA	235.28
		Total for Department 187	262.51*
		Total for Fund 67	262.51*
TELECOMMUNICATIONS	DATA-PAC MAILING SYS	RESET FEE	4.47
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	453.13
TELECOMMUNICATIONS	SOURCE ONE SOLUTIONS	POSTAGE	15.24
TELECOMMUNICATIONS	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,727.12
TELECOMMUNICATIONS	MII LIFE	VEBA	665.78
TELECOMMUNICATIONS	QWEST COMMUNICATIONS	DIRECTORY LISTING	177.39
TELECOMMUNICATIONS	JEREMY ROLFES	SERVICE INTERNET	50.94
TELECOMMUNICATIONS	SUBWAY	EXPENSE	29.50
TELECOMMUNICATIONS	UNIVERSAL SERVICE AD	SERVICE USER FEES	2,227.46
TELECOMMUNICATIONS	VET'S WHOA N'GO	GAS	150.80
TELECOMMUNICATIONS	VOYAGER FLEET SERVIC	GAS	178.45
TELECOMMUNICATIONS	WOODSTOCK TELEPHONE	SERVICE	186.67
		Total for Department 199	5,866.95*
		Total for Fund 69	5,866.95*
		Grand Total	35,939.08*

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	MCDONALD & SCHRAMEL	LEGAL FEES	120.00
MAYOR & COUNCIL	WINDOM QUICK PRINT	SUPPLIES	77.97
	Total for Department 101		197.97*
CITY OFFICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
	Total for Department 103		6.50*
P & Z / BUILDING OFF	MCDONALD & SCHRAMEL	LEGAL FEES	48.00
P & Z / BUILDING OFF	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
P & Z / BUILDING OFF	WINDOM QUICK PRINT	SUPPLIES	22.58
	Total for Department 106		77.08*
LEGAL	MCDONALD & SCHRAMEL	CONFERENCE	127.50
LEGAL	MCDONALD & SCHRAMEL	LEGAL SUPPLIES	144.12
	Total for Department 110		271.62*
CITY HALL	AMERIGAS - WORTHINGT	WATER TREATMENT	23.46
CITY HALL	COTTONWOOD COUNTY SO	RECYCLING PICK UP	2,052.58
CITY HALL	CULLIGAN	SALT	14.00
CITY HALL	HOMETOWN SANITATION	HAUL GARBAGE	108.44
	Total for Department 115		2,198.48*
POLICE	COTTONWOOD CO TREASU	DISPATCHING	275.00
POLICE	COTTONWOOD CO TREASU	RENT	1,500.00
POLICE	MCDONALD & SCHRAMEL	LEGAL FEES	4,692.00
POLICE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	22.50
POLICE	WINDOM AREA HOSPITAL	TESTING	38.00
POLICE	WINDOM QUICK PRINT	SUPPLIES	22.58
	Total for Department 120		6,550.08*
FIRE DEPARTMENT	COTTONWOOD CO TREASU	DISPATCHING	212.50
FIRE DEPARTMENT	HEIMAN FIRE EQUIP. C	MAINTENANCE	474.54
FIRE DEPARTMENT	L & L SERVICE, INC	SUPPLIES	32.81
FIRE DEPARTMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
FIRE DEPARTMENT	PETERSON FEED	WOOD CHIPS	98.00
FIRE DEPARTMENT	RIVERSIDE LAUNDRY	SERVICE	32.09
FIRE DEPARTMENT	RUNNING'S SUPPLY	MAINTENANCE	45.08
FIRE DEPARTMENT	SCHWALBACH HARDWARE	MAINTENANCE	6.25
FIRE DEPARTMENT	CARQUEST AUTO PARTS	MINTENANCE	149.52
	Total for Department 125		1,057.29*
EMERGENCY MANAGEMENT	COTTONWOOD CO TREASU	DISPATCHING	12.50
EMERGENCY MANAGEMENT	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	200.00
	Total for Department 130		212.50*
ANIMALS	COTTONWOOD-SLAYTON V	VETERINARY SERVICE	783.47
	Total for Department 135		783.47*
STREET	COTTONWOOD CO TREASU	DISPATCHING	125.00
STREET	COTTONWOOD COUNTY SO	RECYCLING PICK UP	20.00
STREET	FOX BROTHERS	MAINTENANCE	240.47

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
STREET	GCC ALLIANCE CONCRET	MAINTENANCE	40.08
STREET	HOMETOWN SANITATION	HAUL GARBAGE	130.85
STREET	WINDOM AUTO VALU	MAINTENANCE	220.95
STREET	JIFFY-JR. PRODUCTS	SUPPLIES	236.42
STREET	MCDONALD & SCHRAMEL	LEGAL FEES	96.00
STREET	MACQUEEN EQUIP. CO.	MAINTENANCE	187.94
STREET	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
STREET	M-R SIGNS CO., INC	MAINTENANCE	111.15
STREET	POWERPLAN	MAINTENANCE	382.45
STREET	RUNNING'S SUPPLY	MAINTENANCE	293.06
STREET	SCHWALBACH HARDWARE	MAINTENANCE	95.34
STREET	COUNTRY PRIDE SERVIC	DISCOUNT FOR FUEL PER CO	-52.97
STREET	COUNTRY PRIDE SERVIC	MAINTENANCE	852.22
STREET	WINDOM QUICK PRINT	SUPPLIES	22.58
STREET	CARQUEST AUTO PARTS	MINTENANCE	120.26
	Total for Department 140		3,128.30*
RECREATION	CARQUEST AUTO PARTS	MINTENANCE	11.75
	Total for Department 150		11.75*
PARKS	COLE PAPER INC.	SUPPLIES	636.74
PARKS	COTTONWOOD CO TREASU	DISPATCHING	37.50
PARKS	HOMETOWN SANITATION	HAUL GARBAGE	148.00
PARKS	WINDOM AUTO VALU	MAINTENANCE	129.62
PARKS	LAMPERTS YARDS, INC.	MAINTENANCE	153.60
PARKS	RUNNING'S SUPPLY	MAINTENANCE	76.81
PARKS	SCHWALBACH HARDWARE	MAINTENANCE	196.11
PARKS	SOUTHERN MINN CONSTR	MAINTENANCE	199.29
PARKS	WINDOM QUICK PRINT	SUPPLIES	22.58
	Total for Department 165		1,600.25*
	Total for Fund 01		16,095.29*
LIBRARY	AUDIO GO	BOOKS	112.26
LIBRARY	CENTER POINT LARGE P	BOOKS	43.74
LIBRARY	GALE	BOOKS	125.97
LIBRARY	INGRAM	BOOKS	1,713.47
LIBRARY	J & K WINDOWS	CLEANING	20.00
LIBRARY	KDOM RADIO	ADVERTISING	66.00
LIBRARY	MICROMARKETING	BOOKS & AUDIO	434.79
LIBRARY	RECORDED BOOKS, LLC	SUBSCRIPTION	149.20
LIBRARY	READERS SERVICE	BOOK	40.22
LIBRARY	SPORTS ILLUSTRATED	SUBSCRIPTION	20.00
LIBRARY	TASTE OF HOME	SUBSCRIPTION	19.98
LIBRARY	THE NEW YORKER	SUBSCRIPTION	69.95
LIBRARY	WINDOM QUICK PRINT	SUPPLIES	22.58
LIBRARY	ENTERTAINMENT WEEKLY	SUBSCRIPTION	30.00
LIBRARY	FARM COLLECTOR	SUBSCRIPTION	59.95
LIBRARY	360 SOUND AND VISION	MOVIE	16.98
	Total for Department 171		2,945.09*

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
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	Total for Fund 03		2,945.09*
	WENCK ASSOCIATES, IN STREET SHOP		1,339.00
	Total for Department		1,339.00*
	Total for Fund 04		1,339.00*
POOL	LAMPERTS YARDS, INC.	MAINTENANCE	344.71
	Total for Department 175		344.71*
	Total for Fund 12		344.71*
AMBULANCE	ARROW MANUFACTURING	MAINTENANCE	182.36
AMBULANCE	BOUND TREE MEDICAL,	EQUIPMENT	902.64
AMBULANCE	COTTONWOOD CO TREASU	DISPATCHING	200.00
AMBULANCE	EMERGENCY MEDICAL PR	SUPPLIES	133.66
AMBULANCE	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	438.41
AMBULANCE	PRAXAIR DISTRIBUTION	SERVICE	409.02
AMBULANCE	SCHWALBACH HARDWARE	MAINTENANCE	9.60
AMBULANCE	WINDOM AREA HOSPITAL	SERVICE	2,119.87
AMBULANCE	WINDOM QUICK PRINT	SUPPLIES	22.58
AMBULANCE	CARQUEST AUTO PARTS	MINTENANCE	28.32
	Total for Department 176		4,446.46*
	Total for Fund 13		4,446.46*
MULTI-PURPOSE BUILDI	HOMETOWN SANITATION	HAUL GARBAGE	103.04
MULTI-PURPOSE BUILDI	HY-VEE FOOD STORE	MERCHANDISE	98.50
MULTI-PURPOSE BUILDI	KDOM RADIO	ADVERTISING	160.50
MULTI-PURPOSE BUILDI	RUNNING'S SUPPLY	MAINTENANCE	6.88
MULTI-PURPOSE BUILDI	SCHWALBACH HARDWARE	MAINTENANCE	33.72
MULTI-PURPOSE BUILDI	STONER INDUSTRIAL, I	SERVICE	84.22
MULTI-PURPOSE BUILDI	WINDOM FARM SERVICE	MAINTENANCE	1,068.54
MULTI-PURPOSE BUILDI	WINDOM QUICK PRINT	SUPPLIES	84.51
	Total for Department 177		1,639.91*
	Total for Fund 14		1,639.91*
LIQUOR	ENVIROMASTER, INC.	SERVICE	39.54
LIQUOR	CULLIGAN	SALT	8.71
LIQUOR	ELECTRIC FUND	MAINTENANCE	15.07
LIQUOR	GOPHER ALARMS	SERVICE	51.30
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	835.05
LIQUOR	HOMETOWN SANITATION	HAUL GARBAGE	48.06
LIQUOR	JOHNSON BROS.	MERCHANDISE	6,884.00
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	4,972.57
LIQUOR	S&K LINES	FREIGHT	484.80
LIQUOR	WINDOM QUICK PRINT	SUPPLIES	22.58
LIQUOR	BANK MIDWEST	NSF CHECK	26.85
LIQUOR	CAMPUS CLEANERS	MAINTENANCE	20.05

CITY OF WINDOM  
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
		Total for Department 180	13,408.58*
		Total for Fund 60	13,408.58*
	HD SUPPLY WATERWORKD	MAINTENANCE	3,284.15
		Total for Department	3,284.15*
WATER	COTTONWOOD CO TREASU	DISPATCHING	100.00
WATER	CONTROLS & METERS, I	MAINTENANCE	432.13
WATER	HAWKINS, INC	CHEMICALS	4,049.75
WATER	GCC ALLIANCE CONCRET	MAINTENANCE	194.73
WATER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
WATER	MN VALLEY TESTING	TESTING	112.50
WATER	SCHWALBACH HARDWARE	MAINTENANCE	188.71
WATER	HD SUPPLY WATERWORKD	MAINTENANCE	19.20
WATER	WINDOM FARM SERVICE	MAINTENANCE	56.99
WATER	WINDOM QUICK PRINT	SUPPLIES	22.58
		Total for Department 181	5,183.09*
		Total for Fund 61	8,467.24*
	B & B TRANSFORMER	INVENTORY	4,755.94
	BORDER STATES ELECTR	INVENTORY	7,557.62
	COOPER CROUSE - HIND	SUPPLIES	290.48
	ELECTRIC FUND	REFUND-UTILITY PREPAY-D.	230.24
	ELECTRIC FUND	REFUND-UTILITY PREPAY-E.	59.90
	RESCO	INVENTORY	9,400.72
	STAPLES OIL CO	FUEL	452.21
	WERNER ELECTRIC	MAINTENANCE	1,507.98
	WESCO DISTRIBUTION,	MAINTENANCE	252.65
	FABIOLA CERDA	REFUND - UTILITY PREPAYM	125.00
	EMILY JACOBSON	REFUND - UTILITY PREPAYM	240.10
	DANIEL HENDERSON	REFUND-UTILITY PREPAYMEN	69.76
		Total for Department	24,942.60*
ELECTRIC	CENTRAL MINNESOTA MU	POWER COST	263,647.95
ELECTRIC	COLE PAPER INC.	SUPPLIES	87.26
ELECTRIC	CONDEX INTERNATIONAL	MAINTENANCE	417.48
ELECTRIC	COTTONWOOD CO TREASU	DISPATCHING	187.50
ELECTRIC	ENERGY CONSERVATION	MAINTENANCE	975.00
ELECTRIC	HOMETOWN SANITATION	HAUL GARBAGE	84.75
ELECTRIC	KDOM RADIO	ADVERTISING	745.50
ELECTRIC	LAMPERTS YARDS, INC.	MAINTENANCE	7.28
ELECTRIC	LOCATORS & SUPPLIES,	CLOTHING	649.94
ELECTRIC	MCDONALD & SCHRAMEL	LEGAL FBES	180.00
ELECTRIC	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
ELECTRIC	MMUA	CONNECTOR LAYOUT	250.00
ELECTRIC	MISSOURI RIVER ENERG	SERVICE	7,561.10
ELECTRIC	RUNNING'S SUPPLY	MAINTENANCE	235.28
ELECTRIC	SCHWALBACH HARDWARE	MAINTENANCE	566.95

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	SKARSHAUG TESTING LA	SUPPLIES	323.17
ELECTRIC	STONER INDUSTRIAL, I	SERVICE	68.20
ELECTRIC	WERNER ELECTRIC	MAINTENANCE	104.45
ELECTRIC	WESCO DISTRIBUTION,	MAINTENANCE	302.52
ELECTRIC	WINDOM AREA DEVELOPM	INDUSTRIAL DEVELOPMENT	1,200.00
ELECTRIC	WINDOM FARM SERVICE	MAINTENANCE	220.06
ELECTRIC	WINDOM QUICK PRINT	SUPPLIES	314.59
ELECTRIC	CARQUEST AUTO PARTS	MINTENANCE	664.68
ELECTRIC	BANK MIDWEST	NSF CHECK	73.77
ELECTRIC	ZIEGLER, INC.	MAINTENANCE AGREEMENT	15,840.00
ELECTRIC	FLAG SHOOTER LLC	SUPPLIES	415.74
	Total for Department 182		295,129.67*
	Total for Fund 62		320,072.27*
SEWER	AUTOMATIC SYSTEMS CO	MAINTENANCE	286.91
SEWER	CALIFORNIA CONTRACTO	SUPPLIES	143.84
SEWER	COTTONWOOD CO TREASU	DISPATCHING	100.00
SEWER	HOMETOWN SANITATION	HAUL GARBAGE	85.04
SEWER	WINDOM AUTO VALU	MAINTENANCE	76.08
SEWER	JIFFY-JR. PRODUCTS	SUPPLIES	218.35
SEWER	MANKATO MOBIL - ALPH	MAINTENANCE CONTRACT	6.50
SEWER	MN VALLEY TESTING	TESTING	4,074.80
SEWER	DUANE W. NIELSEN	SERVICE	546.27
SEWER	RUNNING'S SUPPLY	MAINTENANCE	204.55
SEWER	SCHWALBACH HARDWARE	MAINTENANCE	358.21
SEWER	USA BLUE BOOK	MAINTENANCE	663.56
SEWER	VESSCO INC.	MAINTENANCE	91.66
SEWER	FERGUSON WATERWORKS	SUPPLIES	31.74
SEWER	FLEXIBLE PIPE TOOL C	MAINTENANCE	253.29
SEWER	SCHIEFFERT FINISHING	MAINTENANCE	4,501.20
	Total for Department 183		11,642.00*
	Total for Fund 63		11,642.00*
ARENA	AMERIPRIDE LINEN CO	SERVICE	81.84
ARENA	CULLIGAN	SALT	413.03
ARENA	HEARTLAND PAPER COMP	SUPPLIES	421.21
ARENA	HOMETOWN SANITATION	HAUL GARBAGE	261.76
ARENA	KDOM RADIO	ADVERTISING	74.00
ARENA	LAMPERTS YARDS, INC.	MAINTENANCE	98.81
ARENA	RUNNING'S SUPPLY	MAINTENANCE	18.85
ARENA	SCHWALBACH HARDWARE	MAINTENANCE	361.62
ARENA	STONER INDUSTRIAL, I	SERVICE	9.55
ARENA	WINDOM QUICK PRINT	SUPPLIES	22.58
	Total for Department 184		1,763.25*
	Total for Fund 64		1,763.25*
BANK MIDWEST	LOAN PAYMENT-PAID IN FUL		435,074.76

CITY OF WINDOM  
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Department			435,074.76*
ECONOMIC DEVELOPMENT	WINDOM QUICK PRINT	SUPPLIES	22.58
ECONOMIC DEVELOPMENT	BANK MIDWEST	LOAN PAYMENT-PAID IN FUL	2,921.92
Total for Department 187			2,944.50*
Total for Fund 67			438,019.26*
RIVERBLUFF ESTATES	CARQUEST AUTO PARTS	MINTENANCE	28.96
Total for Department 166			28.96*
Total for Fund 68			28.96*
NATIONAL CABLE TV CO EQUIPMENT			11,705.82
Total for Department			11,705.82*
TELECOMMUNICATIONS	ACTION BATTERY	WHOLE MAINTENANCE	583.43
TELECOMMUNICATIONS	BORDER STATES ELECTR	INVENTORY	408.70
TELECOMMUNICATIONS	GRAYBAR ELECTRIC CO	EQUIPMENT	1,376.73
TELECOMMUNICATIONS	HIGLEY FORD SALES	MAINTENANCE	70.06
TELECOMMUNICATIONS	HOMETOWN SANITATION	HAUL GARBAGE	73.92
TELECOMMUNICATIONS	HY-VEE FOOD STORE	BLANDIN MIRC	32.06
TELECOMMUNICATIONS	HY-VEE FOOD STORE	MERCHANDISE	3.18
TELECOMMUNICATIONS	KDOM RADIO	ADVERTISING	92.00
TELECOMMUNICATIONS	MCDONALD & SCHRAMEL	LEGAL FEES	72.00
TELECOMMUNICATIONS	CINNAMON MUELLER	SERVICE	477.00
TELECOMMUNICATIONS	NATIONAL CABLE TV CO	EQUIPMENT	290.58
TELECOMMUNICATIONS	ONVOY, INC	SS7 SERVICE	980.30
TELECOMMUNICATIONS	ONVOY, INC	WHOLE 800 SWITCH	1,532.06
TELECOMMUNICATIONS	CALIX	MAINTENANCE	1,013.64
TELECOMMUNICATIONS	RUNNING'S SUPPLY	MAINTENANCE	24.57
TELECOMMUNICATIONS	SOUTHWEST/WEST CENTR	SERVICE	833.33
TELECOMMUNICATIONS	STONER INDUSTRIAL, I	SERVICE	38.26
TELECOMMUNICATIONS	WINDOM QUICK PRINT	SUPPLIES	22.66
TELECOMMUNICATIONS	ZAYO BANDWIDTH	SS7 SERVICE	5,808.83
TELECOMMUNICATIONS	MANKATO NETWORKS LLC	SERVICE	1,000.00
TELECOMMUNICATIONS	HURRICANE ELECTRIC I	MBPS BANDWIDTH	1,000.00
Total for Department 199			15,733.31*
Total for Fund 69			27,439.13*
COLONIAL LIFE INSURA			INSURANCE 8.82
Total for Department			8.82*
Total for Fund 70			8.82*
Grand Total			847,659.97*



Minnesota Energy Resources  
2665 145<sup>th</sup> Street West  
Rosemount, MN 55088-0455

May 9, 2011

To: All Municipalities, Counties, and Local Governing Bodies within Minnesota Energy Resources Corporation's Minnesota Service Area, and to All Parties in Minnesota Energy Resources Corporation's last two rate cases.

Dear Sir and Madam:

Pursuant to Order Point 4 of the January 28, 2011 "Notice and Order For Hearing" in Minnesota Public Utilities Commission Case No. G007,011/GR-10-977, enclosed are the notices of the evidentiary and public hearings.

Please contact me at 920-433-2926 with any questions.

Sincerely yours,

A handwritten signature in black ink that reads "Seth DeMerritt". The signature is written in a cursive, slightly slanted style.

Seth DeMerritt  
Rate Case Consultant

## PUBLIC HEARINGS SCHEDULE

### Rochester

**Thursday, June 23 at 2 p.m.**  
Olmsted County Govt Center – Room 104  
151 4th Street SE

### Rosemount

**Thursday, June 23 at 7 p.m.**  
Dakota County Technical College – Room 2-104  
1300 145th Street East

### Cloquet

**Monday, June 27 at 7 p.m.**  
Cloquet City Hall – Council Chambers  
1307 Cloquet Avenue

## WRITTEN COMMENTS

You may also send written comments to:

Administrative Law Judge Manuel J. Cervantes  
Office of Administrative Hearings  
P.O. Box 64620  
St. Paul, MN 55164-0620  
E-mail: Manuel.Cervantes@state.mn.us

Written comments are most effective when they include:

- 1) the issue in MERC-PNG's proposal you are addressing;
- 2) your specific recommendation; and
- 3) the reason for your recommendation.

Please reference Docket Numbers OAH 16-2500-21807-2 and MPUC G-007, 011/GR-10-977 in all correspondence. The deadline for written comments is July 7, 2011.

## ACCOMMODATIONS

If you need any reasonable accommodation in order to enable you to fully participate in these public hearings (i.e., sign language or large print materials), please call the MPUC at 651-296-0406 (voice) or 1-800-657-3782 at least one week in advance of the meeting. Persons with hearing or speech disabilities may call through Minnesota Relay at 1-800-627-3529 or by dialing 711.

## EVIDENTIARY HEARINGS

Formal evidentiary hearings on MERC-PNG's proposal are scheduled to start on July 19, 2011, in the PUC's Large Hearing Room, 121 Seventh Place East, Suite 350, St. Paul, MN. The purpose of the evidentiary hearings is to allow MERC-PNG, the Minnesota Department of Commerce-Office of Energy Security, the Minnesota Office of the Attorney General-Residential Utilities Division and others to present sworn testimony and to cross-examine witnesses on the structure and reasonableness of the proposed rate increase. Anyone who wishes to formally intervene in these proceedings should contact the Administrative Law Judge, Manuel J. Cervantes, at the Office of Administrative Hearings, P.O. Box 64620, St. Paul, MN 55164-0620.

## EFFECT OF RATE CHANGES

Below are examples of the effect of the proposed increase on typical bills of MERC-PNG customers. Individual changes may be higher or lower depending upon actual natural gas usage. The rate changes described in this notice have been requested by MERC-PNG. **The MPUC may either grant or deny the requested changes, in whole or in part, and may grant a lesser or greater increase than that requested by MERC-PNG for any class or classes of service.**

## PROPOSED CHANGE IN AVERAGE MONTHLY BILLS MERC-PNG Northern Natural Gas Company Service Area

Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill*	Interim Monthly Bill	Proposed Monthly Bill
General Service – Residential Sales	75	\$76	\$78	\$82
General Service – Small Commercial & Industrial Sales	80	\$83	\$85	\$90
General Service – Large Commercial & Industrial Sales	669	\$614	\$625	\$643
Small Volume Interruptible and Joint Sales	3,282	\$2,327	\$2,371	\$2,369
Large Volume Interruptible and Joint Sales	9,947	\$6,267	\$6,312	\$6,248
Transportation	200,252	\$3,478	\$3,750	\$3,671

\* The present rate levels identified in this application represent the rates authorized in Docket No. G-007,011/GR-08-835.

In addition to the proposed increases in the average monthly bill described in the table, MERC-PNG is proposing to increase the **monthly Customer Charge** and the **per therm Distribution Charge** for all of its customers.

MERC is also proposing a revenue decoupling mechanism for residential and small commercial customers to reduce MERC's disincentive to promote energy conservation. If approved, revenue decoupling would allow MERC to automatically adjust rates up or down each year to make up for any shortfall or excess in sales revenue.

MERC is also requesting approval to charge the same rates to its customers in the MERC-PNG Northern Natural Gas Company and MERC-NMU Northern Natural Gas Company service areas.

## FOR MORE INFORMATION

You may visit MERC-PNG's offices during normal business hours to examine the current and proposed rate schedules. Our offices are located in:

Bemidji: 301 2nd Street NW

Cloquetv 910 Cloquet Avenue

Fairmont: 304 North Park Street

Rochester: 3460 Technology Drive NW

Rosemount: 2665 145th Street West

Details of these proposed charges for customers in your proposed rate area are described in the February 2011 notice of interim gas rates for MERC-PNG Customers Served by The Northern Natural Gas Pipeline that was in your February bill and are also available here: [http://www.minnesotaenergyresources.com/company/rate\\_case.aspx](http://www.minnesotaenergyresources.com/company/rate_case.aspx)

Or, you may contact the Minnesota Department of Commerce (MDOC):

MDOC

85 7th Place East, Suite 500

St. Paul, MN 55101

Phone: 651-296-9314

Web: <https://www.edockets.state.mn.us/>

**EFiling/search.jsp**. Select 10 in the year field, enter 977 in the number field, click on Search, and the list of documents will appear on the next page.

Customers may also register a comment or complaint with the Minnesota Public Utilities Commission:

MPUC

121 7th Place East, Suite 350

St. Paul, MN 55101-2147

Email: [PublicComments.puc@state.mn.us](mailto:PublicComments.puc@state.mn.us)

Phone: 651-296-0406 or 1-800-657-3782

Persons with hearing or speech disabilities may contact the MDOC or MPUC through Minnesota Relay at 1-800-627-3529 or by dialing 711.

## IMPORTANT

Comments will be made available to the public on the MPUC's website, except in limited circumstances consistent with the Minnesota Government Data Practices Act. The MPUC does not edit or delete personal identifying information from submissions.

IMPORTANT INFORMATION  
about your natural gas rates

## RATE INCREASE NOTICE

For MERC-PNG Customers served by  
the Northern Natural Gas Pipeline

## NOTICE OF PUBLIC HEARINGS FOR MINNESOTA ENERGY RESOURCES

On November 30, 2010, Minnesota Energy Resources Corporation-PNG ("MERC-PNG") asked for permission to increase its natural gas rates by approximately \$13.7 million, or about 5.9% overall. Depending upon customer class and usage, the actual percentage of any increase will vary. The requested increase would add about \$5.46 to a typical residential customer's monthly bill in the MERC-PNG Northern Natural Gas Pipeline rate area.

The Minnesota Public Utilities Commission ("MPUC") will make its decision regarding the final rates in early 2012.

## PUBLIC COMMENT

Administrative Law Judge Manuel J. Cervantes has scheduled public hearings so that customers may present their views regarding MERC-PNG's recently filed rate case. MERC-PNG customers and members of the public are invited to attend and to provide comments at the hearings. You are invited to comment on the adequacy and quality of MERC-PNG's service, the level of rates or other related matters. You do not need to be represented by an attorney in order to participate in these hearings.





Coalition of Greater Minnesota Cities  
**CGMC in Brief**

May 12, 2011

Contact: Tim Flaherty  
651-225-8840

**Senate Protects  
Dedicated Money  
For Greater  
Minnesota Trails**

The Legacy funding bill, S.F. 1363, passed off the Senate floor after a contentious discussion over the dedication of funds to parks and trails in Greater Minnesota. As amended, the bill dedicates 39% of the funding to state parks, 39% to metropolitan parks and 22% to regional parks and trails in Greater Minnesota.

Senator Ken Kelash (DFL – Minneapolis) offered an amendment that would have allowed metropolitan parks to compete with greater Minnesota parks for grants. If it would have passed, then there would have been no money dedicated to greater Minnesota in the bill. The amendment was defeated on a 32-33 vote. All greater Minnesota GOP and DFL legislators present voted against the amendment. Three metropolitan legislators, Sen. Michelle Benson (R-Ham Lake), Senator Benjamin Kruse (R-Brooklyn Park) and Senator Geoff Michel (R-Edina) joined with these legislators to vote against the amendment. Special thanks to these three suburban legislators along with Senator Ingebrigtsen (R – Alexandria), Senator Carlson, (R – Bemidji) and Senator Pederson (R – St. Cloud) for their hard work supporting parks and trails in greater Minnesota.

**Conference  
Committees  
Continue To Meet**

The conference committees continue to meet but so far there has not been much progress on a final budget solution. The committees, including the tax committee, have adopted same and similar provisions along with some of the less controversial provisions. The constitutionally mandated end of the regular session is May 23.

**2012 Capital  
Investment  
Guidelines**

Cities that are interested in seeking bonding money in 2012 should visit the MMB website where instructions and forms for the next capital investment cycle. <http://bit.ly/mMlKYv> If you are planning to make a request, your application is due by June 24, 2011.

**LGA Media Round  
Up**

Greater Mankato Growth, a group of Mankato area businesses, recently surveyed its membership and found that a large majority supported LGA. The Austin Daily Herald covered the story here: <http://bit.ly/kiEMuw> and the Mankato Free Press wrote about it here: <http://bit.ly/kiEMuw>

Last week's mayors' meetings in Moorhead and Alexandria continued to make headlines. The Morris Sun Tribune ran an article about the meeting here: <http://bit.ly/mceXpt> and an op-ed column stating it'll be easier to stop the cuts to LGA now than to try to restore them in the future: <http://bit.ly/j2CyI1>.

The small group of legislators determined to end LGA earned a "spurge," the Fargo Forum unique "thumbs down," in a brief editorial mention: <http://bit.ly/jyYnNk>



## Minnesota River Report

On Monday the Minnesota Pollution Control Agency released a report regarding the health of the Minnesota River. The river basin has improved little over the last twenty years. The good news for cities is that point sources, particularly wastewater treatment facilities, are not mentioned as contributing to the problem. The not-so-great news is that the increase in urbanization “and subsequent addition of impervious surfaces” is mentioned as a stressor to the river. Agricultural production, however, is identified as the primary contributor to increasing problems. The findings of this report will likely inform discussions at the capitol regarding how resources should be allocated to address water quality issues. A copy of the press release and report is available at <http://bit.ly/iul5sY>

## Redistricting Update

MPR also broadcasted a story today regarding sedimentation in Lake Pepin. The story explained how agricultural drainage is causing this problem and recommended that federal agricultural policy needs to change in order to address this problem, something the CGMC has been suggesting for years. Listen and read more at <http://bit.ly/kZuZaw>

Redistricting plans continue to move forward in the House and Senate. This week the House and Senate GOP released their congressional map. If adopted, this plan would create congressional districts in Greater Minnesota that look like horizontal stripes across the state. The Senate also released its legislative plan which is identical to the amended House plan. These bills will likely reach the floor and then the governor’s desk next week. Governor Dayton has stated that he would not accept a plan that lacks bipartisan support. The GOP plans lack support from the DFL and could not be described as bipartisan. You can find the latest versions of the maps here: <http://bit.ly/jQxj03>

## 2011 CGMC Labor & Employee Relations Seminars

The CGMC Labor and Employee Relations Committee will be sponsoring two seminars again this year from 10:00 a.m. to 4:00 p.m. as follows: **Thursday, June 2, 2011 in Brainerd** and **Thursday, June 9, 2011 in Mankato**. Additional details and registration materials were emailed to all CGMC cities and are available online at <http://www.greatermncities.org/>.

## CGMC Breakfast at LMC Annual Conference set for June 17

If you are planning on attending the League of Minnesota Cities Annual Conference in Rochester please plan on attending our annual CGMC breakfast from 7:30-8:30 on Friday, June 17<sup>th</sup>. Breakfast will be onsite at the Mayo Civic Center and should provide an excellent opportunity to network with other officials from across Minnesota and get an update from the legislature by CGMC staff. If you are planning on attending please contact Colleen Millard at [cmillard@flaherty-hood.com](mailto:cmillard@flaherty-hood.com) or at 651-225-8840.

## Save the Date for the Summer Conference!

The CGMC summer conference will be August 3, 4 and 5 in Grand Rapids, Minnesota. Please save the date! Details to follow.





## Submit Capital Improvement Appropriation Requests by June 24

**Local governments may submit state bond appropriation requests at any time, but MMB has set a suggested deadline.**

*(Published May 11, 2011)*

Minnesota Management & Budget (MMB) has released instructions for cities, counties, and other political subdivisions of the state to request an appropriation of state bond proceeds for local capital improvement projects as part of the 2012 legislative session capital budget process.

**Access 2012-2017 capital budget instructions for local governments** *(Link to:*

*http://www.mmb.state.mn.us/capbudget/budget-cap)*

While the Legislature can pass a bonding bill (capital investment legislation) at any time, large bonding bills are typically passed during sessions in even-numbered years. Following is a timeline that local governments should keep in mind if they wish to submit a request:

- **May 9, 2011:** Capital budget instructions posted to MMB website.
- **June 24, 2011:** Suggested\* deadline date for local governments to submit capital requests to MMB in order to be included in MMB's preliminary capital budget submission to the Legislature.
- **July 15, 2011:** As required by statute, MMB must submit all state agency and local government capital budget requests to the Legislature.
- **January 13, 2012:** Again, as required by statute, the governor submits his 2012 capital budget to the Legislature.

\*Local governments, by statute, may submit requests at any time. However, if a local government meets this deadline, its project will be included in MMB's preliminary capital budget submission to the Legislature, which will give that project greater exposure.

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

### Your LMC Resource

Contact the League's intergovernmental relations (IGR) staff with questions.

**Connect with IGR staff** *(Link to: <http://www.lmc.org/page/1/IGR-Staff.jsp>)*

## For More Information

### Contact Gay Greiter

Capital Budget Coordinator

Minnesota Management & Budget

(651) 201-8049

**[gay.greiter@state.mn.us](mailto:gay.greiter@state.mn.us)** *(Link to: <mailto:gay.greiter@state.mn.us>)*

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## Slimmed-Down Mandate Bills Make Deadline

**Most of the mandate meat has been taken out of these bills as groups have come forward asking that their single provisions be saved.**

*(Published May 11, 2011)*

Both **HF 705** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF705&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF705&ssn=0&y=2011)) (**Rep. Roger Crawford** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15344](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15344)), R-Mora) and its companion **SF 1260** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF1260&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1260&ssn=0&y=2011&ls=87)) (**Sen. Benjamin Kruse** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15333](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15333)), R-Brooklyn Park) skated through deadline last week as each had its final stop in a policy committee. Most of the substantive issues have been stripped out—alternative publication authority for cities/counties, building permit reporting, and language making it permissive for cities to designate a building official.

Both are now in finance committee (SF 1260 in **Senate Finance** ([Link to: http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmte\\_id=1007&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=1007&ls=)) and HF 705 in **House Ways and Means** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87024](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87024))), and will likely get their hearings soon before going to the floor.

One of the few sections remaining on the Senate side for cities deals with the repeal of the aggregate value of benefits—which was the top priority this year for the League's Human Resources & Data Practices Policy Committee. That repeal of aggregate value was stripped out of the **House Judiciary Policy and Finance Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87014](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87014)) on May 5, before members voted it out. League human resources staff have testified in three committees to date on this provision, and various unions testified against the provision as well.

Another controversial mandate issue has been repealing the requirement that counties have their audits done through the Office of State Auditor (OSA). First-class cities are also mandated to have their audits done by the OSA; other cities are able to use private audit firms. The issue has come up several times over the last few weeks with the state auditor testifying each time. The provision has been part of SF 1260, along with bills that only contain this county audit issue. Those bills are **HF 1063** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF1063&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1063&ssn=0&y=2011)) (**Rep. Rich Murray** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15362](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15362)), R-Albert Lea) and **SF 896** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF0896&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0896&ssn=0&y=2011&ls=87)) (**Sen. Ted Daley** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15327](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15327)), R-Eagan).

Other mandate relief is still alive in other bills—for example temporary relief on library maintenance of efforts in the tax bill. The Senate position is for a 10 percent reduction; the House is an outright repeal for two years.

On a similar track, the House Redesign Caucus held a public policy forum on the topic of streamlining at the Minnesota History Center on May 9. **Rep. Carol McFarlane** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15278](http://www.house.leg.state.mn.us/members/members.asp?id=15278)) (R-White Bear Lake) pulled the event together with bipartisan support from both the House and Senate, and the Minneapolis Foundation and the St. Paul Foundation, whose representatives stated in their opening remarks that they were concerned about the long-term health of the state.

The two-hour event drew numerous legislators and those interested in public policy around the topic of streamlining and service delivery. It included presentations by Tom Stinson, the state economist; Tom Gillaspay, the state demographer; Lutheran Social Services; and the Association of Minnesota Counties. Rep. McFarlane wrapped up the time by asking everyone present to consider serving on a working group this summer on one of the following topics: state government, local government, education, health and human services, tax and budget policy. Look for more on this topic from the League during the interim.

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

## Your LMC Resource

### Contact Jennifer O'Rourke

IGR Representative

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

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

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## Gov. Dayton Unveils 'Better Roads' Initiative

**The measure provides nearly \$400 million to improve pavements on the state highway system.**

*(Published May 11, 2011)*

Gov. Dayton and Minnesota Department of Transportation (MnDOT) Commissioner Tom Sorel unveiled a highway infrastructure improvement program on May 3. The four-year program, called the "Better Roads for a Better Minnesota" initiative, is aimed at improving existing highways determined to be in poor condition. According to the governor, it will result in approximately 9,900 direct and indirect private-sector jobs across the state.

Funding for the \$398 million program will come from current state and federal funds, as well as previously authorized bonds. This funding is in addition to the \$980 million MnDOT already has committed through June 30, 2014, (fiscal year 2015) for improving pavements.

"Minnesota roads are aging faster than our transportation investments can keep up," Commissioner Sorel said at a news conference unveiling the initiative. "Investing in roads now will stop the accelerated decline of our infrastructure and allow for more sustainable maintenance in the future."

State performance measures currently show that about 750 miles of trunk highway in Minnesota are classified as "poor" condition. Without additional investment, the number of miles in poor condition is estimated to increase to 1,900 by the year 2020.

Sorel said that a key component of the Better Roads program will be exploring use of innovative methods of contracting, design, and construction to get the highest return on investment.

According to Federal Highway Administration estimates, 9.5 direct jobs are supported per million dollars spent on highway construction, or about 3,400 direct jobs. The bulk of the Better Roads work will be concrete and asphalt repaving, requiring heavy equipment operations. Contractors will excavate and then repair or replace culverts and other drainage systems, and electricians will work on light systems and traffic signals as needed. There will also be freeway traffic management system repair work, and Americans with Disabilities Act masonry work such as curb ramps and sidewalks as well as traffic signal crossing enhancements.

- **Learn more about the Better Roads program** (*Link to: <http://www.dot.state.mn.us/betterroads>*)
- **View a map of statewide Better Roads projects (pdf)** (*Link to: <http://mn.gov/governor/multimedia/pdf/betterroadsstatewide5-2.pdf>*)
- **View a map of metro area Better Roads projects (pdf)** (*Link to: <http://mn.gov/governor/multimedia/pdf/betterroadsmetro5-2.pdf>*)

- **View a one-page fact sheet about Better Roads for a Better Minnesota (pdf)** *(Link to:*

*http://mn.gov/governor/multimedia/pdf/Better-Roads-For-A-Better-Minnesota.pdf)*

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

## Your LMC Resource

### Contact Anne Finn

Assistant IGR Director

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

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

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## Omnibus Liquor Bill Brings Sparkling Floor Debate

**This year's liquor bill contains little controversy for cities, but the House floor debate brought up the Sunday sales issue.**

*(Published May 11, 2011)*

**SF 918** (Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF0918&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0918&ssn=0&y=2011)) (**Sen. Chris Gerlach** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10208](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10208)), R-Apple Valley) and **HF 1326** (Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF1326&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1326&ssn=0&y=2011)) (**Rep. Joe Atkins** (Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10753](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10753)), DFL-Inver Grove Heights) represent this year's omnibus liquor bills, although they are not directly companion bills. While a few controversial related topics have come forward this year, both bills are relatively non-controversial at this point.

HF 1326 came up on the House floor on May 10, where an amendment was offered by **Rep. Phyllis Kahn** (Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10302>) (DFL-Minneapolis) to allow the sale of liquor on Sundays and holidays like Thanksgiving and Christmas Eve, which are currently not allowed in statute. Rep. Kahn ultimately withdrew the amendment after a debate on the issue.

The Sunday sales provision was not included in either bill going to the floor; it could be deemed the most contentious liquor issue for session 2011. The **House Commerce and Regulatory Reform Committee** (Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87004>) elected not to hear the Sunday sale bill, **HF 375** (Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF375&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF375&ssn=0&y=2011)) (Rep. Kahn), while the Senate did hear the companion bill, **SF 197** (Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF0197&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0197&ssn=0&y=2011&ls=87)) (**Sen. Roger Reinert** (Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15299](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15299)), DFL-Duluth), and ultimately passed it out to the **Senate Finance Committee** (Link to: [http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmte\\_id=1007&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=1007&ls=)). Many argue that the Sunday sales provision would lead to wine in grocery stores as those 3.2 outlets would no longer have a market for their products. The proponents argue for buyers' convenience and the possibility of increased revenues to state coffers. Opponents argue it does not raise revenues, but simply spreads out the sales over seven days rather than six—and results in more overhead for retailers.

During the floor debate, numerous representatives got up to speak for and against the provision. Rep. Atkins, chief author of the omnibus liquor bill and former chair of the House Commerce Committee gave some of the closing remarks on the topic, stating that when he was chair, he was contacted by numerous mayors, public safety officials, and municipal store operators who were against Sunday sales. While the League does not have a formal position on the Sunday sales this year, League staff have been contacted by city officials on both sides. The LMC Improving Service Delivery Policy Committee will be updated this interim, and could develop an official policy position on the bill as it is likely to come back in the next few years.

Another controversial issue is found in **HF 1035** (*Link to:*

[https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF1035&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1035&ssn=0&y=2011)) (**Rep. Sarah Anderson** (*Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15269](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15269)*), R-Plymouth), which would repeal the prohibition on a city issuing more than one off-sale license to any one person or place (**Minnesota Statutes, section 340A.412, subdivision 3** (*Link to: <https://www.revisor.mn.gov/statutes/?id=340A.412>*)). The companion to that is **SF 1273** (*Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF1273&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1273&ssn=0&y=2011)*) (**Sen. Dave Senjem** (*Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10806](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10806)*), R-Rochester) and comes from some of the grocery store interests at the Capitol.

The trend for those retailers has been to open liquor stores right next to grocery stores—with separate entrances. This started partly because the wine in grocery stores issue was not advancing in the early 2000s, and food retailers were interested in selling liquor products. Many grocery stores, however, have more than one store in several cities—at least in the metro area and in some bigger regional centers.

The bill has not had a hearing this session, and likely will not at this point with deadlines past. It too, could come up as an amendment and is certainly possible for next session. During the interim, the League's Improving Service Delivery Policy Committee may consider this, along with the Sunday sales issue, for possible policies next session.

Here is a glimpse of what is contained in SF 918 related to cities:

- Section 4 authorizes a municipality to issue a brewer a brewer taproom license. This has been referred to as the Surly bill, for the Brooklyn Center Surly micro-beer producer, which is interested in having a restaurant/pub-type operation next to its brewery. This would be a separate brewery from the Brooklyn Center location. This issue is also traveling as a separate bill. The League worked with the advocates to make sure this lined up with similar licensing for restaurants and bars.
- Section 6 allows a city to issue an on-sale intoxicating liquor license to an auto racing facility located in the city.
- Section 7 allows a municipality to issue a temporary license to an association of wineries sponsoring an annual festival to sell wine on-sale and off-sale at the festival. Purchasers would be limited to two bottles.
- Section 8 allows a municipality to issue a temporary license to a farm winery for on-sale at a county fair of intoxicating liquor produced by the winery.
- Section 9 allows a municipality to issue an on-sale intoxicating liquor license to a private college.
- Section 10 repeals the prohibition on issuing a liquor license within 1,500 feet of a university. This comes from the city of Moorhead.
- Section 11 authorizes White Bear Township to issue liquor licenses for establishments within its jurisdiction, consistent with the authority currently granted to Ramsey County under the liquor laws.

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

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## Tax Conference Committee Update

**The conference committee continues to meet, but progress has been slow due to the lack of a committee target for revenues and expenditures.**

*(Published May 11, 2011)*

On May 9, with just two weeks remaining in the 2011 regular session, the conference committee on the omnibus tax bill (**HF 42** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF42&ssn=0&y=2011)

*b=House&f=HF42&ssn=0&y=2011*)) held its sixth meeting. The focus of the committee agenda was the House and Senate reductions to city and county local aid and credit reimbursement programs. The committee has made only a few decisions on largely policy items while members wait for committee budget targets.

Testifying during the hearing were several local government organizations including the League, Metro Cities, the Municipal Legislative Commission, and the Minnesota Inter-County Association. The committee also heard from the City of Ramsey on a city tax increment financing project that requires legislative authorization.

During testimony, the League reminded conference committee members about the recent history of city cuts since the state began experiencing deficits in the fall of 2008, including \$66 million in reductions in 2008, \$64 million in 2009, \$180 million in 2010, and \$56 million in permanent annual reductions beginning with the calendar year 2011 distributions. The reductions in the House and Senate plans would be in addition to these significant recent aid and credit reductions.

The League also highlighted the differences between the two bills, including the fact that the House bill differs from the historical process of applying cuts to cities as a flat percentage of each city's revenue base (certified levy plus local government aid [lga]), which has traditionally been used as a proxy for each city's budget. In this manner, the cuts to each city have been relatively similar in terms of impact. However, under the House bill, the cuts to Minneapolis, St. Paul, and Duluth are a straight four-year phase-out of their entire LGA distributions.

Under the Senate bill, the cuts for 2011 and 2012 are essentially identical, despite the fact that cities are already five months into their 2011 calendar year. In both 2003 and 2009, Gov. Pawlenty attempted to lessen the mid-year impact of cuts by placing more of the reduction in the second year of the biennium, which was intended to allow cities more time to adjust their budgets.

The League testified in support of the House and Senate changes that will eliminate the current market value homestead credit (MVHC) program and convert the system into a classification reduction for homeowners. Since MVHC was implemented in 2002, the program has been underfunded nearly every year. After the ratified 2010 unallotment reductions and last year's 2010 supplemental budget cuts, the MVHC reimbursement was reduced to only \$12 million of the original \$82 million, or roughly 15 percent of the reimbursement that was due to be paid to cities.

Under the current MVHC system, the certified levy of each local unit of government is reduced by the credit amount while the state is supposed to reimburse each local unit for the reduction. When the MVHC reimbursement is not fully paid by the state, the affected cities receive less property tax revenue than certified.

Senate Tax Chair **Julianne Ortman** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1044&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1044&ls=)) (**R-Chanhassen**) challenged the League's assertion that LGA and MVHC reimbursements were being cut under the Senate bill, stating that the Senate bill simply continues the 2010 funding levels for both programs for the 2011 distributions, and that LGA funding for 2012 and beyond would be frozen at the 2010 level. The League acknowledged that the Senate bill is a continuation of the 2010 LGA and MVHC reimbursement funding levels but that relative to the 2011 certified LGA amounts, the Senate plan represents a cut from current law.

With less than two weeks to go in the regular 2011 session, the tax conference committee and all of the major appropriations conference committees have still not been given revenue and expenditure targets by House and Senate leadership and, as a result, there have been no decisions on a compromise between the House and Senate positions on cuts to cities.

For more information on the contents of the House and Senate omnibus tax bills, please review these previous articles:

- **Progress is Slow for the Tax Conference Committee** ([Link to: http://www.lmc.org/page/1/taxconfcmte.jsp](http://www.lmc.org/page/1/taxconfcmte.jsp))
- **Tax Conference Committee Focuses on TIF Proposals** ([Link to: http://www.lmc.org/page/1/local-tif-bills.jsp](http://www.lmc.org/page/1/local-tif-bills.jsp))
- **Conference Committee Begins Big Job of Reconciling Tax Bills** ([Link to: http://www.lmc.org/page/1/omni-tax.jsp](http://www.lmc.org/page/1/omni-tax.jsp))

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

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## MnDOT Public Workshop Series Begins Next Week

**The process will help the agency ensure future transportation planning efforts better align with Minnesotans' expectations.**

*(Published May 4, 2011)*

Minnesotans will help determine the state's transportation system vision for the next 50 years when the Minnesota Department of Transportation (MnDOT) hosts a series of workshops across the state. The first workshops are happening next week in St. Cloud, Fergus Falls, Bemidji, and Duluth.

"Our current financial challenges and aging infrastructure make establishing a vision even more important," said Tom Sorel, MnDOT commissioner. "The Minnesota GO workshops are Minnesotans' opportunity to communicate their expectations for transportation today and for the next generation."

The process will help the agency ensure future transportation planning efforts better align with Minnesotans' expectations. MnDOT officials point out that the workshops are not the correct venue to advocate for a specific construction project.

A 31-member steering committee will review feedback from the workshops, online discussions and related research. This will serve as the foundation for the recommended 50-year transportation vision statement and set of objectives. A public hearing on the proposed vision will follow in July.

MnDOT and other transportation organizations will then use the vision and information to develop and update short-term and long-term multi-modal transportation plans.

**Learn more and access a list of workshop dates and locations** *(Link to:*

*<http://www.citizing.org/projects/minnesotago/page/554>)*

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

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**Sent:** Friday, May 06, 2011 4:08 PM  
**Subject:** Friday Fax--May 6, 2011  
**Statutory changes take effect today after Governor signed variance bill**

Yesterday the Governor signed 2011 Minn. Laws Ch. 19 (HF 52\*/SF 13), amending Minn. Stat. Sec. 462.357, subd. 6 to restore municipal variance authority in response to *Krummenacher v. City of Minnetonka*, 783 N.W.2d 721 (Minn. June 24, 2010). The law also provides consistent statutory language between Minn. Stat. Ch. 462 and the county variance authority of Minn. Stat. Sec. 394.27, subd. 7.

In *Krummenacher*, the Minnesota Supreme Court narrowly interpreted the statutory definition of "undue hardship" and held that the "reasonable use" prong of the "undue hardship" test is not whether the proposed use is reasonable, but rather whether there is a reasonable use in the absence of the variance. The new law changes that factor back to the "reasonable manner" understanding that had been used by some lower courts prior to the Minnesota Supreme Court decision of *Krummenacher*.

The new law is effective today, May 6, 2011. Presumably it applies to pending applications, as the general rule is that cities are to apply the law at the time of the decision, rather than at the time of application.

The new law renames the municipal variance standard from "undue hardship" to "practical difficulties" but otherwise retains the familiar three factor test of (1) reasonableness, (2) uniqueness and (3) essential character. Also included is a sentence new to city variance authority that was already included in the county statutes: "Variances shall only be permitted when they are in harmony with the general purposes and intent of the ordinance and when the terms of the variance are consistent with the comprehensive plan."

So in evaluating variance requests under the new law, cities should adopt findings addressing the following questions:

- Is variance in harmony with purposes and intent of ordinance?
- Is variance consistent with the comprehensive plan?
- Does proposal put property to use in a reasonable manner?
- Are there unique circumstances to the property not created by the landowner?
- Will the variance, if granted, alter the essential character of the locality?

Some cities may have ordinance provisions that codified the old statutory language, or that have their own set of standards. For those cities, the question may be whether you have to first amend your zoning code before processing variances under the new standard. A credible argument can be made that the statutory language pre-empts inconsistent local ordinance provisions. Under a preemption theory, cities could apply the new law immediately without necessarily amending their ordinance first. In any regard, it would be best practice for cities to revisit their ordinance

provisions and consider adopting language that mirrors the new statute.

In addition, the new law clarifies that conditions may be imposed on granting of variances if those conditions are directly related to and bear a rough proportionality to the impact created by the variance.

*If you have further questions about how your city should approach variances under this new statute, you should discuss it with your city attorney or contact either Jed Burkett ([jburkett@lmc.org](mailto:jburkett@lmc.org); 651.281.1247) or Tom Grundhoefer ([tgrundho@lmc.org](mailto:tgrundho@lmc.org); 651.281.1266) at the League.*

### **Public finance bill generates lots of questions**

On Wednesday night the House Tax committee took up several bills, including the perennial public finance bill (HF 794, Rep. Greg Davids, R-Preston) brought forward by the Minnesota Institute of Public Finance. The bill almost always consists of small changes and technical fixes drummed up by those working in public finance at the various law and consulting firms who work on municipal finance. This year's bill generated more fireworks in committee, not because of anything so controversial—but perhaps related to the exceptionally keen interest members have had in general municipal finance, city fund balances, tax increment financing and state aids like LGA this session. The House Property Tax committee recently took up the Office of the State Auditor's City Finances report—and spread out their questioning over two committee hearings. In response to the Wednesday night questioning, the League has made an offer to legislators to assist in coordinating any public finance 101-type presentation legislators might be interested in for the tax committee, or otherwise. In the past, the League's TIF Task Force has expressed interest in educating more legislators on the topics of tax increment, etc.

*Questions or concerns? Contact Jennifer O'Rourke, (651) 281-1261 or [jorourke@lmc.org](mailto:jorourke@lmc.org).*

### **Thinned-down mandate bills make it to deadline**

Both HF 705 (Rep. Roger Crawford, R-Mora) and its companion SF 1260 (Sen. Benjamin Kruse, R-Brooklyn Park) skated through the deadline this week as each had its final stop in committee. Most of the substantive issues have been stripped out—alternative publication authority for cities/counties, building permit reporting, and language making it permissive for cities to designate a building official. One of the few sections remaining on the Senate side for cities, deals with the repeal of the aggregate value of benefits—which was the top priority for the League's Human Resources & Data Practices Policy Committee. That repealer was stripped out of committee on Thursday morning in the House Judiciary committee. League human resources staff have testified in three committees to date on this provision, and the various unions have testified against the provision. Some mandate relief measures are alive in other bills—for example temporary relief on library maintenance of efforts in the tax bill. The Senate position is for a 10 percent reduction; the House is an outright repeal for two years. Stay tuned for more on Mandate Relief 2011.

*Questions or comments? Contact Jennifer O'Rourke at (651) 281-1261 or [jorourke@lmc.org](mailto:jorourke@lmc.org).*

### **Railroad stormwater fee exemption bill pulled from agenda in key committee**

A bill that would exempt railroads from any levy, special assessment, or charge related to storm sewers, was expected to be heard in the House Taxes Committee on Wednesday, but was removed from the agenda. The House Transportation Policy and Finance Committee had approved the measure, HF 1348 (Rep. Michael Beard, R-Shakopee), on April 11. The legislation would set railroads apart from all other property owners, including the federal government and tax-exempt properties such as churches, when it comes to paying a portion of the cost of federal stormwater management mandate compliance.

Cities are under strict federal and state stormwater management mandates. Railroads, like other landowners within cities, contribute to part of the urban run-off situation. Each property is charged a portion of the city's stormwater management costs on a set formula for the impacts their land use have on stormwater flow.

The League testified against the bill in the Transportation Committee and urged city officials to contact their local legislators with concerns about the bill. This advocacy by city officials was tremendously helpful in slowing the bill's

progress.

The cancellation of the hearing on this bill, as well as the fact it does not have a Senate companion, means it has missed critical deadlines for passage this session. Nonetheless, the League will be watching for amendments that might contain provisions of the legislation and will continue to actively oppose the measure.

*Questions? Contact Anne Finn at (651) 281-1263 or [afinn@lmc.org](mailto:afinn@lmc.org), or Craig Johnson at (651) 281-1259 or [cjohnson@lmc.org](mailto:cjohnson@lmc.org).*

### **Time out for the vacation home rental bill**

The League and other groups succeeded in stopping a controversial bill, that could pre-empt local planning and zoning, from moving forward this year. On Thursday in the House Government Operations & Elections committee, bill author Rep. Mary Liz Holberg (R-Lakeville) kicked off her presentation of HF 1523 by stating her intention to lay table the bill after short presentations by an attorney for vacation home rental owners and several opponents. A companion bill (SF 1190, Rep. Chamberlain, R-Lino Lakes) sailed through the Senate Local Government committee even with considerable opposition testifying against it, before the Easter/Passover break. That bill is technically on the Senate floor.

The stalled House bill sets up the opportunity for interested groups to meet in the interim and try to hammer out language that the various parties can live with. Tom Grundhoefer, general counsel for the League testified on behalf of cities, counties and townships with comments about the legislature becoming a “super zoning” entity, and the extra-broad definition of vacation home rental that advocates were proposing. Powerful testimony also came from a senior citizen living next to a property whose owners rented their cabin out constantly, and the negative effects it had on the neighborhood.

*Questions or concerns? Contact Jennifer O'Rourke at (651) 281-1261 or [jorourke@lmc.org](mailto:jorourke@lmc.org).*

### **Tobacco youth access bill snuffed out?**

On Wednesday, the Senate Local Government & Elections committee took up SF 1079 (Sen. Dave Thompson, R-Lakeville), heard powerful opposition testimony from youth access advocates, and ultimately tabled the bill with no vote by members. As drafted, the bill would allow local governments to essentially give retail outlets who sell tobacco to minors another opportunity before license suspension. The bill had been put on the agenda and taken off 3-4 times over the last week, signifying that there might not be the votes to pass it out of committee. The bill was brought forward by the Minnesota Petroleum Marketers Association who represent the convenience stores. Retail advocates have professed all along that the real issue is license suspension, and the financial penalties are not a big deal to them. The statute in this area is Minn. Stat. 461.12.

Without a positive vote in the Senate before the committee deadline, the issue could be dead for this session—but that that interpretation is a little hazy. What that means is that the bill could go to the Rules Committee or appear as an amendment on another bill. SF 1079 does not have a companion, but a similar House version of this bill is HF 962 (Rep. Larry Howes, R-Walker). The House bill went passed out of Government Operations & Elections several weeks ago, and is technically on the floor for consideration.

*Questions or concerns? Contact Jennifer O'Rourke at (651) 281-1261 or [jorourke@lmc.org](mailto:jorourke@lmc.org).*

### **Legislation allowing private well drilling for manufactured homes passes out of Senate Judiciary Committee**

HF 562 would allow manufactured home park owners to drill private wells for drinking water and install separate septic systems. The bill requires that cities charge manufactured park owners an artificially low rate for water and sewer- even if an owner uses city water (rather than drilling a private well). It would also prevent cities from charging owners conservation rates as required by current law. This proposed change in law authored by Sen. Warren Limmer (R-Maple Grove) has passed out of the Senate Judiciary Committee in spite of objection by the League and others.

Cities with manufactured home parks should contact their state senators to explain that HF 562 and SF 406 poses threats

to public water supplies and local aquifers, and contradicts over 60 years of sound city management of water and sewer systems. Cities should encourage their senators to share these concerns with Sen. Limmer. The next stop for this legislation is the Senate floor; HF 562 has already passed the House floor.

*Questions? Contact Ann Higgins [ahiggins@lmc.org](mailto:ahiggins@lmc.org) (651) 281-1257 or Jeanette Behr [jbehr@lmc.org](mailto:jbehr@lmc.org) or (651) 281-1228.*

### **Voter photo ID bill passes House floor**

The so-called "Voter Photo ID" bill passed off the House floor yesterday on a mostly party-line (73-59) vote. The legislation would require cities and other local units of government to

- conduct provisional balloting;
- retain and secure more election materials for 36 rather than 22 months;
- provide notice of and hold more meetings of local absentee ballot boards; and
- retrain election judges to carry out these changes.

Because the bill was sent to the House from the Senate, the House substituted the language in HF 210 for the provisions in Senate file SF 509, authored by Sen. Warren Limmer (R-Maple Grove). The House companion author, Rep. Mary Kiffmeyer, (R-Big Lake), presented the bill.

If Governor Mark Dayton (DFL) signs the measure, the changes to voter identification will take effect in June 1, 2012.

The League does not have an official policy position on whether state election law should require all voters (whether already registered or not) to provide an official form of photo identification to cast a regular or absentee ballot. However, the League opposes unfunded mandates in the legislation, particularly measures that impose new responsibilities related to implementing Election Day and post-election administrative requirements (see SD-1 in our City Policies). The most recent Local Impact Note issues by the Department of Management and Budget (MMB) identifies local costs of as much as \$23.8 million statewide.

The Senate passed its version of the bill off the Senate floor on April 28. The Senate will receive the House version of the bill next week and will have the option of accepting the amended version or going to conference committee.

*Questions? Contact Ann Higgins at [ahiggins@lmc.org](mailto:ahiggins@lmc.org) or (651) 281-1257.*

### **Tax Conference Committee update**

The conference committee on the omnibus tax bill continued its slow progress this week, meeting on Tuesday and Thursday to consider portions of the bills. The Tuesday hearing was originally scheduled to include a discussion of the minerals tax article and the article on reductions to property tax aids and credits however, the discussion on the minerals article consumed the entire committee agenda.

On Thursday morning, the conference committee considered the local sales tax provisions included in the House and Senate versions of the omnibus tax bill. City officials attended the meeting to explain their proposals and answer committee member questions.

The House bill includes local sales tax authorizations or modifications for the cities of Cloquet, Fergus Falls, Hutchinson, Marshall, Lanesboro, Medford, Rochester, Clearwater, and Hermantown. The Senate bill includes authorizations or modifications for the cities of Rochester, Clearwater, Fergus Falls, Lanesboro, Hermantown, and Hutchinson.

Although the House bill includes specific local sales tax provisions, it also includes a two-year moratorium that prohibits local units of government from holding a referendum for a new local sales tax. The House bill would also modify the sales tax statute to include a permanent prohibition on expending funds by a local unit of government for the promotion of a local sales tax, although after the expiration of the two-year moratorium, this prohibition does not prevent a city from conducting a referendum.

In addition to the specific local sales tax items in the Senate bill, there is a new requirement that future local sales tax requests must be preceded by a local referendum on the sales tax.

With only a little more than two weeks to go in the regular 2011 session, the tax conference committee surprisingly announced that it would not meet this weekend. The group will likely meet early next week to continue negotiations.

*Questions? Contact Gary N. Carlson at (651) 281-1255 or [gcarlson@lmc.org](mailto:gcarlson@lmc.org)*

### **Several more steps toward a legislative budget office**

Although legislators have devoted much of the 2011 legislative session to discussions of how to reduce state spending, there are proposals to expand some areas of the state budget. One such item is the result of a simmering debate over the accuracy and timeliness of budget and revenue estimates prepared on proposed legislation.

In Minnesota, the responsibility of preparing fiscal estimates of state and local impacts of proposed legislation is largely vested with the Department of Management and Budget (MMB) while the Department of Revenue is charged with the responsibility of analyzing legislation and drafting revenue estimates. In addition, MMB has been the sole entity responsible for preparing the semi-annual state budget forecasts which are used to develop and maintain the state's budget.

Earlier in the session as the House and Senate developed their budget bills, committee chairs at times chose to use independent estimates of the revenue impacts and expenditure savings of legislative proposals, either in situations where state agencies were unable to produce estimates or where they felt that the agency estimates did not fully reflect the proposal or the experiences under similar initiatives in other states. The use of independent fiscal estimates has become a major sticking point in budget negotiations between the legislature and governor.

With the debate on these fiscal estimates ongoing, Rep. King Banaian (R-St. Cloud) and Sen. John Pederson (R-St. Cloud) have introduced HF 1506/SF 1359, legislation that would move the function of preparing fiscal estimates from the Department of Management and Budget to a reconstituted Legislative Commission on Planning and Fiscal Policy (LCPFP). This week, both bills advanced through additional committee hearings.

Under the bills, the expanded LCPFP would prepare fiscal notes on legislation, review revenue estimates and local impact notes and would prepare state revenue and expenditure (budget) forecasts. In order to handle the new functions, the LCPFP would be authorized to hire staff. This week, the Banaian bill was amended to include a \$1.5 million annual appropriation to fulfill the new responsibilities. The Banaian/Pederson proposal could certainly be considered a step toward creating a full-fledged legislative budget office.

The LCPFP has historically been a joint House/Senate commission of many of the most senior legislators—many who chair budget and tax committees. The commission has statutory authority to access state executive and judicial entities but heretofore, the commission has not had authority to hire independent staff. Over the past two years, the group met regularly to review state financial information on the state's ongoing deficit with the Commissioner of Management and Budget.

The Banaian bill will be considered in the Ways and Means Committee perhaps as early as next week while the Pederson bill was referred to the Senate Finance Committee. It appears possible that the proposals could ultimately make their way to the governor but with the ongoing debate on fiscal notes and the controversy that could result from having competing state budget forecasts, it is at best unclear if the governor would sign such a measure.

*Questions? Contact Gary N. Carlson at [gcarlson@lmc.org](mailto:gcarlson@lmc.org) or (651) 281-1255.*

### **Constitutional Amendments-Update**

In addition to a full slate of committee hearings on policy bills and the state budget, the House and Senate have also begun hearings on constitutional amendments that would place limits on the procedure to raise state revenues and limits on state expenditures.

### Three-Fifths Vote to Raise Taxes

On Monday, the House Tax Committee approved a proposed constitutional amendment, HF 1598, authored by Rep. Steve Drazkowski (R-Mazeppa) that would ask voters whether the Minnesota Constitution should be amended to require a three-fifths vote of the Minnesota House and Senate on laws that raise taxes. The bill, which currently has 30 co-authors, was sent to the Ways and Means committee where it was supposed to be heard on Wednesday evening. Due to a packed schedule, the committee was not able to process the bill before the committee adjourned. The bill has not been rescheduled for a hearing.

Under the language of the proposed Drazkowski amendment, a three-fifths vote by each house of the legislature would be required to enact a law that increases the general rate of an income or sales tax, increases the tax base of an income or sales tax, enacts a new statewide tax of any type, or increases property taxes. A law is defined to increase property taxes if it increases a rate or levy set by state law. The proposed constitutional amendment would not impact the required vote of a city council on a tax increase.

The three-fifths approval requirement would not apply to a single law that increases income, sales or property taxes or imposes a new tax if that same law decreases taxes and does not on a permanent basis increase the total amount of revenues estimated to be raised from state taxes and property taxes. Sen. Benjamin Kruse (R-Brooklyn Park) is carrying the companion bill, SF 1384, which has not yet received a hearing.

### Limiting State Expenditures I

On Wednesday, the House Ways and Means Committee was scheduled to consider a second constitutional amendment that would limit state expenditures, HF 1612, introduced by Rep. Keith Downey (R-Edina), however, the bill was unexpectedly pulled from the committee agenda and has not yet been rescheduled for a hearing.

Under the Downey amendment, planned expenditures for all state funds including the general fund for the upcoming biennium would be limited to the amount of actual revenues received in the previous two-year budget period. The Downey proposal would exempt one-time repayments of payment shifts or other state financial obligations from the expenditures limitation. The proposal also allows an exemption for additional expenditures to provide for the public peace, safety, or health as a result of a declared national security or peacetime emergency.

### Limiting State Expenditures II

A third constitutional amendment, SF 1381, introduced by Sen. Julianne Ortman (R-Chanhassen), is a proposal that would limit state spending to 98 percent of available projected revenues for the biennium, with the remaining two percent placed in the state's budget reserve. Rep. Joe Hoppe (R-Chaska) is carrying the companion bill, HF 1661. Neither bill has yet been scheduled for a hearing.

*Questions? Contact Gary N. Carlson at (651) 281-1255 or [gcarlson@lmc.org](mailto:gcarlson@lmc.org)*

### **Gov. Dayton unveils "Better Roads for a Better Minnesota" initiative**

On Tuesday, Gov. Mark Dayton (DFL) and Minnesota Dept. of Transportation (MnDOT) Commissioner Tom Sorel unveiled a highway infrastructure improvement program. The four-year program, called the 'Better Roads for a Better Minnesota' initiative, is aimed at improving existing highways determined to be in 'poor' condition. According to the governor, it will result in approximately 9,900 direct and indirect, private sector jobs across the state.

Funding for the \$398 million program will come from current state and federal funds, as well as previously authorized bonds. This funding is in addition to the \$980 million that MnDOT already has committed through June 30, 2014 (FY 2015) for improving pavements.

"Minnesota roads are aging faster than our transportation investments can keep up," Commissioner Sorel said at a news conference unveiling the initiative. "Investing in roads now will stop the accelerated decline of our infrastructure and allow for more sustainable maintenance in the future."

State performance measures currently show that about 750 miles of trunk highway in Minnesota are classified as "poor"

condition. Without additional investment, the number of miles in “poor” condition is estimated to increase to 1,900 by the year 2020.

Sorel said that a key component of the Better Roads program will be exploring use of innovative methods of contracting, design and construction to get the highest return on investment.

According to Federal Highway Administration estimates, 9.5 direct jobs are supported per million dollars spent on highway construction, or about 3,400 direct jobs. The bulk of the Better Roads work will be concrete and asphalt repaving, requiring heavy equipment operations. Contractors will excavate and then repair or replace culverts and other drainage systems, and electricians will work on light systems and traffic signals as needed. There will also be freeway traffic management system repair work, and American Disabilities Act masonry work such as curb ramps and sidewalks as well as traffic signal crossing enhancements.

View the ‘Better Roads’ project map [statewide](#) and project map for the [metro area](#).

*Questions? Contact Anne Finn at (651) 281-1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

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Coalition of Greater Minnesota Cities

# CGMC in Brief

May 5, 2011

Contact: Tim Flaherty  
651-225-8840

## May 11 Lobbying Day Cancelled

When we originally scheduled the May 11 CGMC lobbying day, we had expected that the conference committees would have progressed much further on their budget bills. Little progress on a global budget solution has been made. The tax conference committee has met, walked through the side-by-sides and taken some public testimony, but they have not yet addressed the significant difference between the bills. The committee is not meeting again until next week. We also recently learned that the full Senate will be in session most of the day on May 11. As a result, we are cancelling the May 11 lobbying day. We will still be organizing activities for our cities before the close of session and will keep you updated on how to stay involved.

## St. Charles Mayor to Lead State Mayors Group

The CGMC congratulates Mayor Bill Spitzer of St. Charles for his election this past weekend as President of the Minnesota Mayors Association.

## House Tax Chair Questions First Class Cities' Need for LGA

In a guest column (attached) that appeared in newspapers throughout greater Minnesota, House Tax Chair, Rep. Greg Davids (R – Preston), articulates his support for LGA for rural communities, while questioning the ongoing need of Minneapolis, St. Paul, and Duluth to receive LGA dollars. In the article Davids claims to be confused to see so many rural mayors and chambers of commerce rallying to the first class cities' cause.

Davids writes, "Minneapolis basically wants every other Minnesota community to rally to its side, to form an LGA alliance. It's like a bad episode of 'Survivor,' because once the largest cities get what they want, they will inevitably kick their rural teammates off the island."

Davids also suggests that increasing LGA dollars for these first class cities will come at the expense of rural communities.

The CGMC respectfully disagrees with Rep. Davids' position. The CGMC believes LGA should be based on a strong policy rationale and should not arbitrarily exclude cities who qualify based on that rationale. The Chair of the House Property Tax Division stated earlier this session that the elimination of LGA for these first class cities was the first step in eliminating this program. Now more than ever, the cities of greater Minnesota need to work cooperatively with the state's urban core to protect this vital program.



## **Well bill stalls in Senate**

Last Friday, the Senate Local Government Committee held a hearing on S.F. 64, the bill that would strip cities of all authority to regulate private wells within their city limits. Despite receiving less than 24 hours advance notice, members of the CGMC Environment Committee, CGMC lobbyist Elizabeth Wefel, and a few others came down to testify and/or reached out to legislators to stop the bill. We joined representatives from the League of Minnesota Cities, the Rural Water Association, Minneapolis, Rochester Public Utilities, the Minnesota Municipal Utilities Association, and more in opposing the bill. Before many of us had the opportunity to testify, the bill author, Senator Jungbauer, recognized that further work was needed on the bill. He requested that it be laid on the table.

Because the bill would still need to pass out of that committee and onto the environment committee before it could reach the Senate floor, it appears to be dead in the Senate. In the House, the companion bill, H.F. 135 is stalled in House Environment Committee. Although it is unlikely to be heard before the policy committee deadline this Friday, May 6, the authors may attempt to amend it onto other bills. Therefore, if you speak with your legislators be sure to let them know that you are very concerned about this issue and that they should vote against any amendment. If you have any questions, please contact Elizabeth Wefel at [eawefel@flaherty-hood.com](mailto:eawefel@flaherty-hood.com) or 651-259-1924.

## **Differing Approaches to Clean Water Council**

In addition to divvying up the clean water funding, the Legacy Amendment bills being discussed by the House (H.F. 1061) and the Senate (S.F. 158) both change the composition of the Clean Water Council (CWC). The CWC makes recommendations on how the Clean Water Fund should be spent. The House bill clarifies that each of the agencies that oversee water activities shall appoint one non-voting member. It adds non-voting members from both the House and Senate majority and minority. It leaves in place representatives from various stakeholder groups including city organizations.

The Senate bill makes drastic changes to the composition of the council. The CWC would have 12 members including 4 members of the public appointed by the Senate and House and 4 appointed by the Governor. Two senators and two representatives would also be appointed by their respective bodies. There is no requirement for minority party representation, which could be a significant concern in years where one party controls the legislature and the governor's office. The Senate bill would also eliminate public members from stakeholder groups. Therefore, cities may not have any representations under this proposal. For these reasons, the Senate proposal causes us concern. We will continue to update you as it moves through the legislature.

## **2011 CGMC Labor & Employee Relations Seminars**

The CGMC Labor and Employee Relations Committee will be sponsoring two seminars again this year from 10:00 a.m. to 4:00 p.m. as follows: **Thursday, June 2, 2011 in Brainerd** and **Thursday, June 9, 2011 in Mankato**. Additional details and registration materials were emailed to all CGMC cities and are available online at <http://www.greatermncities.org/>.



## Initial Redistricting Plan Unveiled

On Monday, the House redistricting committee unveiled its proposal for revised legislative districts based on 2010 Census Data. Due to population shifts, a number of rural seats have grown in size. Several seats have been added to the suburban area. The plan would pit 20 incumbent legislators against each other including GOP Rep. Larry Howes and DFL Rep. John Persell (Bemidji area), DFL Rep. Lyle Koenen and DFL Rep. Andrew Falk (Southwestern Minnesota), GOP Rep. Paul Torkelson and GOP Rep. Bob Gunther (Southcentral Minnesota), GOP Rep. Mike Benson and DFL Rep. Tina Liebling (Rochester), and GOP Sen. Gary Dahms and DFL Sen. Gary Kubly (Southwestern Minnesota). There would be ten open House seats including ones in Wadena and Rochester. There would be three open Senate seats.

The CGMC has not taken a position on the redistricting plan so far. Mankato City Manager, Pat Hentges, testified on behalf of his city regarding the impact of the proposed plan.

Governor Dayton has stopped short of saying that he will veto the plan but he has stated he will only sign a plan with broad bipartisan support. Many commentators expect that the final plan will be decided by the courts.

You can link to the proposed statewide map and individual districts from here: <http://www.gis.leg.mn/redist2010/plans.html> A listing of the legislative match-ups is here.

[http://minnesota.publicradio.org/collections/special/columns/polinaut/archive/2011/05/house\\_gop\\_relea\\_1.shtml](http://minnesota.publicradio.org/collections/special/columns/polinaut/archive/2011/05/house_gop_relea_1.shtml) Video of the redistricting hearing can be found here:

[http://www.house.leg.state.mn.us/htv/programa.asp?ls\\_year=87&event\\_id=3693](http://www.house.leg.state.mn.us/htv/programa.asp?ls_year=87&event_id=3693) Pat Hentges' testimony can be found around the 18 minute mark.

## CGMC participating in Amicus Brief

Last month, the City of Moorhead asked the CGMC to participate as an amicus in an appeal "that will determine the definition of "just compensation" and the ability of cities, as a practical matter, to continue to use the power of eminent domain to acquire electric service territories." The CGMC Board discussed the matter last Thursday and voted to participate. The motion also requested that the CGMC seek partners to share the cost of writing the brief. The Minnesota Municipal Utilities Association and Missouri River Energy Services have stepped forward and will underwrite the cost of the effort. The CGMC greatly appreciates their support on this important matter.



## LGA in the Media

St. Paul Mayor Chris Coleman and Minneapolis Mayor RT Rybak wrote a column about how important it is for mayors of cities of all sizes to stand together to preserve LGA. The Duluth News Tribune published the column here: <http://bit.ly/l1L1UH>

Rybak traveled to Alexandria and Moorhead to meet with area mayors and city officials. He was joined in Alexandria by mayor H. Dan Ness, Elbow Lake mayor Jay McNamar and Morris mayor Sheldon Giese. In Moorhead, Rybak spoke with city council member (and mayor pro-tem) Greg Lemke and other city officials.

- KSAX wrote about the Alexandria stop here: <http://bit.ly/j9JT6d>
- Inforum covered the meeting in Moorhead here: <http://bit.ly/j3NSpM>
- The Moorhead stop was also covered by WDAY here: <http://bit.ly/lZShus>
- Morris SunTribune <http://bit.ly/mceXpt>

Richard Lehmann, the former mayor of Bemidji, crafted the following editorial arguing for the preservation of LGA: <http://bit.ly/mto9mp>





## Progress is Slow for the Tax Conference Committee

**After several weeks of starts and stops, the tax conference committee adopts first provisions for inclusion in its report.**

*(Published May 4, 2011)*

The omnibus tax conference committee (**HF 42** *(Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF42&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF42&ssn=0&y=2011))*) reconvened on May 3 to discuss the minerals tax and the property tax aids and credits articles of the House and Senate tax bills. It was only the fourth meeting of the group since the Senate appointed conferees on April 11.

The tax conferees are Reps. Greg Davids (R-Preston), Sarah Anderson (R-Plymouth), Jenifer Loon (R-Eden Prairie), Linda Runbeck (R-Circle Pines), Ann Lenczewski (DFL-Bloomington), and Sens. Julianne Ortman (R-Chanhassen), David Senjem (R-Rochester), Warren Limmer (R-Maple Grove), Roger Chamberlain (R-Lino Lakes), and Julie Rosen (R-Fairmont).

The committee began the meeting by adopting the first provisions of the omnibus tax conference committee report—several non-controversial items related to the streamlined sales tax, a repeal of the 2010 early vendor sales tax remittance requirement, and a tax exemption for attached machinery in an electric generating facility located in Fairmont.

After moving to a discussion of the minerals taxation articles of the bills, the committee ran out of time before taking up the scheduled discussion of the aids and credits cut articles.

**Chairs Sen. Ortman** *(Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1044&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1044&ls=))* and **Rep. Davids** *(Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10123](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10123))* announced that local sales tax proposals will be considered at the next meeting of the committee on the morning of May 5. The committee may reconvene later the same day to consider additional testimony on other pieces of the bills—possibly including the cuts to property tax aids and credits.

With less than three weeks remaining in the 2011 regular session, the tax conference committee has yet to tackle the most controversial components of the bills, including the cuts in local government aid and the market value homestead credit as well as two different approaches to tax reductions contained in the bills.

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



## Constitutional Amendments on State Expenditures Introduced

**The proposed constitutional amendment would limit state spending to the amount of revenues collected in the prior biennium.**

*(Published May 4, 2011)*

In addition to the proposed constitutional amendment that would require a three-fifths vote of the Legislature for tax increases (see **related article** ([Link to: http://www.lmc.org/page/1/taxvotes-amend.jsp](http://www.lmc.org/page/1/taxvotes-amend.jsp))), legislators are also currently considering several constitutional amendments that would place limits on state expenditures.

**Rep. Keith Downey** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15311](http://www.house.leg.state.mn.us/members/members.asp?id=15311)) (R-Edina) has proposed **HF 1612** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF1612&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1612&ssn=0&y=2011)), an amendment that would limit state spending to the amount of revenues collected in the prior biennium. Under the Downey amendment, planned expenditures for all funds for the biennium would be limited to the amount of actual revenues received in the previous two-year budget period. The Downey proposal would exempt one-time repayments of payment shifts or other state financial obligations from the expenditures limitation. The proposal also allows an exemption for additional expenditures to provide for the public peace, safety, or health as a result of a declared national security or peacetime emergency.

Co-authors on the Downey proposal include Reps. Kurt Zellers (R-Maple Grove), Matt Dean (R-Dellwood), Mary Liz Holberg (R-Lakeville), King Banaian (R-St. Cloud), Bob Barrett (R-Center City), Kurt Daudt (R-Crown), Kathy Lohmer (R-Lake Elmo), Mary Franson (R-Alexandria), Bob Dettmer (R-Forest Lake), Kurt Bills (R-Rosemount) and Duane Quam (R-Byron). **Sen. Julianne Ortman** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?mem\\_id=1044&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1044&ls=)) (R-Chanhassen) is carrying the companion bill, **SF 1364** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF1364&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1364&ssn=0&y=2011)).

In addition, Sen. Ortman announced on May 3 that she will be introducing another constitutional amendment that would limit state spending to 98 percent of available projected revenues for the biennium, with the remaining 2 percent placed in the state's budget reserve. Although we have not yet seen the language of this second constitutional amendment, it appears that it would essentially establish a spending limit based on current law revenue projections. Both amendments are intended to place controls on state expenditures in order to avoid future deficits.

If the Downey amendment had been in place, the current state budget deficit still might have happened because state revenues actually dropped due to the recent deep recession. Had this requirement been in place at the start of the 2010-2011 biennium, the limit would have been roughly \$32 billion based on the revenues collected during the 2008-2009 biennium. However, actual 2010-2011 revenues now appear to be approximately \$30.7 billion, less than the limit in the amendment. During more typical economic

times when state revenues generally grow, the Downey limit would in fact be a more immediate restraint on state expenditures.

The **House Ways and Means Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87024>*) will consider the Downey amendment on May 4.

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

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## House Taxes Committee Approves Supermajority Constitutional Amendment

**If approved in 2012, the three-fifths vote requirement on tax increases would impact most state legislation that raises taxes.**

*(Published May 4, 2011)*

The **House Taxes Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87021](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87021)) on May 2 considered **HF 1598** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1598&ssn=0&y=2011)

[b=House&f=HF1598&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1598&ssn=0&y=2011)), a bill authored by **Rep. Steve Drazkowski** ([Link to:](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15286)

[http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15286](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15286)) (**R-Mazeppa**) that would ask voters whether the Minnesota Constitution should be amended to require a three-fifths vote of the Minnesota House and Senate on laws that raise taxes. The bill currently has 30 co-authors.

Under the Drazkowski proposal, the three-fifths vote by each house of the Legislature would be required to enact a law that:

- Increases the general rate of an income or sales tax.
- Increases the tax base of an income or sales tax.
- Creates a new statewide tax of any type.
- Increases property taxes.

Under the bill, a law is considered to increase property taxes if it increases a rate or levy set by state law. For example, if a bill increases the state general property tax, it would require a three-fifths vote of both the House and Senate. The proposed constitutional amendment would not impact the required vote of a city council on a tax increase.

The three-fifths approval requirement would not apply to a single law that increases income, sales, or property taxes or imposes a new tax if that same law decreases taxes and does not permanently increase the total amount of revenues estimated to be raised from state taxes and property taxes.

### Unintended consequences?

During the committee deliberations, **Rep. Keith Downey** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15311](http://www.house.leg.state.mn.us/members/members.asp?id=15311)) (**R-Edina**) asked Minnesota Taxpayers League Chair Phil Krinkie, who was testifying as a supporter of the amendment, whether raising the vote requirement for tax increases could result in more constitutional amendments to raise taxes because constitutional amendments only require a simple majority. He also asked whether the three-fifths vote requirement might result in tax bills with more “pork” in order to secure the necessary votes. Krinkie, who is also a former House Taxes Committee chair, indicated that he didn’t think the amendment would have either of these unintended consequences.

Former State Finance Commissioner Jay Kiedrowski testified in opposition to the amendment raising concerns about unintended consequences in the state budgeting process. Kiedrowski indicated that the three-fifths requirement could result in more constitutional proposals for tax increases similar to the recent sales tax amendment. He also indicated that the amendment could result in greater use of user fees and charges to finance government.

### **Possible city impact**

Although the three-fifths vote amendment would not directly impact city levy approval requirements, the amendment could impact state legislation dealing with the property tax. For example, under the constitutional amendment, it appears that imposing levy limits on cities would only require a majority vote but once in law, repealing levy limits would likely require a three-fifths vote.

In addition, if levy limits are in place in a form similar to current law, the constitutional amendment language could require a three-fifths vote of the Legislature to impose a cut in local government aid or market value homestead credit (MVHC), given that aid and credit cuts are factored directly into the levy limit calculation and, in the case of MVHC cuts, they have been a permissible special levy.

After an extensive debate—which included **Rep. Paul Marquart** (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=10401>*) (DFL-Dilworth) quoting James Madison from the Federalist Papers on the rationale for a simple majority—the bill was approved on a voice vote and sent to the **Ways and Means Committee** (*Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87024>*). At this time, the bill has no Senate companion.

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

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## Variance Bill Passes Unanimously

**The legislation to restore city variance authority now moves on for Gov. Dayton's approval.**  
(Published May 4, 2011)

After a long and contentious struggle, the Senate and House both unanimously passed **Chapter 19** ([Link to: https://www.revisor.mn.gov/laws/?id=19&year=2011&type=0](https://www.revisor.mn.gov/laws/?id=19&year=2011&type=0)) (HF 52\*/SF 13), legislation to restore variance authority for cities and correct language differences between city and county statutes.

HF 52 was amended with compromise language in the Senate to address local government concerns. The Senate vote on April 26 was 64-0. The House voted 129-0 on April 28 to accept the bill with the change made by the Senate.

The bill has now been sent to Gov. Dayton for approval. He has until May 5 to veto the legislation, but there have been no indications that the administration has concerns with the bill. The League worked throughout the legislative process to keep the Department of Natural Resources apprised of the bill's language to make sure that any of their concerns could be addressed. The statutory changes will go into effect the day after the governor signs the legislation.

This bill was drafted by the League and a large group of allies to address the loss of city variance authority and clarify county and municipal variance statutes, thereby reducing the likelihood of future litigation. The legislation was brought forward in response to a July 2010 Minnesota Supreme Court decision (**read related article** ([Link to: http://www.lmc.org/page/1/varianceruling.jsp](http://www.lmc.org/page/1/varianceruling.jsp))).

The lead authors of the bill, **Sen. Gen Olson** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10483](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10483)) (R-Minnetrissa) and **Rep. Joyce Peppin** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=12273](http://www.house.leg.state.mn.us/members/members.asp?id=12273)) (R-Ramsey), deserve significant credit for their work to craft this important piece of legislation in a manner that could receive such overwhelming legislative support.

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## Local Moratorium Authority Attacked

### Proposed legislation would limit cities' interim use ordinance authority and development agreements.

*(Published May 4, 2011)*

A bill was passed to the Senate floor that significantly weakens local ability to respond to project proposals of an unanticipated sort through the use of interim ordinances. It allows incomplete applications filed with the city to be exempt from a city moratorium if the application was filed before the city publicly proposed the moratorium. It also requires a two-thirds majority vote to adopt such an ordinance, and significantly restricts what sort of conditions can be included in development agreements.

#### The Senate Local Government and Elections Committee *(Link to:*

[http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmte\\_id=3052&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3052&ls=)) **heard SF 270** *(Link to:*

[https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF0270&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0270&ssn=0&y=2011)) **(Sen. Warren Limmer**

*(Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=10376](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10376))*, R-Maple Grove) on April 27. Despite thorough testimony from cities, counties, and townships about how damaging this change would be to community efforts to responsibly deal with proposals for development not anticipated or covered within existing local ordinance, the committee passed the legislation to the Senate floor on a party-line vote, with Republicans on the committee voting in favor of the bill and Democrats voting against it. A current version of the bill has not yet been posted on the state website, but will be available at the link above when it is updated.

The house companion, **HF 389** *(Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF389&ssn=0&y=2011)*

*b=House&f=HF389&ssn=0&y=2011*) **(Rep. Mike Beard** *(Link to: [http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=10754](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10754))*, R-

-Shakopee), had been slated for a hearing in the **House Government Operations and Elections Committee** *(Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009>)*, but was removed from the agenda and so far has not been rescheduled.

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## House Committee Passes Bill Restricting Immigration Ordinances

**The League opposes this bill, which would infringe on local control and interfere with good relationships between city employees and immigrant communities.**

*(Published May 4, 2011)*

The **House Public Safety and Crime Prevention Policy and Finance Committee** *(Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87015>) on April 28 approved **HF 358** *(Link to:*

[https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF358&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF358&ssn=0&y=2011)) **(Rep. Bob Barrett** *(Link to:*

[http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15341](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15341)), R-Shafer), a bill that would prohibit local governments from enacting policies or ordinances that restrict when employees can inquire about the immigration status of members of the public.

Proponents of the bill testified that without the measure, local law enforcement officers could be restricted from cooperating with federal immigration agencies such as Immigration and Customs Enforcement (ICE).

The League testified against the bill, stating that it interferes with local control, compromises good relationships between city officials and immigrant communities, and inappropriately puts local governments in the role of enforcing federal immigration laws. The League has a longstanding policy that articulates this position.

Law enforcement leaders from Minneapolis and St. Paul testified that agencies work cooperatively on a regular basis with ICE. They also said that they depend on relationships within immigrant communities to solve crimes and implement community policing strategies that promote public safety. They expressed concern that passage of HF 358 would compromise the hard-won trust between peace officers and members of immigrant communities.

The bill was recommended to pass and re-referred to the **House Judiciary Policy and Finance Committee** *(Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87014>)* on a voice vote. At the present time, the bill does not have a companion in the Senate.

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

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5/4/2011

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## Alternative Publication Dropped from Mandate Relief Bill

**Bills moving forward are light on mandates compared to the original introductions, but it's still uncertain how much mandate relief cities will get this session.**

*(Published May 4, 2011)*

Language that would allow local governments to use their websites for much of their official publication was dropped last week from two bills in the House Government Operations and Elections Committee.

**HF 7** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF7&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF7&ssn=0&y=2011)) (**Rep. Steve Drazkowski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15286](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15286)), R-Mazeppa) and **HF 705** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF705&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF705&ssn=0&y=2011)) (**Rep. Roger Crawford** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15344](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15344)), R-Mora) each contained language that would allow for this, but the measure was dropped due to a lack of support by the majority of committee members. On hand to testify in support were a number of county and city officials, including Centerville City Administrator Dallas Larson, Roseville former Mayor John Kysylyczyn, and Anoka County Board Chair Commissioner Rhonda Sivarajah. League staff also testified in support of the measure.

The Minnesota Newspaper Association testified against the provisions, as they have done in previous years. Among its biggest concerns were seniors' access to computers and the fact that newspapers have always played a role in publishing of notices.

Additionally, testifiers highlighted the fact that newspaper websites get considerably more traffic than city websites. However, representatives from suburban cities pointed out the especially small circulation of some suburban papers. Members of the committee seemed to understand how this issue might play differently in rural and metro parts of the state.

As it stands, HF 705 and its Senate companion **SF 1260** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF1260&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1260&ssn=0&y=2011&ls=87)) (**Sen. Benjamin Kruse** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15333](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15333)), R-Brooklyn Park) still contain some small publication matters for counties that are really duplicative and apparently non-controversial. The Senate will take up SF 1260 this week in the **Senate Local Government and Elections Committee** ([Link to: http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmtc\\_id=3052&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmtc_id=3052&ls=)).

### Repeal of aggregate value of benefits

In the initial House hearing, The League's human resources staff testified in support of another mandate relief portion dealing with the repeal of the aggregate value of benefits statute, as did a representative from Dakota county. This piece stayed in the bill—unlike many other provisions that have been dropped due to controversy. Attorneys for the employment unions testified against this section of the bill.

How “mandate relief 2011” ends up remains to be seen. Provisions are still alive in other omnibus bills, including the city and county maintenance-of-effort for library funding, which is in **HF 42** (*Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF42&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF42&ssn=0&y=2011)*), the omnibus tax bill.

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## House Committee Approves Substantive Changes to Gun Laws

**The bill would expand the right to shoot in self-defense and make changes to permitting requirements.**

*(Published May 4, 2011)*

Over the objections of law enforcement organization representatives and gun control advocates, a bill that would expand the right to use of force in cases of self-defense was approved by the **House Public Safety and Crime Prevention Policy and Finance Committee** *(Link to:*

<http://www.house.leg.state.mn.us/comm/committee.asp?comm=87015>) on April 28.

Sponsored by **Rep. Tony Cornish** *(Link to: <http://www.house.leg.state.mn.us/members/members.asp?district=24B>)* (R-Good Thunder), **HF 1467** *(Link to: [https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=House&f=HF1467&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1467&ssn=0&y=2011))* would, in part, change state law governing the use of force in self-defense, including that an individual using deadly force is presumed to possess a reasonable belief that there exists an imminent threat of great bodily harm or death. The bill also contains the following provisions:

- Extends the effective period of a permit-to-purchase a firearm from one to five years.
- Mandates improved reporting of mental health and criminal background data to state and federal databases used in making background checks.
- Delimits the authority of peace officers to disarm individuals during times of a public emergency or disorder.
- Requires Minnesota to recognize a permit-to-carry issued by another state.

Proponents of the bill said it would improve public safety by allowing people to defend themselves when threatened. Gun rights advocates also testified in support of the measure.

Opponents said that current law adequately protects law-abiding citizens. They further expressed concern that under the proposed law, a homeowner could use deadly force against an unarmed person who mistakenly tries to enter a dwelling. They also said they fear for officers' safety, especially when officers surprise someone on his or her property while executing their duties.

The committee approved the bill on a 10-7 party-line vote and sent it to the **House Judiciary Policy and Finance Committee** *(Link to: <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87014>)*, where it is scheduled for a hearing this week. The Senate companion, **SF 1357** *(Link to:*

[https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?b=Senate&f=SF1357&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1357&ssn=0&y=2011)) (**Sen. Gretchen Hoffman** *(Link to: [http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15331](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15331))*, R-Vergas), has not yet been scheduled for a

hearing.

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

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## Bill to Deregulate Food Service on Public Property Amended

**The exemption from food service licensing for public facilities and churches in cities with populations under 25,000 was modified to apply only to certain church and community gatherings in all cities.**

*(Published May 4, 2011)*

A bill heard last week in both the House and Senate would eliminate licensing requirements related to food served in certain facilities. The House version would have extended the exemption to public facilities in cities with populations under 25,000, but that language was removed.

Under current law, the Minnesota Department of Health (MDH) licenses and inspects food service entities (including, but not limited to, restaurants, bars, hotels, resorts, caterers, and cafeterias) under **Minnesota Statutes, chapter 157** ([Link to: https://www.revisor.mn.gov/statutes/?id=157](https://www.revisor.mn.gov/statutes/?id=157)). MDH enforces the food code under **Minnesota Rules, chapter 4626** ([Link to: https://www.revisor.mn.gov/rules/?id=4626](https://www.revisor.mn.gov/rules/?id=4626)). There are a number of specific exemptions listed under current law.

As introduced, **HF 637** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF637&ssn=0&y=2011)

[b=House&f=HF637&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF637&ssn=0&y=2011)) (**Rep. Steve Drazkowski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\\_id=15286](http://www.house.leg.state.mn.us/members/members.asp?leg_id=15286)), R-Mazeppa)/**SF 477** ([Link to: https://www.revisor.mn.gov/revisor/pages/search\\_status/status\\_detail.php?](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0477&ssn=0&y=2011&ls=87)

[b=Senate&f=SF0477&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0477&ssn=0&y=2011&ls=87)) (**Sen. John Howe** ([Link to: http://www.senate.leg.state.mn.us/members/member\\_bio.php?leg\\_id=15332](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15332)), R-Red Wing) would add faith-based organizations to the list of entities exempted from

licensing. On April 26, the bill was amended in the **House Health and Human Services Reform Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87011](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87011)) to include properties owned by local units of government in communities with a population under 25,000. The bill does require training and supervision for the exempt facilities. The idea behind the 25,000 population threshold was to keep the licensing requirement for communities that might own large public gathering spaces such as convention centers and entertainment venues.

The DHS testified against the bill, saying it would lead to more food-borne illnesses. The League did not take a position for or against the bill, but testified that there had not been adequate time to understand the ramifications of this legislation, particularly for cities with populations under 25,000.

SF 477 was heard April 29 in the **Senate Health and Human Services Committee** ([Link to:](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3050&ls=)

[http://www.senate.leg.state.mn.us/committees/committee\\_bio.php?cmte\\_id=3050&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3050&ls=)), where it was amended to apply exclusively to certain kinds of community gatherings where preparation of food by volunteers is customary. Similar language was adopted by the House Health and Human Services Reform Committee on May 3.

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

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## **MnDOT to Host Workshops Seeking Public Input on Transportation**

**The process will help the agency ensure future transportation planning efforts better align with Minnesotans' expectations.**

*(Published May 4, 2011)*

Minnesotans will help determine the state's transportation system vision for the next 50 years when the Minnesota Department of Transportation (MnDOT) hosts a series of workshops across the state.

"Our current financial challenges and aging infrastructure make establishing a vision even more important," said Tom Sorel, MnDOT commissioner. "The Minnesota GO workshops are Minnesotans' opportunity to communicate their expectations for transportation today and for the next generation."

The process will help the agency ensure future transportation planning efforts better align with Minnesotans' expectations. MnDOT officials point out that the workshops are not the correct venue to advocate for a specific construction project.

A 31-member steering committee will review feedback from the workshops, online discussions and related research. This will serve as the foundation for the recommended 50-year transportation vision statement and set of objectives. A public hearing on the proposed vision will follow in July.

MnDOT and other transportation organizations will then use the vision and information to develop and update short-term and long-term multi-modal transportation plans.

**Learn more and access a list of workshop dates and locations** *(Link to:*

*<http://www.citizing.org/projects/minnesotago/page/554>)*

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

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## Legislature to Adopt Redistricting Principles, Plans

**Cities are a key focus of redistricting plans now emerging at the Legislature.**

*(Published May 4, 2011)*

Both the **Senate Rules and Administration Committee** (*Link to:*

*http://www.senate.leg.state.mn.us/committees/committee\_bio.php?cmte\_id=1017&ls=*) and the **House Redistricting Committee** (*Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87016*) have adopted principles to guide the development of legislative redistricting plans. The full House passed **HF 1547** (*Link to:*

*https://www.revisor.mn.gov/revisor/pages/search\_status/status\_detail.php?b=House&f=HF1547&ssn=0&y=2011*) (**Rep. Sarah Anderson** (*Link to: http://www.house.leg.state.mn.us/members/members.asp?leg\_id=15269*), R-Plymouth) on April 29.

**Sen. Geoff Michel** (*Link to: http://www.senate.leg.state.mn.us/members/member\_bio.php?mem\_id=1038&ls=*) (**R-**

Bloomington/Edina), Chair of the Senate Rules Subcommittee on Redistricting, substituted HF 1547 for his bill (**SF 1317** (*Link to: https://www.revisor.mn.gov/revisor/pages/search\_status/status\_detail.php?b=Senate&f=SF1317&ssn=0&y=2011*)) when it was heard and approved by the Senate Rules Committee on May 2.

Cities are a key focus of the terms of redistricting plans now emerging at the state Legislature. The House last week agreed to the following principles for undertaking legislative and congressional redistricting as provided in HF 1547:

- Districts must be substantially equal in population and not deviate from the ideal by more than 1 percent, plus or minus.
- Districts are to be both comprised of convenient contiguous territory and, consistent with other principles, should also be compact.
- Dilution of racial or ethnic minority voting strength is contrary to state and federal law, and redistricting principles are not to be construed to supersede the federal Voting Rights Act.
- Redistricting must not intend or result in dispersing or concentrating minority populations to prevent such communities from electing a candidate of their choice.
- Counties, cities, or townships are not to be unduly divided except as required to meet equal population principles or to form convenient, contiguous districts. A county, city, or town is not considered unduly divided if (1) the division occurs because a portion of a city or town is noncontiguous with another portion of the same city or town; or (2) despite the division, the known population of any affected county, city, or town remains wholly located within a single district.
- Districts should be established to preserve identifiable communities of interest (defined as “recognizable areas with similarities of interests, including but not limited to racial, ethnic, geographic, social or cultural interests”) where that result can be accomplished in compliance with the principles listed above.

- Geographic areas and population counts used for developing district maps, tables, and legal descriptions must be those used by the Geographic Information Systems (GIS) Office of the Legislative Coordinating Commission, with the 2010 block population counts provided by the federal census law, subject to corrections for errors recognized by the U.S. Census Bureau.
- A redistricting plan must not be considered for adoption by the Legislature until a block equivalency file showing the district to which each census block has been assigned, is filed in a form prescribed by the director of the Minnesota GIS Office.
- A redistricting plan must give priority to the principles in the order listed above, except if doing so would violate state or federal law.

**Rep. Melissa Hortman** (*Link to: <http://www.house.leg.state.mn.us/members/members.asp?id=12266>*) (DFL-Brooklyn Park), a member of the House Redistricting Committee, presented multiple proposals for redistricting principles at the meeting last week of the House Redistricting Committee at which the principles listed above were adopted. None of the proposals offered by Rep. Hortman were approved despite the fact that many addressed the same or similar topics to those that the members of the majority caucus on the committee supported.

Hortman's proposals addressed minority representation—to include indigenous (Native American) populations; minimizing divisions for cities, counties, and townships by urging that they be divided into as few districts as possible when such divisions occur; encouraging political competitiveness in new legislative districts; not drawing new districts to protect or defeat incumbents; including the phrase “clearly recognizable similarities of social, political, ethnic, or economic interests or that are linked by common transportation or communication” to define communities of interest to reflect the language used in the Minnesota State Supreme Court order on legislative redistricting that was issued when the Legislature failed to agree on a redistricting plan after the 2001 federal census; and providing the public with opportunity to comment on the legislative redistricting plan “in an open forum and manner that respects diverse regions and communities.”

The principles approved by the House become effective the day following final enactment and apply to legislative and congressional districts in effect for the 2012 state primary. The Senate is expected to approve these principles and bring forward its proposal for legislative redistricting this week. The action by the Senate Rules Committee to approve of the same redistricting principles already adopted by the House is being reported to the full Senate this week.

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

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**Sent:** Friday, April 29, 2011 3:16 PM  
**Subject:** Friday Fax--April 29, 2011  
**Variance bill goes to Governor**

After a long and contentious struggle, the Senate and House both unanimously passed HF 52, the bill to restore variance authority for cities and correct language differences between city and county statutes. The bill was amended with compromise language in the Senate to address local government concerns, and the House accepted that change. The Senate vote on Tuesday was 64-0 and the House vote on Thursday was 129-0. The bill will now go to the Governor for approval and he will act in the next few days. We have received no indications that he has concerns with the bill. The changes will go into effect the day after the Governor signs the legislation.

*Questions? Contact Craig Johnson at (651) 281-1259 or [cjohnson@lmc.org](mailto:cjohnson@lmc.org)*

**Local moratorium authority attacked**

A bill was passed to the Senate floor this week that strongly weakens local ability to respond to project proposals of an unanticipated sort through the use of interim ordinances. It allows incomplete applications filed prior to the moratorium being publicly proposed to be exempt from the moratorium if it is later adopted. It also requires a 2/3 majority vote to adopt such an ordinance and significantly restricts what sort of conditions can be included in development agreements.

The Senate Local Government and Elections committee heard SF 270 (Sen. Warren Limmer, R – Maple Grove) late on Wednesday evening. Despite thorough testimony from cities, counties, and townships about how damaging this change would be to community efforts to responsibly deal with proposals for development not anticipated or covered within existing local ordinance, the committee passed the legislation to the Senate floor on a party-line vote, with Republicans on the committee voting in favor of the bill and Democrats voting against it. A current version of the bill has not yet been posted on the state website, but will be available through the above link when it is updated. The House companion, HF 389 (Rep. Beard, R – Shakopee), had been slated for a hearing, but was removed from the schedule.

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**Well drilling legislation gets surprise hearing**

When SF 64 was removed from the legislative schedule for the Senate Environment and Natural Resources committee this week, it appeared that the bill would not be heard in the Senate this session. Instead, the author, Sen. Mike Jungbauer (R – East Bethel), had the bill removed from that committee through a motion on the Senate floor on Thursday. It was re-assigned to the Local Government and Elections committee, which immediately scheduled a special hearing for this

afternoon at 1 p.m. to hear the bill. Sen. Jungbauer had informed the League of his plan to move the bill to that committee, but having it appear to be heard less than 24 hours later was not expected.

The bill removes city authority to regulate the construction or use of private wells. It is intended to allow well drillers to operate in cities with no need for any local approval, permit, or restriction. The bill is opposed by the League, the Minnesota Municipal Utility Association and the Minnesota Rural Water Association. The Department of Natural Resources, Public Facilities Authority, and Department of Health all also have significant concerns about the proposal and how it would affect water quality, quantity and the financial viability of municipal utilities. The house companion bill is HF 135, authored by Rep. Tom Hackbarth (R – Cedar).

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### **Alternative publication dropped from mandate relief bill in House**

On Wednesday, language that would allow local governments to use their websites for much of their official publication was dropped from two bills up in the House Government Operations & Elections committee. HF 7 (Rep. Steve Drazkowski, R-Mazeppa) and HF 705 (Rep. Roger Crawford, R-Mora) each contained language that would allow for this, but was dropped due to a lack of support by the majority of committee members. On hand to testify in support were a number of county and city officials, including Centerville city administrator **Dallas Larson**, Roseville's former mayor John Kysylczyn and current Anoka County Board Chair, Commissioner Rhonda Sivarajah, as well as League staff. The Minnesota Newspaper Association testified against the provisions, as they have done in previous years. Among its biggest concerns were seniors' access to computers, and the fact that newspapers have always played a role in publishing of notices. Additionally, testifiers highlighted the fact that newspaper websites get considerably more traffic than city websites. Another interesting point made was by the suburban cities who pointed out the especially small circulation of some suburban papers. Members of the committee seemed to understand how this issue might play differently in rural and metro parts of the state.

The League's human resources staff testified in support of another mandate relief portion dealing with the repeal of the aggregate value of benefits statute, as did a representative from Dakota county. This piece stayed in the bill—unlike many other provisions that have dropped due to some controversy. Attorneys for the employment unions testified against this section of the bill.

How 'Mandate Relief 2011' ends up, remains to be seen. There are provisions alive in other omnibus bills, such as city and county maintenance of effort for library funding, and it is not clear as to what exactly will receive a hearing in the next week—thus meeting the second deadline. Watch next week's Cities Bulletin for more information.

*Questions? Jennifer O'Rourke at (651) 281-1261 or [jorourke@lmc.org](mailto:jorourke@lmc.org)*

### **Tax conference committee takes up tax increment financing**

On the first morning back after the legislative spring break, the Tax conference committee on HF 42, took up issues related to tax increment financing. Both the League and Metro Cities staff testified in support of two provisions—one being the one-year extension of more flexibility on the use of economic development districts, and the one-year extension of the pooling flexibility. Also on hand to answer questions of the provisions were **Bob Schreier**, Community Development Director for Brooklyn Park; **Matt Brown**, Community Development Specialist for Coon Rapids; and **Jenny Boulton** from the Kennedy & Graven law firm.

These provisions have been somewhat controversial for certain members of the committee, but the Tuesday morning focus was good in that there was lots of discussion and questioning of the testifiers. Conference committee members were interested in seeing some claw-back provisions and possible extra reporting by cities who may use this down the road. The panel did not take a vote, and likely will not until later on in the conference committee process.

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## Concussion discussion will head to the floor

HF 905 (Hamilton, R-Mountain Lake) / SF 612 (Benson, R-Anoka) had its final committee stops this week in both the House and Senate. The League of Minnesota Cities was successful in having amendments on both liability issues and certain definitions added to the bill, as have been the Minnesota School Boards Association and the Minnesota State High School League, who are also charged with implementing the bill when it becomes law. The goal for bill advocates this year has been to start a new awareness on sports-related brain concussions for youth—with the implementation through municipal parks/rec, schools, and youth athletic associations.

The bill has had a number of stops on the House side over the last few weeks, but all of the hearings on the Senate side occurred in the Senate Education Committee—which is not abnormal for any piece of legislation; it all depends on whether the chair of a particular committee wants to hear the bill. On Thursday afternoon, several Education committee members addressed a number of concerns that school districts and cities have made over the last several weeks. Along with the complicated liability issue, the League was successful in getting language added that would clarify that this would only apply to youth athletic activities where a coach or official was present, and that this would not apply to the pick-up basketball games at a community center, or to youth runners competing in a community 5K event.

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## Never quite done: Last year's interest rate fix partially undone

Late in the 2009 session, an amendment was added to the omnibus Public Safety finance bill that increased the interest rate charged on judgments and awards over \$50,000 to 10 percent. Prior to that change, the interest rate had been the greater of the one-year treasury yield or four percent. That amendment, supported by the Minnesota Association for Justice (the trial lawyers), was intended to compel insurance companies to finalize settlements. Unfortunately, the bill affected all awards and judgments over \$50,000, including those involving cities and counties. Last session, the League successfully worked with the Minnesota Inter-County Association to modify the law to return the interest rate for all awards and judgments involving units of government to the pre-2009 level. During last year's debate on the bill, business groups expressed a desire to generally undo the 2009 change but they were unsuccessful in broadening the bill.

This year, the Insurance Federation of Minnesota and other business groups have worked with legislators to introduce their own legislation. The bills, HF 770 (Rep. Pat Mazorol, R-Bloomington) and SF 530 (Sen. Julianne Ortman, R-Chanhassen), would decrease the interest rate on awards and judgments back to the greater of four percent or the rate on one-year treasury yield.

During the Wednesday evening House Civil Law Committee hearing, Rep. Torrey Westrom (R-Elbow Lake) offered an amendment that modified the bill to set the interest rate on all awards and judgments over \$50,000 to the one-year treasury yield plus eight percent, including awards and judgments involving cities. Awards and judgments under \$50,000 would continue to use the greater of four percent or the one-year treasury yield. The League testified against the Westrom amendment, however, the amendment was adopted.

In the Senate Judiciary Committee hearing on Thursday, the Senate Companion bill was debated. During the discussions, Senator Ortman expressed that her intent was to only apply the lower interest rate to the pre-judgment period and that she wanted the post-judgment rate to remain at 10 percent. The structure of the bill suggested that a clarifying amendment would have increased the post-judgment rate for cities and counties. After discussions with legislative staff and the author, an amendment preserving the lower rate for both pre and post-judgment interest for units of government was adopted.

The League will continue to work on modifications to the House bill to prevent increases to the interest rate on awards and judgments.

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### **Employee group health insurance opt-out restriction bill advances**

This week, the House Commerce and Regulatory Reform Committee and two Senate committees approved HF 371 (Rep. Joe Hoppe, R-Chaska) and SF 247 (Sen. Gary Dahms, R-Redwood Falls), legislation that would eliminate a current law provision that allows bargaining units to unilaterally move their employees out of the city's existing health insurance program and into the state Public Employee Insurance Program (PEIP) plan.

This existing law can create challenges for cities who are trying to efficiently administer their benefit programs and to minimize insurance premiums. The League, along with the Minnesota School Boards Association and the Minnesota Inter-County Association all support the legislation.

The League offered testimony at each of the three hearings, stressing that local government employers must be involved in the process of deciding whether a bargaining unit moves out of existing city provided health coverage due to the fact that cities are generally paying a significant portion of the cost of that coverage and they also should be able to evaluate the impact of such a change on remaining employees. When an employee group chooses to opt in to the PEIP plan, cities can experience an adverse selection situation which could potentially drive up insurance premiums for the city and its remaining employees.

Despite active opposition from Education Minnesota, the statewide teachers union and Service Employees International Union (SEIU), the bills were approved and were each sent to the floor.

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### **Bill changes authority over frontage road access**

A business claiming it was landlocked by construction of an interchange brought forward a bill this week that shifts the authority to grant frontage road access from the Minnesota Department of Transportation (MnDOT) to the local unit of government with jurisdiction over the roadway. The bill, HF 1526 (Rep. Duane Quam, R-Byron)/SF 1071 (Sen. Dave Senjem, R-Rochester), was promoted as an enhancement to local control because it provides counties, cities, and townships with authority to oversee driveways along frontage roads that have a ramp onto or from a controlled access highway. It authorizes municipalities to permit driveway establishment and alteration, and sets requirements governing when a driveway on a frontage road must be allowed.

A close read of the bill, however, revealed language stating that the local unit of government "shall not deny" an application for an access point if it meets certain criteria. The bill was heard Wednesday in the House Transportation Policy and Finance Committee, where MnDOT testified that the bill presents safety problems and the League testified that it has the effect of removing state *and* local authority to determine safe and proper access points.

The House bill was heard and laid over. The League is working with the bill's advocates to modify the language to clarify that the road authority can deny requests for access to frontage roads. This afternoon, a version of the measure was offered as an amendment to the House omnibus transportation policy bill, HF 1310 (Rep. Mike Beard, R-Shakopee). The amendment was withdrawn at the request of Chairman Beard. The Senate bill has not had a hearing.

*Questions? Contact Anne Finn at 651.281.1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

### **Bill would deregulate food service on public property**

A bill heard in a House committee Tuesday and scheduled for a Senate hearing today would eliminate licensing requirements related to food served in certain facilities, including those owned by public entities.

Under current law, the Minnesota Department of Health (MDH) licenses and inspects food service entities under

Minnesota Statutes, chapter 157 (including, but not limited to, restaurants; bars; hotels; resorts; caterers; and cafeterias) and enforces the food code, under Minnesota Rules, chapter 4626. There are a number of specific exemptions listed under current law.

As introduced, HF 637 (Rep. Steve Drazkowski, R-Mazeppa)/SF 477 (Sen. John Howe, R-Red Wing) would add faith-based organizations to the list of entities exempted from licensing. According to the bills' authors, the purpose for the legislation was to remove a burdensome requirement for facilities hosting events such as funeral luncheons and charity fundraisers, where food is frequently prepared by volunteers.

On Tuesday, the bill was amended in the House Health and Human Services Reform Committee to expand the exemption to properties owned by local units of government in communities with a population under 25,000. The idea behind the 25,000 population threshold was to keep the licensing requirement for communities that own large public gathering spaces such as convention centers and entertainment venues. However, legislators raised questions about whether the measure might increase risks associated with food served at community festivals and other large gatherings in smaller cities. The bill does require training and supervision for the exempt facilities.

The DHS testified against the bill, saying it would lead to more food-borne illnesses. The League did not take a position for or against the bill, but testified that there had not been adequate time to understand the ramifications of this legislation, particularly for cities under 25,000 population. The League also noted that most cities are not in a position to assume the role of implementing public health regulations related to food service. If the DHS does not oversee food service licensing, there is not another mechanism to provide this regulation.

The Senate bill in its original form is scheduled for a hearing sometime today. Look for an update on this legislation in next week's Cities Bulletin.

The League is very interested in hearing from cities that have comments and/or concerns about this pending legislation.

*Questions? Contact Anne Finn at 651.281.1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

### **House Committee approves bill the makes substantive changes to gun laws**

Over the objections of law enforcement organization representatives and gun control advocates, a bill that would expand the right to use of force in cases of self-defense was approved by the House Public Safety and Crime Prevention Policy and Finance Committee on Thursday.

Sponsored by Rep. Tony Cornish (R-Good Thunder), HF 1467 would, in part, change state law governing the use of force in self defense, including that an individual using deadly force is presumed to possess a reasonable belief that there exists an imminent threat of great bodily harm or death. The bill also contains the following provisions:

- extends the effective period of a permit-to-purchase a firearm from one to five years;
- mandates improved reporting of mental health and criminal background data to state and federal databases used in making background checks;
- delimits the authority of peace officers to disarm individuals during times of a public emergency or disorder; and
- requires Minnesota to recognize a permit-to-carry issued by another state.

Proponents of the bill said it would improve public safety by allowing people to defend themselves when threatened. Gun rights advocates also testified in supported the measure.

Opponents said current law adequately protects law-abiding citizens; a homeowner could use deadly force against an unarmed person who mistakenly tries to enter a dwelling; and fear of officer safety, especially when they surprise someone on their property while executing their duties.

The committee approved the bill on a 10-7 party-line vote and sent it to the House Judiciary Policy and Finance

Committee. It has no Senate companion.

*Questions? Contact Anne Finn at 651.281.1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

### **House committee passes bill restricting ordinances related to immigration**

The House Public Safety and Crime Prevention Policy and Finance Committee on Thursday approved HF 358 (Rep. Bob Barrett, R-Shafer) a bill that would prohibit local units of government from enacting policies or ordinances that restrict when employees can inquire about the immigration status of members of the public.

Proponents of the bill testified that without the measure, local law enforcement officers could be restricted from cooperating with federal immigration agencies such as Immigration and Customs Enforcement (ICE).

The League testified against the bill, stating that it interferes with local control, compromises good relationships between city officials and immigrant communities, and inappropriately puts local governments in the role of enforcing federal immigration laws. The League has a longstanding policy (SD-39) that articulates this position.

Law enforcement leaders from Minneapolis and St. Paul testified that agencies work cooperatively on a regular basis with ICE. They also said that they depend on relationships within immigrant communities to solve crimes and implement community policing strategies that promote public safety. They expressed concern that passage of HF 358 would compromise the hard-won trust between peace officers and members of immigrant communities.

The bill was recommended to pass and re-referred to the House Judiciary Policy and Finance Committee on a voice vote. At the present time, the bill does not have a companion in the Senate.

*Questions? Contact Anne Finn at 651.281.1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

### **Bill would allow electric assisted bicycles on all trails**

A measure that's moving quickly through the House and Senate would require that electric-assisted bicycles be allowed on all bike pathways and trails, including state trails managed by the Department of Natural Resources (DNR) and paths created by local unit of government, like cities and park boards. According to testimony provided at the Senate hearing on the bill, electric-assisted bicycles are bicycles with modest electrical assistance (250 to 350 watts) that reach a maximum speed of 20 miles per hour. They are currently permitted on federal trails.

The bill, HF 1412 (Rep. Rich Murray, R-Albert Lea)/SF 1136 (Sen. Pam Wolf, R-Spring Lake Park), treats electric-assisted bicycles as a non-motorized use. Both were heard for the first time and approved by committees this week.

At the request of the DNR and the League, the bill was amended in the House Transportation Policy and Finance Committee and the Senate Transportation Committee to allow the authority governing the pathway or trail to prohibit the use of electric-assisted bicycles if the authority identifies safety concerns about their use.

Advocates for this legislation testified that they have no intention of expanding this legislation to allow motorized vehicles such as golf carts or motorized foot scooters on pathways and trails. They insist the intent of the legislation is to give older adults and people with disabilities opportunities to stay active with bicycling and enjoy use of trail and pathway resources.

The measure is included in the House and Senate omnibus transportation policy bills, HF 1060 (Rep. Mike Beard, R-Shakopee)/SF 920 (Sen. Mike Gimse, R-Willmar), which will be debated on the House and Senate floors as soon as next week.

*Questions? Contact Anne Finn at 651.281.1263 or [afinn@lmc.org](mailto:afinn@lmc.org).*

### **Tax Conference Committee update: little progress**

On Thursday morning, the conference committee on the omnibus tax bill met, but not to negotiate differences between the House and Senate bills. The committee considered testimony on tax competitiveness from a variety of business groups including the National Association of Industrial and Office Properties, the Minnesota Chamber of Commerce, the National Federation of Independent Businesses and the Building Owners and Managers Association.

With roughly three weeks left in the 2011 regular legislative session, the major budget conference committees and the tax conference committee have made little progress, in part, due to the decision to delay the policy committee deadlines to today, April 29 and next Friday, May 6. This week was dominated by hearings on more than 300 separate bills between the House and Senate committees.

In addition, these major budget conference committees are waiting on an agreement between House and Senate leadership on budget targets for each of the committees. The targets will give each of the budget committees a specific guideline on how much each committee can “spend.”

For more information on the current House and Senate tax bills, please review [this article](#) in the Cities Bulletin.

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### **Pension Commission organized**

On Friday, the Legislative Commission on Pensions and Retirement finally held its first meeting to elect a chair, vice chair and secretary. Commission members elected Rep. Morrie Lanning (R-Moorhead) to chair the commission while Sen. Julie Rosen (R-Fairmont) was elected vice chair and Sen. Sandra Pappas (DFL-St. Paul) was elected to serve as the commission secretary.

Formally known as the Legislative Commission on Pensions and Retirement, the panel is comprised of 10 members—five from the House of Representatives and five from the Senate.

The Pension Commission, which was permanently created in 1967, performs four major functions:

- reviews and makes recommendations to standing legislative committees on pending proposed public pension legislation;
- conducts ongoing research on pension policy issues;
- provides legislative oversight for Minnesota's system of public employee pension plans; and
- assesses the sufficiency of current public pension plan funding and recommends required modifications.

The Senate members are:

Sen. Roger Chamberlain (R-Lino Lakes)  
 Sen. Ted Daley (R-Eagan)  
 Sen. Sandra Pappas (DFL-St. Paul)  
 Sen. Larry Pogemiller (DFL-Minneapolis)  
 Sen. Julie Rosen (R-Fairmont)

The House members are:

Rep. Phyllis Kahn (DFL-Minneapolis)  
 Rep. Mary Kiffmeyer (R-Big Lake)  
 Rep. Morrie Lanning (R-Moorhead)  
 Rep. Mary Murphy (DFL-Hermantown)  
 Rep. Steve Smith (R-Mound)

With only three weeks remaining in the 2011 session, the commission will likely only address technical or time-sensitive issues this year. The Commission will likely meet throughout the summer to consider other legislation and proposals.

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**Deadline extended to May 16: nominate your city or leaders for an LMC award**

Your city and leaders have done some amazing things over the last year—tell us about it by entering one of the LMC award contests! The deadline has been extended to **May 16**.

- [View the City of Excellence Awards entry form \(pdf\)](#)
- [View the C.C. Ludwig & Leadership Awards entry form \(pdf\)](#)

The City of Excellence Awards recognize cities for programs that have helped improve the city in some way. Awards are given in three different population categories and in one topical category. This year's topical category is "Effective Use of Volunteers." Winning cities receive \$1,000, a commemorative plaque, and special recognition at the 2011 LMC Annual Conference and Marketplace, June 15-17 in Rochester.

The C.C. Ludwig Awards for elected officials and Leadership Awards for appointed officials are presented annually to honor those individuals who have made significant contributions to Minnesota city government. These awards are the League's highest individual honors.

Submit your nominations today! For more information, visit [www.lmc.org/awards](http://www.lmc.org/awards).

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