

Council Meeting
Tuesday, May 3, 2011
City Council Chambers
7:30 p.m.



AGENDA

Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes–April 19, 2011
2. Consent Agenda
 - Minutes
 - Housing and Redevelopment Authority – March 9, 2011
 - Park & Recreation Commission – April 18, 2011
 - Telecommunication Commission – April 26, 2011
 - Utility Commission – April 27, 2011
 - Correspondence
 - Southwest Regional Development Commission – Public Hearing Notice
 - Federal Communications Commission – Narrowbanding Deadline
 - License Application
 - Windom Area Chamber of Commerce
 - Exempt Permit - Riverfest
 - Happy Chef
 - On Sale Wine License
 - Beer License
3. Department Heads
4. Central Minnesota Municipal Power Agency Transmission Owner Services and Asset Assignment Agreement
5. Bureau of Criminal Apprehension (BCA) Master Joint Powers Agreement
6. Wellhead Protection Grant
7. Long Range Planning/Goal Setting – Selection of a Facilitator
8. Unfinished Business
 - Law Enforcement Comparisons
9. New Business
10. Regular Bills
11. Council Concerns
12. Board of Review Reminder – May 9, 2011 – 4:30 p.m.
13. Adjourn



Council Meeting
Windom City Hall, Council Chamber
April 19, 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; Bruce Caldwell,
Street & Park Superintendent; Mike Haugen, Water
and Wastewater Superintendent; Mark Hanson, EDA
Executive Director; Al Baloun, Recreation Director
and Jeff Dahna, Telecom

3. Pledge of Allegiance

4. Approval of Minutes:

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

5. Consent Agenda:

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

- Telecommunications Commission – April 1, 2011
- Tree Committee – April 6, 2011
- Economic Development Authority – April 11, 2011
- Street Committee – April 11, 2011
- Library Board – April 12, 2011

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

6. Department Heads:

Mike Haugen, Water and Wastewater Superintendent, said that the 2010 Consumer Confidence Report had been received from the State of Minnesota and the Windom system

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was in compliance with all of the testing areas. A copy of the report will be distributed to water users in the June 2011 utility bills.

7. Bolton & Menk – Wastewater Treatment Facility Improvements Contract:

Mike Haugen, Water and Wastewater Superintendent and Kelly Yahnke, Bolton & Menk, Inc. introduced themselves. Yahnke presented an overview of the feasibility report which included the reconstruction of the main lift station, a new river crossing, replacement of 600 feet of main interceptor line and equipment replacement in the waste water treatment plant.

The main lift station and main interceptor lines were constructed in 1970 and are at the end of their life cycle. New controls were installed in 1988 and another pump added in 1994, but these items too are either out dated or obsolete. In 1971 the river crossing was constructed and this line is showing signs of failure such as inflow and infiltration. In addition other work would include a new generator to replace the forty year old equipment now used for back up power, removal of a buried fuel storage tank, replacement of the 1988 control panel, replacement of worn out equipment in the 1994 plant, upgrade the entry road to accommodate sludge hauling vehicles, a 6 inch trash pump and new computer operating and monitoring system to replace the old one that recently crashed.

A cost estimate for the items outlined comes to \$2,625,000. Yahnke then reviewed the proposed project schedule that would start in the fall of 2011 and be completed in the summer of 2012.

Jones said that the main interceptor line by the river is quite old and showing evidence of failure so it needs to be replaced as the consequences of failure are severe. He asked about the life expectancy of the materials used for the new interceptor line. Yahnke said the materials are specified to provide a 60 year life cycle.

Jones asked if the interceptor would be sealed as it is located near the river which is prone to flooding. Yahnke said that it would be sealed.

Motion by Jones, second by Ray, to approve the contract between the City of Windom and Bolton & Menk for engineering services. Motion carried 5 – 0.

Jones noted that this agreement covers \$150,000 for design services and then another \$90,000 for construction services if the project moves forward. He asked how the project would be paid for when it is approved. Nasby said that the project would very likely be funded with bonds which would be repaid through the revenues of the wastewater fund.

Jones asked if there would be a need for a rate increase as this project is estimated to be \$2.6 million. Nasby said that the fund is currently generating the revenue needed for current operations, but a rate increase would likely be necessary to cover the cost of the bonds for this project.

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8. Street Department:

Bruce Caldwell, Street & Park Superintendent, said that he had a number of items to discuss with the City Council.

Safe Routes to School – Additional work had been completed by this group and they had requested changes in the parking allowed by Winfair Elementary. The Police Chief has reviewed the proposed parking changes and recommended approval. The Street Committee then reviewed the proposed changes that would include a “No Parking” area on 6th Avenue in front of the school during school hours and the handicapped parking stall would be moved to the corner of 6th Avenue and 15th Street. This would reduce the parking by the school, which is mainly school staff, but it would be safer for kids being picked up and dropped off. The Safe Routes to School group would pay for the signs which cost about \$600 and the City would provide \$200 of in-kind services to install the signage.

Motion by Powers, second by Ray, to approve the proposed “No Parking” zone on 6th Avenue by Winfair Elementary and to move the handicapped parking spot to the corner of 6th Avenue and 15th Street. Motion carried 5 – 0.

Riverfest Street Closure – Caldwell reviewed the street closures for the Riverfest parade on June 11 from 4:45 pm to 9 pm. The Soap Box Derby has requested the use of 4th Avenue from Langley Avenue to 19th Street on June 10 from 6 pm to 9 pm and the Riverfest Committee has requested the use of 3rd Avenue, 4th Avenue, 9th Street and 10th Street around the Courthouse Square on June 11 and 12.

Motion by Maricle, second by Fossing, to approve the street closures as requested for Riverfest activities on June 10, 11 and 12, 2011. Motion carried 5 – 0.

Street Budget Update and Seal Coating – The heavy snows this winter have placed a strain on the snow removal budget. Caldwell noted that his department has expended about 74% of its snow removal budget and there are a number of snow months yet to come at the end of 2011. The past two winters have been hard on a number of the city streets, especially 6th Avenue, 6th Street and 20th Street.

The seal coating budget for 2011 was \$45,000 for streets and \$8,000 for the parks. Due to the cost of snow removal, the high cost of oil for seal coating and the condition of the streets he mentioned a proposal to eliminate the 2011 seal coating program was discussed with the Street Committee. The \$45,000 in the Street seal coating would be divided into two pieces, whereas \$15,000 would be used to supplement the snow removal budget and \$30,000 would be used to do extensive patching work on 6th Avenue, 6th Street and 20th Street. The \$8,000 in the Parks seal coating project would be added to the Park maintenance account as the \$8,000 is not enough to do the seal coating that was planned due to the high cost of materials.

At the airport the City is reimbursed by the State for maintenance costs up to about \$15,000 and so far this year nearly \$22,000 has been expended so the City has to make up that cost difference.

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Caldwell said that the condition of a number of streets is starting to deteriorate and it is important to keep up with reconstruction projects. If these streets are left to deteriorate it will place a significant burden on future city budgets.

Motion by Powers, second by Ray, to eliminate the 2011 Street and Park Seal Coating projects totaling \$53,000 and use those funds as follows: \$30,000 to Street patching projects; \$15,000 to cover over budget snow removal expenses and \$8,000 for Park maintenance. Motion carried 5 – 0.

Fossing asked what the consequences were for holding off on the 2011 seal coating project. Caldwell said that the streets scheduled for the 2011 project were done 9-10 years ago and are still holding up well. This 9-10 year rotation is longer than the 7 years the City formerly used for its rotation because the quality of the materials has gotten better. So, he felt delaying the seal coating would not be problematic.

Powers said that there are cracks in these streets, but the wear surface is in good condition.

Jones asked if there is a lot of street repair expense coming up in the near future. Powers replied that there were a number of areas that needed attention and street repairs and reconstructions had been put off for a number of years. Jones said that this could be part of the City's strategic planning.

Powers said that there are many miles of City streets so a schedule for maintenance and reconstruction has to be carefully planned and implemented. City crews can do a significant amount of the repairs so that will save the City money. Caldwell noted that some streets, like 20th Street, are in need of significant attention and the soils and water table pose problems.

9. Multi-Agency Law Enforcement Joint Powers Agreement:

Nasby said that this agreement between the City and State of Minnesota is an amendment of an existing agreement. Due to federal funding cycles and passage of a budget this agreement needed to be amended to extend the timeframes. Essentially, the City is reimbursed for expenses incurred as part of this statewide task force.

Council member Maricle introduced the Resolution No. 2011-16, entitled "AUTHORIZATION TO EXECUTE MULTI-AGENCY LAW ENFORCEMENT JOINT POWERS AGREEMENT, AMENDMENT AND SUPPLEMENTS WITH THE STATE OF MINNESOTA FOR THE INTERNET CRIMES AGAINST CHILDREN (ICAC) PROGRAM" and moved its adoption. The resolution was seconded by Powers and on roll call vote: Aye: Fossing, Jones, Maricle, Powers and Ray. Nay: None. Absent: None. Resolution passed 5 – 0.

10. Community Center - Donation:

Kruse said that the Community Center had received a donation from Ducks Unlimited.

Council member Powers introduced the Resolution No. 2011-17, entitled “AUTHORIZATION TO ACCEPT A DONATION FROM DUCKS UNLIMITED FOR THE WINDOM COMMUNITY CENTER” and moved its adoption. The resolution was seconded by Jones and on roll call vote: Aye: Jones, Maricle, Powers, Ray and Fossing. Nay: None. Absent: None. Resolution passed 5 – 0.

11. Windom Pool – New Water Slide:

Al Baloun, Recreation Director and Terry Fredin, Parks and Recreation Committee Chairperson, introduced themselves. Fredin said that in 2010 the State disallowed the three meter board at the pool. As such, the Park and Recreation Commission sought to replace the diving board with a slide.

Baloun reviewed the plans and specifications on the new slide with the City Council. He also discussed the proposed budget for the project. This budget was based on the \$20,000 in the Pool’s capital improvement budget, an \$11,000 grant from the Remick Foundation and \$7,000 in funds to be transferred from the Park capital improvement account.

Motion by Maricle, second by Fossing, to approve the new swimming pool slide project as presented and the \$7,000 transfer from the Park capital improvement fund to the Pool capital expenses account. Motion carried 5 – 0.

Fredin said he wanted to give the Council a brief history of this project. Following the State’s inspection and decision the three meter board was removed for the 2010 season. The Park and Recreation went to Lakefield and looked at their pool to research the slides, etc. That pool has drop slides and the cost of a single drop slide was estimated to be about \$20,000. This is the plan that was submitted to the Council for the 2011 budget. However, after additional thought the Park and Recreation Commission did not consider the single drop slide to be a challenging or interesting enough piece of equipment since it was replacing a three meter board. So, the Commission began looking at alternatives in January and February 2011. This is why the plan and cost has changed since last year.

Fredin said the Commission feels the proposed slide will be an attraction, be interesting and challenging for the swimmers using the deep end of the pool and will be cost effective. The new equipment is larger so it will require the elimination of one of the remaining one meter diving boards, an additional concrete pad and some fencing. The Commission had considered placing it in the five foot portion of the pool, but the State would not allow it.

Baloun said there are two types of slides which are a plume slide and drop slide. Ours would be a drop slide so it requires exit into deeper water. Plume slides are also common but they are more expensive to purchase and operate.

Fossing asked if an additional life guard will be needed at the top of the slide tower. Fredin indicated that it will not require an additional life guard and it will be a draw for swimmers.

Powers asked if any youth had been asked their opinions on the proposed slide. Baloun said no. Maricle said the plan was changed to be an upgraded model to get the youth’s interest.

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Baloun said the slide will be fiberglass which is designed to last longer than a poly product.

Powers asked if there is a water pump. Baloun replied that there is a water pump and it will draw from the pool and drain back into the pool and these plans are already completed and ready to be sent to the State.

Powers asked about the condition of the rest of the pool. Baloun said it is generally good as some work had been completed over the last few years, but there are a couple of items that will need repair and maintenance.

Jones noted the proposed \$7,000 transfer out of the Park account. Were there other priorities in the Parks that should be considered before this money is moved? Caldwell said that since the seal coating for 2011 was not being done he had enough money in the Park account to address the items he is planning for 2011.

Jones asked if the new slide and installation will be completed before the 2011 swimming season which is to start on June 6. Baloun said they have done what they can to make this happen and the vendor says the project can be completed. Some work is being done locally and the plans are ready to be submitted to the State for approval.

12. EDA – SCDP Commercial Rehabilitation Loan Assignment:

Mark Hanson, EDA Executive Director, said that the owners of 327 9th Street were selling their property and since they have a SCDP loan there are provisions for repayment or assignment of interests. For this property the owners, Loren and Evelyn Hammer are selling the property to a family member. As such, the SCDP loan can be assigned and assumed by the new owners David and Sheryl Eyberg. The EDA has reviewed the proposed assignment and is recommending the SCDP Commercial Rehabilitation Loan assignment and authorization for the Mayor to execute the necessary paperwork.

Motion by Maricle, second by Ray, to approve the assignment of an SCDP Commercial Rehabilitation Loan on 327 9th Street from Loren and Evelyn Hammer to David and Sheryl Eyberg. Motion carried 5 – 0.

13. Emergency Management Director - Appointment

Kruse said that there were four qualified applicants for the position and he is appointing Emily Cenzano to the Emergency Management Director position for the City of Windom. He noted that Emily is uniquely qualified for the position, has experience in this field and is willing to accept the position.

Motion by Jones, second by Ray, to approve the Mayor's appointment of Emily Cenzano to the position of Emergency Management Director. Motion carried 5 – 0.

Cenzano thanked the Mayor and City Council for the appointment. She noted that she had a degree in Emergency Management, worked for the Centers for Disease Control and for Scott County, Minnesota in their Emergency Management Office and has recently been

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hired as the Nobles County, Minnesota Emergency Management Director. She is excited to start the position.

Jones asked Cenzano what were her first priorities. Cenzano said that they would be to update the City's Emergency Operations plan and to coordinate activities with Cottonwood County.

Powers welcomed Cenzano.

14. Strategic Planning and Goal-Setting Discussion:

Nasby said that at the April 5, 2011 City Council meeting a request was made that resources for facilitation services be identified and information provided back to the City Council. The memorandum in the packet is an outline of several potential resources. These included the University of Minnesota Extension Service, three private consultants, the League of Minnesota Cities and the Finding Windom group. Unfortunately not all of these organizations were able to submit information prior to the Council packet deadline, so there were several items from Brimeyer\Fursman and the University of Minnesota Extension Service that were handed out this evening. The costs of this activity would likely range between \$2,000 to \$5,000.

Jones suggested the formation of an ad hoc committee to review this information, contact the service providers and their references and make a report back to the Council. Consensus of the Council to form an ad hoc committee.

Kruse asked Jones and Maricle to join him on the ad hoc review committee along with Nasby.

15. Regular Bills:

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

16. Unfinished Business:

None.

17. New Business:

Fossing said that he had been asked about the possibility of exploring the combination of Windom's Police with Cottonwood County. Kruse noted that the Council had discussed this briefly on several occasions, but a comparison of our services with other communities that use the County may be good. Nasby said that he would contact Chief Shirkey and an informational memorandum would be prepared and presented to the City Council.

Jones asked if the City Council should have formally accepted the Remick Foundation grant for the pool project. Nasby said that since the Council had not previously authorized the submission of the grant request it would be proper to have formal action accepting the grant.

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Motion by Maricle, second by Fossing, to accept \$11,000 from the Remick Foundation for the 2011 Windom Pool project. Motion carried 5 – 0.

18. Council Concerns:

Ray reminded everyone that Spring Clean Up Day is coming and encouraged citizens to take advantage of the opportunity to spruce up their properties.

Kruse added that the Spring Clean Up Days are April 30 for east Windom and May 7 for west Windom and asked that residents not put their trash out on the curb more than one week prior to collection as things could blow away and cause a problem.

19. Adjourn:

Kruse adjourned the meeting by unanimous consent at 9:00 p.m.

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

The Housing and Redevelopment Authority of Windom met in a regular meeting Wednesday, March 9, 2011 at 4:00 p. m. at the Riverview Apartments. Present were Chairman Marilyn Sudenga, Vice Chairman Frank Dorpinghaus, Commissioners Larry Hartman, Pat Tepley, Margaret McDonald, Doreen Jorgensen, and Jens Hansen. Also present was city council liaison Dominic Jones.

The minutes of the February meeting were read and approved.

The bills for the month were discussed. A motion was made by Hansen and seconded by McDonald that the bills be approved for payment.

Commissioners were presented with a list of accounts that need to be written off to bad debt, due to the fact that they were uncollectable. A motion was made by Dorpinghaus and seconded by Hansen that Resolution #333 be adopted approving the write off of the accounts. Upon roll call all were ayes.

The operating budget revision for year ending 3/31/2011 was discussed. A motion was made by Hartman and seconded by Hansen that Resolution #334 be adopted approving the budget revision. Upon roll call, all were ayes.

The Cooperation Agreement with the City of Windom was discussed. It was decided to increase the number of units to 103 should there be any interest in doing any new projects. A motion was made by Hartman and seconded by Jorgensen that Resolution #335 be adopted approving the Cooperation Agreement. Upon roll call, all were ayes.

Comp time for maintenance personnel was discussed. The board determined that a new policy should be established in regard to how comp time is to be taken. However, the board said they would give maintenance one year to take the current comp time accrued.

Administrative Assistant, Janet Flatebo had written a letter to the board requesting an increase in salary. After a lengthy discussion, a motion was made by Hansen and seconded by Hartman that the salary be set at \$30,000.00 per year effective 4/1/2011.

A list of inventory that had either quit working or was sold was presented. A motion was made by McDonald and seconded by Jorgensen that Resolution #336 be adopted approving the deletions of this inventory. Upon roll call, all were ayes.

There being no further discussion, the meeting was adjourned.

**Vicki Flatgard
Executive Director**

**PARK AND RECREATION COMMISSION MEETING
MINUTES APRIL 18, 2011**

1. Call to Order: The meeting was called to order by Terry Fredin at 7:00 p.m. in the council chambers at city hall.
2. Roll Call:
Commission Present: Sherri Zimmerman, Kay Clark, Terry Fredin, Jeff LaCanne & Angie Blanshan
Commission Absent: None
City Staff Present: Recreation Director Al Baloun, Park Superintendent Bruce Caldwell & City Administrator Steve Nasby
Council Liaisons: Corey Maricle attending & JoAnn Ray absent
Public: Jay Weber from Weber Recreational Design, Ben Schaffer, Signature Aquatics & Marlin Negen
3. Approve Agenda
Motion by Clark seconded by Blanshan to approve agenda
Motion Carried Unanimous
3. Approve Minutes March 14th & March 29th, 2011
Motion by LaCanne, seconded by Clark approve minutes March 14, 2011 as written & minutes from March 29, 2011 correct #6 Recreation Director's Report second page "Recreation Programming" motion to read as follows; Motion by Blanshan, seconded by Zimmerman that the changes to the youth baseball program were discussed by the commission as written in the February 28, 2011 meeting minutes.
Motion Carried Unanimous
4. Parks Superintendent Report- Bruce Caldwell
 - a. Caldwell stated after reviewing the request by the Baseball Association for funding to install a new concrete batting and pitching area at the Island Park baseball field from the March 29, 2011 meeting. Caldwell said the cost of the concrete would run \$1000 not including any other materials. Currently there isn't enough money in the present budget for those improvements. Caldwell suggested putting this request in the 2012 budget discussion. The commission agreed to postpone the request until the next budget year.
 - b. Island Park Restrooms- Caldwell said he had a discussion from one of the volunteers that will be working on the new concession building within the baseball field complex. Their group would volunteer to take off the old shingles and install the new ones at no fee on the bathroom facility. The roofing is in poor condition and need to be replaced. The park department would buy the shingles and materials to complete this project which we have funding in our maintenance account. Caldwell also stated there is a problem with the water line at the restrooms which they will need to dig up the old valves. That work can not be done until the water table goes down, so he has ordered port-a-pots that will be used until maintenance work can be completed.
5. Recreation Director's Report- Al Baloun
 - a. Pool Slide: the commission asked Caldwell if the \$7000.00 left from the 2011 CIP mower account was still available which he said it was. The commission stated they would like to use those funds to help pay for the new water slide.
Motion by LaCanne, seconded by Clark to request to City Council the approval of the transfer of \$7000 from 2011 Park CIP Mower funds to the Pool Water Slide Purchase.
Motion Carried Unanimous

Jay Weber discussed with the commission that the best location for the drop slide is the deep end. He explained the differences between requirements for a flume and drop slide.

Motion by Clark, seconded by Blanshan to approve the expenditure for the new pool slide as proposed. Note: attachment cost estimates for water slide for details below.

Motion Carried Unanimous.

6. Open Mike:

Clark: The Windom Baseball Association asked if they could use the Island Park South Baseball Field during the summer months at no charge for a morning baseball program for 4th – 6th graders on Mondays, Wednesdays and Fridays as long as they do all the field prep work. The Baseball Association would fund the entire program. The commission discussed how other users pay for ball field usage however the actual cost information was not available at this meeting. The topic was tabled until the next meeting when Baloun can have the information to review by the commission.

Blanshan: stated she wants the meetings to go back to the 5:15 p.m. meeting time. The commission members agreed to try and stick to that time period for future meetings.

7. Meeting Adjourned at 8:10 P.M.

**Next Meeting Park & Recreation Monday May 9, 2011
5:15 p.m. Council Chambers**

Telecommunication Commission Minutes
April 26th, 2011

1. Call to Order:

Wendell Woodcock called the meeting to order.

2. Roll Call:

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

Commission Members Absent: Dominic Jones

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

Public Present: None

3. Channel Additions:

MLB (Major League Baseball), WFN (World Fishing Network), & Sportsman Virgil made the motion to add the 3 new channel additions, Corey 2nd
All in favor.

4. Bandwidth Addition Agreements:

Quotes back from companies. SDN came back with best quote. 3yr – \$2,095.00.
Windomnet will still have DS3 with Onvoy.
Forrest made the motion to go with SDN, Virgil 2nd
All in favor.

5. Shared Manager Agreement:

They are still working on the Agreement.

Broadband Group: Bids going out May 5th & 11th. 9 Contractors want to bid on it.
Group looking at channel lineup, Extended calling areas for Telecom customers.

6. Manager Report:

Dan had meeting with another Telecom Company, Another route to SD, Toll sharing with them, they share with 9 other phone companies now.

Water Dept. revamping water plant, scada system on fiber

Telecom numbers: Cable up 11, Internet up 2, and Phone down 6.

Waiting on HD equipment, have received the bill but not the equipment yet.

7. Commissioners Concerns and Questions:

None

8. Adjourn:

Wendell adjourned the meeting

UTILITY COMMISSION MINUTES
City Hall, Council Chamber
April 27, 2011

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 a.m., on April 27, 2011 in the City Hall Council Chamber.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Chris Johnson and Glen Francis

Member Absent: None

City Council Liaison: Dominic Jones,

Staff Present: Steve Nasby, City Administrator; Brigitte Olson, Assistant City Administrator; Marv Grunig, Electric Utility Manager and Mike Haugen, Water/Wastewater Superintendent

Others Present: Joel LaCanne, WADC Representative; Don Jackson, Member of the Windom Baseball Association

APPROVE MINUTES

Motion by Johnson, seconded by Francis, to approve the March 23, 2011, Utility Commission minutes as presented. Motion carried 3-0.

WADC REPRESENTATIVE TO REVIEW 2010 ACTIVITY

Joel LaCanne, Representative to the WADC board outlined the activity for 2010. The Windom Area Development Corporation (WADC) has five (5) loans that were approved by the WADC Board totaling \$90,000.

LaCanne said that \$400 of the City of Windom Electric Department \$1200 per month contribution to the WADC is paid to the Windom Area Chamber of Commerce for administration services.

LaCanne will provide the council with a financial statement.

REVIEW PLANS FOR THE BASEBALL FIELD PROJECT

Don Jackson, member of the Windom Baseball Association, reviewed the plans for the proposed concession stand. The baseball association would like to see the camper dumping station relocated as it is approximately 50' from the concession area.

Staff has been directed to talk to the Park and Recreation Commission and see if they would agree to have it moved to the County Pride station area or to the overflow parking lot at the Windom Community Center. Staff is also directed to get the costs associated with relocating the dumping station, and if the Park and Recreation Commission is in agreement to move that station to speak with Country Pride and the Community Center and see if they are willing to have it located on their property.

WATER AND WASTEWATER ITEMS

2010 Consumer Confidence Report – Haugen reviewed the 2010 Consumer Confidence Report with the Utility Commission. Haugen said that the City of Windom adds hydrofluosilicic acid to the City’s drinking water, and not sodium fluoride which has been a controversial subject. However, Haugen said that the City of Windom’s water contained no contaminants at levels that violate federal drinking water standards. Some contaminants were detected in trace amounts that were below legal limits.

Resignation of Jeff Christians - Haugen said that Jeff Christians turned in his resignation and his last day was April 22, 2011. At the time the packet was created Haugen was going to request the filling of this vacant position. Since that time Christians has requested to come back to the City of Windom’s Water/Wastewater Department.

The Utility Commission directed staff to talk to the Union to clarify terms and conditions, and then to send this to the Personnel Committee, as the Utility Commission doesn’t want to set a precedence that will negatively impact the City in the future. The questions asked in the discussion were if the employee only stays a short time and then leaves, the City of Windom has invested more time in training him, and does the City begin at the bottom of the pay scale, vacation time, sick time and probationary period, or he can re-apply for the vacant position.

Sewer Jet / Vac. - Haugen said that he had received references from Empire Pipe for the Sewer Jetting / Vac. service that they provide, and did not receive any negative comments from the four (4) municipalities that he called. Three (3) of these references were for televising and the other was for sewer Jet / Vac. Haugen said that his department would need to uncover the manholes before service can be provided.

Motion by Johnson, seconded by Schwalbach to accept the three (3) year quote as follows:

- **1st Year approx. 63,000’ @ \$0.39 per foot = \$24,570**
- **2nd Year approx 63,000’ @ \$0.42 per foot = \$26,460**
- **3rd Year approx 63,000’ @ \$0.45 per foot = \$28,350**

Motion carried 3-0.

Highway 60/71 Water Main Relocation – Haugen said that he did not feel that the City had the right to shut water off to a property for a period of time should the main under Highway 71 fail, and said that he is unable to shut off a segment of the main. The Utility Commission wants to treat all the citizens of Windom equally, and therefore does not want the assessment to the property owners in the relocation area to change. Schwalbach said that he felt Bob Hanson’s had

a valid point with not being charged again should the 3rd Avenue Water main have an improvement project in the next few years. Nasby said that this could likely be recorded on their deed at the courthouse. The Utility Commission directed staff to speak to the four (4) property owners in the relocation project, stressing that if this is not a voluntary project the cost of the project will increase if assessment procedures are necessary.

Motion by Johnson, seconded by Francis, to proceed with the project with the estimated cost from Wenck Associates, and have staff notify the property owners. Motion carried 3-0.

Dicks Welding, Legacy Grant – Haugen notified the Utility Commission that he is receiving a matching Legacy Grant to connect Dicks Welding to City sewer service and disconnecting their septic tank as it is in the well head protection area. This project is estimated to cost \$11,925, and the grant was for \$6,000.

Motion by Johnson, seconded by Francis, to recommend to the City Council the acceptance of this Legacy Grant, and to participate in the project. Motion carried 3-0.

ELECTRIC ITEMS

CapX Transmission Owner Services and Assignment Agreement – Grunig said that the CapX Transmission Owner Services and Assignment Agreement is a companion agreement to the Brookings – Twin Cities Transmission Project Agreement. This service agreement designates CMMPA as Windom’s MISO TO; our transmission owner representative to MISO, then assigns the capacity rights in the Brookings Project to CMMPA, so CMMPA in turn can transfer those capacity rights to MISO to be included in MISO’s transmission rate making bucket.

The major objectives in this agreement are as follows:

- First from a bond security standpoint, the document language has to be very clear that revenues attributable to Agency assets are not going to be “diverted” towards any other obligations prior to fulfilling the obligations associated with the CapX Brookings debt service and other related costs.
- Participants with Participant-Owned Transmission Facilities such as Windom have additional burdens related to the Operating and Maintenance of locally owned transmission assets. With this extra responsibility comes additional revenue. Those burdens are making the required improvements to the City’s transmission facilities. The agreement makes it clear that the revenues associated with this agreement are treated as completely distinct and unrelated to revenues associated with CapX Brookings Transmission assets.
- Step-up obligations under this agreement relates solely to costs due to CMMPA for providing the services which includes the obligations to fulfill revenue gaps or anything like that. None of the participants are in any way guaranteeing any other participants receipts of tariff revenues.

Utility Commission member Johnson introduced the Resolution No 2011-03 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 Francis and on roll call vote: Aye: Schwalbach, Francis and Johnson. Nay: None. Resolution passed 3-0.

Grunig said that he believed CMMPA would reduce the Cities investment in CapX Brookings project to 3.6% on May 26, 2011. Grunig provided the Commission with a CapX Brookings – Twin Cities Transmission Project Agreement Approval Tracking Matrix outlining participant investments according to the resolutions passed.

Minnesota Legislative Update on Energy Issues – Grunig reviewed several legislative issues with the Utility Commission. These items are as follows:

- Nuclear Moratorium – The conference committee on the nuclear moratorium repeal bill, SF 4 still has not issued a final committee bill. Governor Dayton has indicated that if the bill does not meet all of his requirements, he will not sign it. Grunig said the bill is moving forward.
- Coal Import Moratorium – The repeal of coal importation moratorium, SF 86, passed the Senate. The House substituted the Senate bill for the House bill (HF 72) on the House floor Monday. It may come up for a vote on the House floor after the Easter break. It is unlikely the Governor will sign a bill unless there is a deal worked out with bill supporters. Grunig said that this has been passed by the Senate and House.
- Eminent Domain – This bill would allow a landowner to petition for a partial discharge of an easement, if the easement is no longer going to be used for its original use. (these uses may still be for a public purpose) The League of MN Cities and Minnesota Municipal Utilities Association are working against these bills because of the negative implications for municipal utilities and services.

Utilities Plus Energy Services Proposal for Phase One Engineering Study for Electric Utility to Meet New EPA “NESHAP RICE” Standards for Generators – Grunig reviewed with the Commission “NESHAP RICE”. These are the regulations regarding emission controls for generators. If generators are used for emergency use only (Lights-Out), the City does not need to be in compliance with these regulations. If this is not the case the City of Windom Utilities will need to comply with these regulations at an estimated cost of \$40,000 to \$60,000 per generator, and the City owns three (3) of them. The two phases that have been outlined to meet the compliance are, Phase I which is the study phase, and Phase II is the construction phase. Because of the possibility of law changes Utilities Plus Energy Services Inc. and Grunig recommends that the City of Windom Utilities proceed with Phase I at a cost of \$3,110. This would get us ahead of other communities that are waiting to see what requirements are changing.

Motion by Johnson, seconded by Francis, to take the recommendations of Utilities Plus Energy Inc, and Grunig to proceed with the study Phase I at a cost of \$3,110. Motion carried 3-0.

Western Area Power Administration (WAPA) 2021 Power Marketing Initiative Proposal – Grunig informed the Utility Commission that contract negotiations have already begun for the Power Contract that terminates between WAPA and the City of Windom in 2020. The new contract will be for thirty (30) years. A draft contract should be coming in the fall of 2011.

2011 Residential Central Air Rebate Program with “Bonus Bucks” Offer – Grunig updated the Commission regarding the new Central Air Rebate Program. To date he said that they have twenty-five (25) applicants, so they are well on their way to fifty-five (55).

REGULAR BILLS

Motion by Johnson, second by Francis, to approve payment of the bill to Bolton & Menk in the amount of \$5,000 for a feasibility report for the Main Lift Station. Motion carried 3-0.

OLD BUSINESS

None

NEW BUSINESS

Next meeting date will be set for May 25, 2011 at 10:00 in the City Hall Council Chambers.

On motion the meeting as adjourned at 1:27 p.m.

Mike Schwalbach, Utility Comm. Chairperson

Attest: _____
Steve Nasby, City Administrator



Southwest Regional Development Commission

Serving the Counties of

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

2401 Broadway Avenue, Suite 1

Slayton, MN 56172-1142

(507) 836-8547

Fax: (507) 836-8866

E-Mail: srdc@swrdc.org / Website: www.swrdc.org

David Benson, Chairman

Miron Carney, Vice-Chairman

Larry Hansen, Treasurer

Lyle Ten Haken, Secretary

April 25, 2011

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

MEMO FM: Rhonda L. Wynia, SRDC Administrative Specialist

MEMO RE: Public Hearing Notice

PUBLIC HEARING NOTICE

The Southwest Regional Development Commission (SRDC) will hold a public hearing on its budget for Fiscal Year 2012 (July 1, 2011 through June 30, 2012) on Thursday, May 12, 2011 at the Cottonwood County Law Enforcement Center, 902 5th Avenue, Windom, MN. The Hearing will begin at 5:45 p.m. and continue until all persons wishing to offer testimony have been heard. Copies of the proposed budget may be obtained at the Southwest Regional Development Commission Office, 2401 Broadway Avenue, Slayton, Minnesota. Copies of the proposed budget are also on file with each county auditor, county coordinator, city clerk, and township association chairs in Region 8.

/rw

Attachment: SRDC FY'2012 Proposed Budget

SOUTHWEST REGIONAL DEVELOPMENT COMMISSION

July 1, 2011 - June 30, 2012

Revenues	FY2012 DRAFT BUDGET
Tax Levy	299000
MNRAAA-Adm/Pdc/CDSMP Funds	64282
MNRAAA-Information & Assistance Funds-Federal	227334
MNRAAA-Information & Assistance Funds-State	190000
MNRAAA-Eldercare Development Partnership-EDP	33739
Economic Development Administration	64628
MN Department of Transportation	50000
MN Department of Transportation-Transit Office	4952
Dept. Public Safety-Hazard Mitigation	9230
CERTS Funds-U of MN-Xcel RDF	31150
Current Contracts	196491
Interest Earned & Miscellaneous	9250
Equipment Reserves Used	6000
Building Reserves Used	0
Total Revenues	1186056
Expenditures	FY2012 DRAFT BUDGET
Committee Expense	36391
Salaries & Fringe	999441
Staff Travel	53242
Office Space	44000
Postage	14050
Communications	7934
Print/Publication	5200
Supplies-Mtg/Wkshp Expenses	10855
Insurance	4000
Depreciation (Non-building)	18000
Audits	6200
Computer	11750
Equipment	6000
Building Updates	0
Other	8540
Consultant/Contracted Services/Legal	7700
MNRAAA, Inc. match	26000
Certs seed grants	0
Debt Service-Principal & Interest	11800
Office Building Principal Payment	11339
Total Expenditures	1282442
Overall Balance	-96386
Anticipated Reserve Changes by Category	
Incr/(Decr) in Equipment Reserve	12000
Incr/(Decr) in Building Reserve	12600
Incr/(Decr) in Human Service Project Dedicated Funds	0
Incr/(Decr) in Commission Enhancement Dedicated Funds	-200
Incr/(Decr) in Unrestricted Reserve	-120786
Reserve for FY11 bond payments 6/30 estimates	229739
Tax Revenue (Bond) - 1 year	232080
Allowance for delinquencies (2%)	-4642
Interest on funds	2400
Bond Payment -August, 2011	-4095
Bond Payment-February, 2012	-214095
Reserve for Future Bond Payments 6/30/11	241387
Estimated Inkind Match for Budgeted Programs	28925
Loan Budget	250000



Federal Communications Commission
Washington, D.C. 20554

April 14, 2011

WINDOM, CITY OF
PO BOX 38
WINDOM, MN 56101

RE: Compliance with the January 1, 2013 Narrowbanding Deadline

Dear Licensee:

The Federal Communications Commission's database shows that 1 of the Public Safety Pool authorizations for which you are licensee of record contain(s) an emission designator authorizing "wideband" operation with a channel bandwidth in excess of 12.5 kilohertz (kHz). *See* lead call sign WPKS367. While such wideband operation is currently permissible, this is a reminder that the **deadline** for converting to "narrowband" operation is quickly approaching. You must bring these facilities into compliance with the Commission's narrowbanding rules by **January 1, 2013**, either by migration to 12.5 kHz (or narrower) channel bandwidth or by utilization of technology that achieves equivalent efficiency.¹ The Commission began implementing the narrowbanding rules over ten years ago and set January 1, 2013 as the deadline to give licensees ample time to comply. If you have not done so already, we urge you to take the necessary steps as soon as possible to ensure timely compliance with the January 1, 2013 deadline.

Timely completion of narrowbanding is important because it will ensure more efficient use of the spectrum, relieve congestion, and result in increased channel availability for land mobile radio systems. In addition, after the January 1, 2013 deadline, the Commission's rules will no longer protect unauthorized wideband operations from harmful interference, availability of wideband equipment will diminish or cease, and the Commission may license new narrowband facilities that overlap pre-2013 wideband channels. Unauthorized wideband operation after this date in violation of the Commission's rules may subject licensees to enforcement action, including monetary forfeitures or license revocation. If newly authorized facilities receive harmful interference from unauthorized wideband operations, the Commission may require the non-compliant wideband operator to promptly remedy the interference, which may include cessation of operations, if necessary.

The Commission has information resources available to assist you in the narrowbanding process. For further information regarding the narrowbanding rules, planning for the narrowbanding process, frequently asked questions, and links to technical and funding resources, please go to www.fcc.gov/narrowbanding. In addition, the U.S. Department of Homeland Security's Office of Emergency Communications has recently released a guidance document entitled "A Practical Guide to Narrowbanding," which is available at http://www.dhs.gov/files/publications/gc_1285865538920.shtm. Licensees may also send questions by e-mail to narrowbanding@fcc.gov or by contacting Mr. Roberto Mussenden of the FCC Public Safety and Homeland Security Bureau, Policy Division, Roberto.Mussenden@fcc.gov, or the Commission's Consumer Center at 888-CALL-FCC (888-225-5322).

Sincerely yours,

James Arden Barnett, Jr., Rear Admiral (Ret.)
Chief, Public Safety & Homeland Security Bureau

¹ See 47 C.F.R. §§ 90.203(j), 90.209(b).

LG220 Application for Exempt Permit

An exempt permit may be issued to a nonprofit organization that:

- conducts lawful gambling on five or fewer days, and
- awards less than \$50,000 in prizes during a calendar year.

Application fee	
If application postmarked or received:	
less than 30 days before the event	more than 30 days before the event
\$100	\$50

ORGANIZATION INFORMATION

Check# _____ \$ _____

Organization name <i>WINDOM CHAMBER OF COMMERCE + RIVERFEST</i>		Previous gambling permit number <i>X-05127</i>		
Minnesota tax ID number, if any <i>9332885</i>	Federal employer ID number, if any <i>41-0759873</i>			
Type of nonprofit organization. Check one. <input type="checkbox"/> Fraternal <input type="checkbox"/> Religious <input type="checkbox"/> Veterans <input checked="" type="checkbox"/> Other nonprofit organization				
Mailing address	City <i>WINDOM</i>	State <i>MN</i>	Zip Code <i>56101</i>	County <i>COTTONWOOD</i>
Name of chief executive officer (CEO) <i>CHERYL HANSON</i>	Daytime phone number <i>507-831-2752</i>	Email address <i>windomchamber@windomnet.com</i>		

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

Do not attach a sales tax exempt status or federal employer ID number as they are not proof of nonprofit status.

Nonprofit Articles of Incorporation OR a current Certificate of Good Standing.
 Don't have a copy? This certificate must be obtained each year from:
 Secretary of State, Business Services Div., 180 State Office Building, St. Paul, MN 55155
 Phone: 651-296-2803

IRS income tax exemption [501(c)] letter in your organization's name.
 Don't have a copy? To obtain a copy of your federal income tax exempt letter, have an organization officer contact the IRS at 877-829-5500.

IRS - Affiliate of national, statewide, or international parent nonprofit organization (charter)
 If your organization falls under a parent organization, attach copies of both of the following:
 a. IRS letter showing your parent organization is a nonprofit 501(c) organization with a group ruling, and
 b. the charter or letter from your parent organization recognizing your organization as a subordinate.

GAMBLING PREMISES INFORMATION

Name of premises where gambling activity will be conducted. For raffles, list the site where the drawing will take place.
TEGELS PARK

Address (do not use PO box)	City or township	Zip Code	County
<i>COTTONWOOD LAKE DRIVE</i>	<i>WINDOM MN</i>	<i>56101</i>	<i>COTTONWOOD</i>

Date(s) of activity (for raffles, indicate the date of the drawing)
SUNDAY JUNE 12

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

Bingo* Raffles Paddlewheels* Pull-Tabs* Tipboards*

* Gambling equipment for pull-tabs, bingo paper, tipboards, and paddlewheels must be obtained from a distributor licensed by the Gambling Control Board. EXCEPTION: Bingo hard cards and bingo number selection devices may be borrowed from another organization authorized to conduct bingo.

To find a licensed distributor, go to www.gcb.state.mn.us and click on List of Licensed Distributors, or call 651-639-4000.

LOCAL UNIT OF GOVERNMENT ACKNOWLEDGMENT

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

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days (60 days for a 1st class city).

The application is denied.

Print city name _____

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

Title _____ Date _____

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

The application is acknowledged with no waiting period.

The application is acknowledged with a 30 day waiting period, and allows the Board to issue a permit after 30 days.

The application is denied.

Print county name _____

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

Title _____ Date _____

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

Print township name _____

Signature of township official acknowledging application _____

Title _____ Date _____

CHIEF EXECUTIVE OFFICER'S SIGNATURE Print form and have CEO sign

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

Chief executive officer's signature *Cheyl Hanson* Date *4-28-2011*

Complete a separate application for each gambling activity:

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

Send application with:

- a copy of your proof of nonprofit status, and
- application fee for each event

Make check payable to "State of Minnesota."

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

Financial report and recordkeeping required

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

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

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

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

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

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



Minnesota Department of Public Safety
ALCOHOL AND GAMBLING ENFORCEMENT DIVISION
 444 Cedar St., Suite 222, St. Paul, MN 55101-5133
 (651) 201-7507 FAX (651) 297-5259 TTY (651) 282-6555
 WWW.DPS.STATE.MN.US



APPLICATION FOR COUNTY/CITY ON-SALE WINE LICENSE
 (Not to exceed 14% of alcohol by volume)

EVERY QUESTION MUST BE ANSWERED. If a corporation, an officer shall execute this application. If a partnership, LLC, a partner shall execute this application.

Workers compensation insurance company. Name _____ Policy # _____
 LICENSEE'S MN SALES & USE TAX ID # 9608829 To apply for MN Sales Tax # call (651) 296-6181
 LICENSEE'S FEDERAL TAX ID # 320258281

Applicants Name (Business, Partnership, Corporation) <u>B+T Systems LLC.</u>		Trade Name or DBA <u>Happy Chef Windom</u>	
Business Address <u>745 2nd Ave</u>		Business Phone <u>(507) 831 1573</u>	Applicant's Home Phone <u>(507) 831 1175</u>
City <u>Windom</u>		County <u>Cottonwood</u>	State <u>MN</u> Zip Code <u>56101</u>
Is this application <input checked="" type="checkbox"/> New or a <input type="checkbox"/> Transfer	If a transfer, give name of former owner <u>N/A</u>		License period From _____ To _____

If a corporation, give name, title, address and date of birth of each officer. If a partnership, LLC, give name, address and date of birth of each partner.

Partner/Officer Name and title	Address	Social Security #	DOB
<u>Bradley R. Chester SOIE Member</u>	<u>668 Collins Ave Windom, MN</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
<u>Katrina M. Chester Manager</u>	<u>same as above</u>	<u>[REDACTED]</u>	<u>[REDACTED]</u>
Partner/Officer Name and Title	Address	Social Security #	DOB
Partner/Officer Name and Title	Address	Social Security #	DOB

CORPORATIONS

Date of incorporation	State of incorporation	Certificate Number	Is corporation authorized to do business in Minnesota? <input type="checkbox"/> Yes <input type="checkbox"/> No
-----------------------	------------------------	--------------------	--

If a subsidiary of another corporation, give name and address of parent corporation

BUILDING AND RESTAURANT

Name of building owner <u>B+T Systems LLC</u>		Owner's address <u>745 2nd Avenue Windom, MN</u>	
Are Property Taxes delinquent? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Has the building owner any connection, direct or indirect, with the applicant? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Restaurant seating capacity <u>100</u>	
Hours food will be available <u>6am-11pm</u>	No. of people restaurant employs <u>20-30 seasonal</u>	No. of months per year restaurant will be open <u>12</u>	Will food service be the principle business? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Describe the premises to be licensed

Family Style sit down restaurant.

If the restaurant is in conjunction with another business (resort etc.), describe business

N/A

NO LICENSE WILL BE APPROVED OR RELEASED UNTIL THE \$20 RETAILER ID CARD FEE IS RECEIVED BY AGED

OTHER INFORMATION

- Yes No 1. Has the applicant or associates been granted an on-sale non-intoxicating malt beverage (3.2) and/or a "set-up" license in conjunction with this wine license?
- Yes No 2. Is the applicant or any of the associates in this application a member of the county board or the city council, which will issue this license? If yes, in what capacity? _____ (If the applicant is the spouse of a member of the governing body, or another family relationship exists, the member shall not vote on this application.)
- Yes No 3. During the past license year, has a summons been issued under the liquor civil liability (Dram Shop) (M.S. 340A.802). If yes, attach a copy of the summons.
- Yes No 4. Has applicant, partners, officers or employees ever had any liquor law violations in Minnesota or elsewhere. If so, give names, dates, violations and final outcome. _____

Yes No 5. Does any person other than the applicants, have any right, title or interest in the furniture, fixtures or equipment in the licensed premises? If yes, give names and details. Bank Midwest / Mortgage

Yes No 6. Have the applicants any interests, directly or indirectly, in any other liquor establishments in Minnesota? If yes, give name and address of the establishment. _____

I CERTIFY THAT I HAVE READ THE ABOVE QUESTIONS AND THAT THE ANSWERS ARE TRUE AND CORRECT TO THE BEST OF MY OWN KNOWLEDGE

Signature of Applicant Bradley R. Chested

The licensee must have one of the following: (Check one)

- A. Liquor Liability Insurance (Dram Shop) \$50,000 per person; \$100,000 more than one person; \$10,000 property destruction; \$50,000 and \$100,000 for loss of means of support. ATTACH "CERTIFICATE OF INSURANCE" TO THIS FORM.
- B. A Surety bond from a surety company with minimum coverage as specified above in A.
- C. A certificate from the State Treasurer that the Licensee has deposited with the State, Trust Funds having a market value of \$100,000 or \$100,000 in cash or securities.

IF LICENSE IS ISSUED BY THE COUNTY BOARD, REPORT OF COUNTY ATTORNEY

Yes No I certify that to the best of my knowledge the applicants named above are eligible to be licensed. If no, state reason. _____

Signature County Attorney _____

County _____

Date _____

REPORT BY POLICE OR SHERIFF'S DEPARTMENT

This is to certify that the applicant and the associates, named herein have not been convicted within the past five years for any violation of Laws of the State of Minnesota, Municipal or County Ordinances relating to Intoxicating Liquor, except as follows: _____

Jeffrey A. Shubert
Signature

Chief of Police
Department and Title

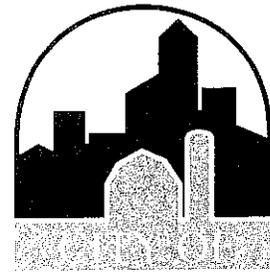
4-18-11
Date

IMPORTANT NOTICE

ALL RETAIL LIQUOR LICENSEES MUST REGISTER WITH THE ALCOHOL, TOBACCO TAX AND TRADE BUREAU. FOR INFORMATION CALL (513) 684-2979 OR 1-800-937-8864

NOTICE

A \$30.00 service charge will be added to all dishonored checks. You may also be subjected to a civil penalty of \$100.00 or 100% of the value of the check, whichever is greater, plus interest and attorney fees.



BEER LICENSE APPLICATION

WINDOM

Name of Applicant: B+T Systems LLC / Bradley Chester

Home Address: 668 Collins Ave Windom, MN

Business in connection with which the proposed license will operate:

Happy Chef Windom

Address of Business: 745 2nd Ave

Minnesota Tax ID #: 9608829

Applicant is (Owner), (Operator)

Name and address of Manager (if applicable) Katrina Chester / same

** Annual Beer Sales Amount ?

License fee of \$100.00 must accompany this application.

I, the applicant, state that all statements in this application are true and correct. I hereby acknowledge that I am in receipt of Chapter 5 of the Windom City Code detailing license requirements.

Signed: Bradley R. Chester

Date: 04/16/11

** If annual beer sales exceed \$10,000 a certificate of insurance must be submitted with application to the City Clerk (see Section 5.11 Windom City Code)

Report of Investigation: _____

Approved by the City Council _____



RESOLUTION #2011

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

RESOLUTION APPROVING THE CENTRAL MINNESOTA MUNICIPAL POWER AGENCY "CMMPA" TRANSMISSION OWNER SERVICES AND ASSET ASSIGNMENT AGREEMENT

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

Section 1. It was previously determined that it was in the best interest of the City to utilize the resources and services of the Central Minnesota Municipal Power Agency "CMMPA" to participate in the development and investment in the acquisition, construction, ownership and operation of high voltage transmission of electrical energy and capacity, negotiation of contracts, planning, including transmission needs studies, transmission arrangements, engineering and technical assistance.

Section 2: The City now wishes to properly update and supplement its relationship with CMMPA and also authorize the administration by CMMPA of the City's participation in and receipt of revenues from such transmission projects as are approved by the City and the City's own qualifying transmission facilities which it designates for administration by CMMPA, if any.

Section 3: The City does hereby approve the Transmission Owner Services and Asset Assignment Agreement with the Central Minnesota Municipal Power Agency dated the 20th day of April, 2011.

Section 4: The CMMPA Transmission Owner Services and Asset Assignment Agreement is hereby approved in the form presented at this meeting. The Mayor and City Administrator are hereby authorized and directed to execute such Transmission Owner Services and Asset Assignment Agreement (specifically including execution of the attached Exhibit B) for and on behalf of the City, the same to be exclusively evidenced by such execution.

Adopted this 3rd day of May, 2011.

Kirby G. Kruse, Mayor

ATTEST:

Steven Nasby, City Administrator

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

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

WHEREAS, the City of Windom, on behalf of its Prosecuting Attorney and Police Department, desires to enter into Joint Powers Agreements with the State of Minnesota, Department of Public Safety, Bureau of Criminal Apprehension, to use systems and tools available over the State's criminal justice data communications network for which the City is eligible. The Joint Powers Agreements further provide the City with the ability to add, modify and delete connectivity, systems and tools over the five-year life of the agreement and obligates the City to pay the costs for the network connection.

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

1. That the State of Minnesota Joint Powers Agreements by and between the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension, and the City of Windom, on behalf of its Prosecuting Attorney and Police Department, are hereby approved. Copies of the two Joint Powers Agreements are attached to this Resolution and made a part hereof.
2. That on behalf of the City of Windom, Police Chief Jeffrey Shirkey, or his successor, is designated as the Authorized Representative for the Police Department. The Authorized Representative is also authorized to sign any subsequent amendments or agreements that may be required by the State of Minnesota to maintain the City of Windom's connection to the systems and tools offered by the State.

If necessary to assist the Authorized Representative with the administration of the agreement, the Police Sergeant/Investigator is appointed as the Authorized Representative's designee.

3. That the City Attorney, or his successor, is designated the Authorized Representative for the Prosecuting Attorney. The Authorized Representative is also authorized to sign any subsequent amendment or agreement that may be required by the State of Minnesota to maintain the City's connection to the systems and tools offered by the State.
4. That Kirby Kruse, Mayor of the City of Windom, and Steve Nasby, City Administrator, are authorized to execute the State of Minnesota Joint Powers Agreements.

Adopted by the Council this 3rd day of May, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

CERTIFICATION

STATE OF MINNESOTA }
COUNTY OF COTTONWOOD }

I certify that the above Resolution is a true and correct copy of the Resolution adopted by the Windom City Council at an authorized meeting held on the 3rd day of May, 2011, as shown by the records in my possession.

Date: _____

Steve Nasby, City Administrator

Notary Public
My Commission Expires: _____

**STATE OF MINNESOTA
JOINT POWERS AGREEMENT
CRIMINAL JUSTICE AGENCY**

This agreement is between the State of Minnesota, acting through its Department of Public Safety, Bureau of Criminal Apprehension ("BCA") and the City of Windom on behalf of its Police Department ("Agency").

Recitals

Under Minn. Stat. § 471.59, the BCA and the Agency are empowered to engage in such agreements as are necessary to exercise their powers. Under Minn. Stat. § 299C.46 the BCA must provide a criminal justice data communications network to benefit criminal justice agencies in Minnesota. The Agency is authorized by law to utilize the criminal justice data communications network pursuant to the terms set out in this agreement. In addition, BCA either maintains repositories of data or has access to repositories of data that benefit criminal justice agencies in performing their duties. Agency wants to access these data in support of its criminal justice duties.

The purpose of this Agreement is to create a method by which the Agency has access to those systems and tools for which it has eligibility, and to memorialize the requirements to obtain access and the limitations on the access.

Agreement

1 Term of Agreement

- 1.1 **Effective date:** This Agreement is effective on the date the BCA obtains all required signatures under Minn. Stat. § 16C.05, subdivision 2.
- 1.2 **Expiration date:** This Agreement expires five years from the date it is effective.

2 Agreement between the Parties

2.1 General access. BCA agrees to provide Agency with access to the Minnesota Criminal Justice Data Communications Network (CJDN) and those systems and tools which the Agency is authorized by law to access via the CJDN for the purposes outlined in Minn. Stat. § 299C.46.

2.2 Methods of access.

The BCA offers three (3) methods of access to its systems and tools. The methods of access are:

- A. **Direct access** occurs when individual users at the Agency use Agency's equipment to access the BCA's systems and tools. This is generally accomplished by an individual user entering a query into one of BCA's systems or tools.
- B. **Indirect access** occurs when individual users at the Agency go to another Agency to obtain data and information from BCA's systems and tools. This method of access generally results in the Agency with indirect access obtaining the needed data and information in a physical format like a paper report.
- C. **Computer-to-computer system interface** occurs when Agency's computer exchanges data and information with BCA's computer systems and tools using an interface. Without limitation, interface types include: state message switch, web services, enterprise service bus and message queuing.

For purposes of this Agreement, Agency employees or contractors may use any of these methods to use BCA's systems and tools as described in this Agreement. Agency will select a method of access and can change the methodology following the process in Clause 2.10.

2.3 Federal systems access. In addition, pursuant to 28 CFR §20.30-38 and Minn. Stat. §299C.58, BCA will provide Agency with access to the Federal Bureau of Investigation (FBI) National Crime Information Center.

2.4 Agency policies. Both the BCA and the FBI's Criminal Justice Information Systems (FBI-CJIS) have policies, regulations and laws on access, use, audit, dissemination, hit confirmation, logging, quality assurance, screening (pre-employment), security, timeliness, training, use of the system, and validation. Agency has created its own policies to ensure that Agency's employees and contractors comply with all applicable requirements. Agency ensures this compliance through appropriate enforcement. These BCA and FBI-CJIS policies and regulations, as amended and updated from time to time, are incorporated into this Agreement by reference. The policies are available at www.dps.state.mn.us/cjdn/.

2.5 Agency resources. To assist Agency in complying with the federal and state requirements on access to and use of the various systems and tools, information is available at <https://sps.x.state.mn.us/sites/bcaservicecatalog/default.aspx>.

2.6 Access granted.

A. Agency is granted permission to use all current and future BCA systems and tools for which Agency is eligible. Eligibility is dependent on Agency (i) satisfying all applicable federal or state statutory requirements; (ii) complying with the terms of this Agreement; and (iii) acceptance by BCA of Agency's written request for use of a specific system or tool.

B. To facilitate changes in systems and tools, Agency grants its Authorized Representative authority to make written requests for those systems and tools provided by BCA that the Agency needs to meet its criminal justice obligations and for which Agency is eligible.

2.7 Future access. On written request by Agency, BCA also may provide Agency with access to those systems or tools which may become available after the signing of this Agreement, to the extent that the access is authorized by applicable state and federal law. Agency agrees to be bound by the terms and conditions contained in this Agreement that when utilizing new systems or tools provided under this Agreement.

2.8 Limitations on access. BCA agrees that it will comply with applicable state and federal laws when making information accessible. Agency agrees that it will comply with applicable state and federal laws when accessing, entering, using, disseminating, and storing data. Each party is responsible for its own compliance with the most current applicable state and federal laws.

2.9 Supersedes prior agreements. This Agreement supersedes any and all prior agreements between the BCA and the Agency regarding access to and use of systems and tools provided by BCA.

2.10 Requirement to update information. The parties agree that if there is a change to any of the information whether required by law or this Agreement, the party will send the new information to the other party in writing within 30 days of the change. This clause does not apply to changes in systems or tools provided under this Agreement.

This requirement to give notice additionally applies to changes in the individual or organization serving a city as its prosecutor. Any change in performance of the prosecutorial function needs to be provided to the BCA in writing by giving notice to the Service Desk, BCA.ServiceDesk@state.mn.us.

2.11 Transaction record. The BCA creates and maintains a transaction record for each exchange of data utilizing its systems and tools. In order to meet FBI-CJIS requirements and to perform the audits described in Clause 7, there must be a method of identifying which individual users at the Agency conducted a particular transaction.

If Agency uses either direct access as described in Clause 2.2A or indirect access as described in Clause 2.2B, BCA's transaction record meets FBI-CJIS requirements.

When Agency's method of access is a computer to computer interface as described in Clause 2.2C, the Agency must keep a transaction record sufficient to satisfy FBI-CJIS requirements and permit the audits described in Clause 7 to occur.

If an Agency accesses and maintains data from the Driver and Vehicle Services Division in the Minnesota Department of Public Safety, Agency must have a transaction record of all access to the data that are maintained. The transaction record must include the individual user who requested access, and the date, time and content of the request. The transaction record must also include the date, time and content of the response along with the destination to which the data were sent. The transaction record must be maintained for a minimum of six (6) years from the date the transaction occurred and must be made available to the BCA within one (1) business day of the BCA's request.

2.12 Court information access. Certain BCA systems and tools that include access to and/or submission of Court Records may only be utilized by the Agency if the Agency completes the Court Data Services Subscriber Amendment, which upon execution will be incorporated into this Agreement by reference. These BCA systems and tools are identified in the written request made by Agency under Clause 2.6 above. The Court Data Services Subscriber Amendment provides important additional terms, including but not limited to privacy (see Clause 8.2, below), fees (see Clause 3 below), and transaction records or logs, that govern Agency's access to and/or submission of the Court Records delivered through the BCA systems and tools.

3 Payment

The Agency currently accesses the criminal justice data communications network described in Minn. Stat. §299C.46. No charges will be assessed to the agency as a condition of this agreement.

If Agency chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, additional fees, if any, are addressed in that amendment.

4 Authorized Representatives

The BCA's Authorized Representative is Dana Gotz, Department of Public Safety, Bureau of Criminal Apprehension, Minnesota Justice Information Services, 1430 Maryland Avenue, St. Paul, MN 55106, 651-793-1007, or her successor.

The Agency's Authorized Representative is The Agency's Authorized Representative is Jeffrey Shirkey, Chief, 36 444 9th St, PO Box 38, Windom, MN 56101, (507) 831-6134, or his/her successor.

5 Assignment, Amendments, Waiver, and Contract Complete

5.1 Assignment. Neither party may assign nor transfer any rights or obligations under this Agreement.

5.2 Amendments. Any amendment to this Agreement, except those described in Clauses 2.6 and 2.7 above must be in writing and will not be effective until it has been signed and approved by the same parties who signed and approved the original agreement, or their successors in office.

5.3 Waiver. If either party fails to enforce any provision of this Agreement, that failure does not waive the provision or the right to enforce it.

5.4 Contract Complete. This Agreement contains all negotiations and agreements between the BCA and the Agency. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

6 Liability

Each party will be responsible for its own acts and behavior and the results thereof and shall not be responsible or liable for the other party's actions and consequences of those actions. The Minnesota Torts Claims Act, Minn. Stat. § 3.736 and other applicable laws govern the BCA's liability. The Minnesota Municipal Tort Claims Act, Minn. Stat. Ch. 466, governs the Agency's liability.

7 Audits

7.1 Under Minn. Stat. § 16C.05, subd. 5, the Agency's books, records, documents, internal policies and accounting procedures and practices relevant to this Agreement are subject to examination by the BCA, the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement. Under Minn. Stat. § 6.551, the State Auditor may examine the books, records, documents, and accounting procedures and practices of BCA. The examination shall be limited to the books, records, documents, and accounting procedures and practices that are relevant to this Agreement.

7.2 Under applicable state and federal law, the Agency's records are subject to examination by the BCA to ensure compliance with laws, regulations and policies about access, use, and dissemination of data.

7.3 If Agency accesses federal databases, the Agency's records are subject to examination by the FBI and Agency will cooperate with FBI examiners and make any requested data available for review and audit.

7.4 To facilitate the audits required by state and federal law, Agency is required to have an inventory of the equipment used to access the data covered by this Agreement and the physical location of each.

8 Government Data Practices

8.1 BCA and Agency. The Agency and BCA must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data accessible under this Agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Agency under this Agreement. The remedies of Minn. Stat. §§ 13.08 and 13.09 apply to the release of the data referred to in this clause by either the Agency or the BCA.

8.2 Court Records. If Agency chooses to execute the Court Data Services Subscriber Amendment referred to in Clause 2.12 in order to access and/or submit Court Records via BCA's systems, the following provisions regarding data practices also apply. The Court is not subject to Minn. Stat. Ch. 13 (see section 13.90) but is subject to the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court. All parties acknowledge and agree that Minn. Stat. § 13.03, subdivision 4(e) requires that the BCA and the Agency comply with the Rules of Public Access for those data received from Court under the Court Data Services Subscriber Amendment. All parties also acknowledge and agree that the use of, access to or submission of Court Records, as that term is defined in the Court Data Services Subscriber Amendment, may be restricted by rules promulgated by the Minnesota Supreme Court, applicable state statute or federal law. All parties acknowledge and agree that these applicable restrictions must be followed in the appropriate circumstances.

9 Investigation of alleged violations; sanctions

For purposes of this clause, "Individual User" means an employee or contractor of Agency.

9.1 Investigation. Agency and BCA agree to cooperate in the investigation and possible prosecution of suspected violations of federal law, state law, and policies and procedures referenced in this Agreement. When BCA becomes aware that a violation may have occurred, BCA will inform Agency of the suspected violation, subject to any restrictions in applicable law. When Agency becomes aware that a violation has occurred, Agency will inform BCA subject to any restrictions in applicable law.

9.2 Sanctions Involving Only BCA Systems and Tools.

The following provisions apply to BCA systems and tools not covered by the Court Data Services Subscriber Amendment.

9.2.1 For BCA systems and tools that are not covered by the Court Data Services Subscriber Amendment, Agency must determine if and when an involved Individual User's access to systems or tools is to be temporarily or permanently eliminated. The decision to suspend or terminate access may be made as soon as alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. Agency must report the status of the Individual User's access to BCA without delay.

9.2.2 If BCA determines that Agency has jeopardized the integrity of the systems or tools covered in this Clause 9.2, BCA may temporarily stop providing some or all the systems or tools under this Agreement until the failure is remedied to the BCA's satisfaction. If Agency's failure is continuing or repeated, Clause 11.1 does not apply and BCA may terminate this Agreement immediately.

9.3 Sanctions Involving Only Court Data Services

The following provisions apply to those systems and tools covered by the Court Data Services Subscriber Amendment, if it has been signed by Agency. As part of the agreement between the Court and the BCA for the delivery of the systems and tools that are covered by the Court Data Services Subscriber Amendment, BCA is required to suspend or terminate access to or use of the systems and tools either on its own initiative or when directed by the Court. The decision to suspend or terminate access may be made as soon as an alleged violation is discovered, after notice of an alleged violation is received, or after an investigation has occurred. The decision to suspend or terminate may also be made based on a request from the Authorized Representative of Agency. The agreement further provides that only the Court has the authority to reinstate access and use.

9.3.1 Agency understands that if it has signed the Court Data Services Subscriber Amendment and if Agency's Individual Users violate the provisions of that Amendment, access and use will be suspended by BCA or Court. Agency also understands that reinstatement is only at the direction of the Court.

9.3.2 Agency further agrees that if Agency believes that one or more of its Individual Users have violated the terms of the Amendment, it will notify BCA and Court so that an investigation as described in Clause 9.1 may occur.

10 Venue

Venue for all legal proceedings involving this Agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

11 Termination

11.1 Termination. The BCA or the Agency may terminate this Agreement at any time, with or without cause, upon 30 days' written notice to the other party's Authorized Representative.

11.2 Termination for Insufficient Funding. Either party may immediately terminate this Agreement if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written notice to the other party's authorized representative. The Agency is not obligated to pay for any services that are provided after notice and effective date of termination. However, the BCA will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. Neither party will be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. Notice of the lack of funding must be provided within a reasonable time of the affected party receiving that notice.

12 Continuing obligations

The following clauses survive the expiration or cancellation of this Agreement: 6. Liability; 7. Audits; 8. Government Data Practices; 9. Investigation of alleged violations; sanctions; and 10. Venue.

(THE REMAINING PORTION OF THIS PAGE WAS INTENTIONALLY LEFT BLANK)

The parties indicate their agreement and authority to execute this Agreement by signing below.

1. STATE ENCUMBRANCE VERIFICATION
*Individual certifies that funds have been encumbered as required
by Minn. Stat. §§ 16A.15 and 16C.05.*

Name: _____
(PRINTED)

Signed: _____

Date: _____

CFMS Contract No. A- _____

2. AGENCY

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

**3. DEPARTMENT OF PUBLIC SAFETY, BUREAU OF
CRIMINAL APPREHENSION**

Name: _____
(PRINTED)

Signed: _____

Title: _____
(with delegated authority)

Date: _____

4. COMMISSIONER OF ADMINISTRATION
delegated to Materials Management Division

By: _____

Date: _____

Minnesota Department of Health Grant Agreement

THIS GRANT AGREEMENT, and amendments and supplements thereto, is between the State of Minnesota, acting through its Commissioner of Minnesota Department of Health (hereinafter "STATE") and City of Windom, an independent organization, not an employee of the State of Minnesota, address 444 9th Street, Windom, MN 56101-1641 (hereinafter "GRANTEE"), witnesseth that:

WHEREAS, the STATE, pursuant to Minnesota Statute §114D.50 Clean Water Fund is empowered to assist public water suppliers to implement their source water protection plans.

WHEREAS, the commissioner of health is authorized to enter into contractual agreements with any public or private entity for the provision of statutorily prescribed public health services by the department. (Minn. Stat § 144.0742)

WHEREAS, GRANTEE represents that it is duly qualified and willing to perform the services set forth herein.

NOW, THEREFORE, it is agreed:

I. GRANTEE'S DUTIES:

- A. GRANTEE, who is not a state employee, shall complete the following work:
 - Remove non-compliant septic system and connect to sanitary sewer system
 - Perform all the work items listed in Grant Application which is incorporated by reference
- B. GRANTEE agrees that no system of water supply for public use shall be installed, altered or extended until complete plans and specifications for the installation, alteration or extension have been submitted and approved by the STATE, and no construction shall take place except in accordance with the approved plans; no grant funds can be used prior to approval of the plans.
- C. On or before the end date of this Agreement, the GRANTEE shall provide the STATE with one electronic copy of all final products produced under this AGREEMENT, including reports, publications, software and videos. Any GRANTEE activity that involves data collection must be submitted to MDH upon completion of the project and in the format agreed by the STATE.
- D. The GRANTEE shall submit a Final Report upon submittal of the Final Invoice. The Final Report shall be due no later than the expiration day of the AGREEMENT. The Final Report shall describe activities undertaken and accomplishments of each task, and any problems encountered in the performance of the work under this AGREEMENT, including the costs associated with completion of the tasks.
- E. In the event the GRANTEE is unable to begin grant activities or to satisfactorily perform the duties specified in this grant agreement, the GRANTEE shall remit to the STATE within five days of demand the amount paid under this section minus any actual expenses incurred and otherwise authorized which are documented by adequate invoices acceptable to the STATE.
- F. GRANTEE certifies that the following matching requirements for the AGREEMENT shall be met by the GRANTEE: \$6,000 (six thousand dollars) and no less than an equal cost share (of eligible funds in cash) for each work item shall be provided. In-kind contributions are not accepted

II. CONSIDERATION AND TERMS OF PAYMENT

A. Consideration for all services performed by GRANTEE pursuant to this grant agreement shall be paid by the STATE as follows:

1. Compensation:

The GRANTEE will be paid according to the following breakdown of costs:

Activity	Grant Amount	Cost Share
Install 4" SDR 25 sanitary sewer service and remove existing septic tank per code	\$5,925	\$6,000
Total	\$5,925	\$6,000
TOTAL COST OF THE PROJECT		\$11,925

2. The total obligation of the STATE for all compensation and reimbursement to GRANTEE under this AGREEMENT shall not exceed \$5,925 (five thousand nine hundred twenty five dollars).
3. Grantee will submit an invoice for the total cost of the project
4. By submitting an invoice for the total cost of the project GRANTEE certifies that the cost share requirement of \$6,000 (six thousand dollars) has been met.
5. If the total cost of the project ends up being less than \$11,925 (eleven thousand nine hundred twenty five dollars) the GRANTEE agrees to contribute a minimum cost share of 50.3% of the total cost of the project.

B. Terms of Payment

1. The STATE shall promptly pay the GRANTEE, after the GRANTEE presents an itemized invoice for the work actually performed, the State's Authorized Representative accepts the invoiced work and the STATE is satisfied that the work has been completed according to the terms of this AGREEMENT. The STATE can withhold payment for work that is unsatisfactory or illegal.
2. Invoices must be submitted using the form attached as Exhibit A, which is attached and incorporated into this agreement and submitted to:

Attn: Cristina Covalschi
Source Water Protection
Minnesota Department of Health
PO Box 64975
St. Paul, MN 55164-0975

3. If the Final Report is not received by the STATE before the end date of this AGREEMENT, the GRANTEE may forfeit the Final Payment.
4. If necessitated by the nature of the project, a grantee is allowed to reallocate up to 10% of the amount originally awarded for a given expense category to another approved category without obtaining permission from the MDH. Should the grantee find it necessary to re-budget the grant beyond the 10% reallocation allowance, a written or e-mail request must be submitted to the MDH for approval.

C. CONDITIONS OF PAYMENT All services provided by GRANTEE pursuant to this grant agreement shall be performed to the satisfaction of the STATE, as determined at the sole discretion of its Authorized Representative, and in accord with all applicable federal, state, and local laws, ordinances, rules and regulations. The GRANTEE shall not receive payment for work found by the

STATE to be unsatisfactory, or performed in violation of federal, state or local law, ordinance, rule or regulation.

III. TERMS OF AGREEMENT This grant agreement shall be effective on May 15, 2011, or upon the date that the final required signature is obtained by the STATE, pursuant to Minnesota Statute §16C.05, Subdivision 2, whichever occurs later, and shall remain in effect until June 30, 2012, or until all obligations set forth in this grant agreement have been satisfactorily fulfilled, whichever occurs first. GRANTEE understands that NO work should begin under this grant agreement until ALL required signatures have been obtained, and GRANTEE is notified to begin work by the STATE'S Authorized Representative.

If the GRANTEE does not commence the Project within six months of the Execution Date of this Agreement, the STATE reserves the right to cancel this agreement and reallocate the funds.

IV. CANCELLATION

- A. If the GRANTEE fails to comply with the provisions of this grant agreement, the STATE may terminate this grant agreement without prejudice to the right of the STATE to recover any money previously paid. The termination shall be effective five business days after the STATE mails, by certified mail, return receipt requested, written notice of termination to the GRANTEE at its last known address.
- B. The STATE or GRANTEE may cancel this grant agreement at any time, with or without cause, upon thirty (30) days written notice to the other party.

VI. STATE'S AND GRANTEE'S AUTHORIZED REPRESENTATIVE

- The STATE'S Authorized Representative for the purposes of administration of this grant agreement is Randy Ellingboe, Manager, Section of Drinking Water Protection, or his successor. Such representative shall have final authority for acceptance of GRANTEE'S services and if such services are accepted as satisfactory, shall so certify on each invoice submitted pursuant to Clause II, paragraph B.
- The GRANTEE'S Authorized Representative for purposes of administration of this grant agreement is Michael Haugen, Water Superintendent. The GRANTEE'S Authorized Representative shall have full authority to represent GRANTEE in its fulfillment of the terms, conditions and requirements of this grant agreement.

VII. ASSIGNMENT GRANTEE shall neither assign nor transfer any rights or obligations under this grant agreement without the prior written consent of the STATE.

VIII. AMENDMENTS Any amendments to this grant agreement shall be in writing, and will not be effective until it has been fully executed by the same parties who executed the original grant agreement, or their successors in office.

IX. LIABILITY GRANTEE shall indemnify, save, and hold the STATE, its representatives and employees harmless from any and all claims or causes of action, including all attorneys' fees incurred by the STATE, arising from the performance of this grant agreement by GRANTEE or GRANTEE'S agents or employees. This clause shall not be construed to bar any legal remedies GRANTEE may have for the STATE'S failure to fulfill its obligations pursuant to this grant agreement. Nothing herein shall be construed as a waiver by GRANTEE of any of the immunities or limitations of liability to which GRANTEE may be entitled pursuant to Minnesota Statute Chapter 466 or pursuant to any other statute or law.

- X. STATE AUDITS The books, records, documents, and accounting procedures and practices of the GRANTEE relevant to this grant agreement shall be made available and subject to examination by the STATE, including the contracting Agency/Division, Legislative Auditor, and State Auditor for a minimum period of six (6) years from the end of this grant term.
- XI. DATA PRACTICES ACT The GRANTEE and the STATE shall comply with the Minnesota Data Practices Act and other applicable laws as it applies to all data provided by the STATE in accordance with this grant agreement and as it applies to all data created, gathered, generated or acquired in accordance with this grant agreement.
- XII. OWNERSHIP OF EQUIPMENT The STATE shall have the right to require transfer of all equipment purchased with grant funds (including title) to the STATE or to an eligible non-STATE party named by the STATE. This right will normally be exercised by the STATE only if the project or program for which the equipment was acquired is transferred from one grantee to another
- XIII. OWNERSHIP OF MATERIALS AND INTELLECTUAL PROPERTY RIGHTS
- A. The STATE shall own all rights, title and interest in all of the materials conceived or created by the GRANTEE, or its employees or subgrantees, either individually or jointly with others and which arise out of the performance of this grant agreement, including any inventions, reports, studies, designs, drawings, specifications, notes, documents, software and documentation, computer based training modules, electronically, magnetically or digitally recorded material, and other work in whatever form ("MATERIALS").
The GRANTEE hereby assigns to the STATE all rights, title and interest to the MATERIALS. GRANTEE shall, upon request of the STATE, execute all papers and perform all other acts necessary to assist the STATE to obtain and register copyrights, patents or other forms of protection provided by law for the MATERIALS. The MATERIALS created under this grant agreement by the GRANTEE, its employees or subgrantees, individually or jointly with others, shall be considered "works made for hire" as defined by the United States Copyright Act. All of the MATERIALS, whether in paper, electronic, or other form, shall be remitted to the STATE by the GRANTEE. Its employees and any sub-grantees shall not copy, reproduce, allow or cause to have the MATERIALS copied, reproduced or used for any purpose other than performance of the GRANTEE'S obligations under this grant agreement without the prior written consent of the STATE'S Authorized Representative.
- B. GRANTEE represents and warrants that MATERIALS produced or used under this grant agreement do not and will not infringe upon any intellectual property rights of another including but not limited to patents, copyrights, trade secrets, trade names, and service marks and names. GRANTEE shall indemnify and defend the STATE, at GRANTEE'S expense, from any action or claim brought against the STATE to the extent that it is based on a claim that all or parts of the MATERIALS infringe upon the intellectual property rights of another. GRANTEE shall be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages including, but not limited to, reasonable attorney fees arising out of this grant agreement, amendments and supplements thereto, which are attributable to such claims or actions. If such a claim or action arises or in GRANTEE'S or the STATE'S opinion is likely to arise, GRANTEE shall at the STATE'S discretion either procure for the STATE the right or license to continue using the MATERIALS at issue or replace or modify the allegedly infringing MATERIALS. This remedy shall be in addition to and shall not be exclusive of other remedies provided by law.
- XIV. PUBLICITY Any publicity given to the program, publications, or services provided resulting from this grant agreement, including, but not limited to, notices, informational pamphlets, press releases, research,

reports, signs, and similar public notices prepared by or for the GRANTEE or its employees individually or jointly with others, or any subgrantees shall identify the STATE as the sponsoring agency and shall not be released without prior written approval by the STATE'S Authorized Representative, unless such release is a specific part of an approved work plan included in this grant agreement.

XV. ENDORSEMENT The Grantee must not claim that the STATE endorses its products or services.

XVI. WORKERS' COMPENSATION The GRANTEE certifies that it is in compliance with Minnesota Statute §176.181, Subdivision 2, pertaining to workers' compensation insurance coverage. The GRANTEE'S employees and agents will not be considered STATE employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the STATE'S obligation or responsibility.

XVII. JURISDICTION AND VENUE This grant agreement, and amendments and supplements thereto, shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this grant agreement, or breach thereof, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

IN WITNESS WHEREOF, the parties have caused this grant agreement to be duly executed intending to be bound thereby.

APPROVED:

1. GRANTEE

The Grantee certifies that the appropriate persons(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

2. STATE AGENCY

Grant Agreement approval and certification that STATE funds have been encumbered as required by Minn. Stat. §§16A.15 and 16C.05.

By: _____
(with delegated authority)

Title: _____

Date: _____

Distribution:

*Agency – Original (fully executed) Grant Agreement
Grantee
State Authorized Representative*

MEMORANDUM



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

TO: City Council
FROM: City Administrator *Steven*
DATE: April 29, 2011
RE: Facilitator for Long Range Planning & Goal Setting

The Ad Hoc Committee (Mayor Kruse, Corey Maricle and Dominic Jones) met on April 26, 2011 to discuss the options presented and possible work plans.

Following a review of these options, general outline of the project scope and process the Committee is recommending the following:

- Use Springsted, Inc. for this project and request that they attend the May 3, 2011 City Council meeting to discuss their services, set parameters for the project scope and project timelines.
- Contact the Finding Windom group regarding their interest in working with the City Council and Springsted, Inc. with the community input and outreach portions of the project.
- Set a budget of approximately \$6,500 for the project.

Staff was directed to perform a reference check with previous Springsted, Inc. clients and report back to the City Council any concerns.

MEMORANDUM



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

TO: City Council

FROM: City Administrator *Joey*

DATE: April 28, 2011

RE: Law Enforcement – City\County Comparison

The City Council has requested additional information regarding the cost comparisons of a City operated Police Department and law enforcement contracted through a County. The cities of Windom (population 4,646) and Luverne (population 4,745) are very similar in size. Windom comprises 40% of the population of Cottonwood County and Luverne comprises 49% of the Rock County population.

Description	Windom Municipal Police Dept.	Luverne (County Contract)
Oversight of the Police Department and Supervision of Employees	Civil Service Commission, Mayor, City Council and City policies, pay plans and benefits	County Board of Supervisors, Rock County policies, pay plans and benefits
3 Year Expense History	\$767,136 (2009 Actual) \$810,103 (2010 Actual) \$824,270 (2011 Budget)	\$734,136 (2009 Contract) \$770,874 (2010 Contract) \$770,874 (2011 Contract)
Fine Revenue	City of Windom retains fine revenue \$21,771 (2008) \$19,879 (2009) \$25,270 (2010)	Rock County retains any fine revenue generated from enforcement activities in Luverne
Future Cost	Unknown, however the budget is set by the City Council and adjustments may be made anytime. Likely range for 2012 – 2015 is \$820,000 to \$840,000	\$770,884 (2012 Contract) \$778,593 (2013 Contract) \$794,165 (2014 Contract) \$810,048 (2015 Contract)
Equipment, Facilities, Maintenance and Supplies	Windom leases space from Cottonwood County at the LEC and dispatching is done through Cottonwood County. These expenses and all other equipment, supplies and maintenance are paid through the Police Department budget.	County purchases equipment and supplies. The County maintains the facility and all equipment. County retains ownership of all equipment, facilities and supplies.
Daily Law Enforcement (licensed officers)	24\7 Patrol Coverage 12,480 Police Officer Hours 2,080 Police Sergeant Hours <u>2,080</u> Police Chief Hours 16,640 Total Hours Annually	24\7 Patrol Coverage 30 hours\day with 24 hour min. 10,950 Annual Patrol Hours 1,019 Sheriff Hours (estimated) <u>1,019</u> Investigator Hours (est.) 12,988 Total Hours Annually

Records	1 Full-time Records Clerk (included in Police Budget)	County Records staff (included in contract)
Reporting	Police Chief and/or other officers report to Civil Service Commission, Mayor, City Council and City Administrator	Written reports to City on an annual or quarterly basis per contract. Quarterly updates to the City Council by the Sheriff
Legal Expenses for Criminal Prosecution	Included in the Windom Police Department budget	Paid by the City of Luverne to the County Attorney <u>in addition</u> to the law enforcement contract. \$6,975 (2008); \$8,688 (2009) and \$12,963 (2010)

Using the 2010 information from the City of Windom's financials and the numbers from Luverne's contract the breakdown of total costs to these two municipalities is as follows:

Windom	\$810,103	Expenditures
	<u>- 25,270</u>	Revenue Generated (Fines)
	\$784,833	Total Expense
 Luverne	 \$770,874	 Contracted Expense
	<u>+ 12,963</u>	Criminal Prosecution Cost
	\$783,837	Total Expense

As you can see the costs for law enforcement between these two communities is nearly identical; however, there are approximately 3,652 more law enforcement hours being delivered to the citizens of Windom in addition to other factors such as budgeting ability and City Council control.

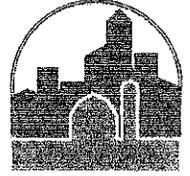
Attached are contract documents between the City of Luverne and Rock County from 2005 through 2015. Also attached for your information is a memorandum from Chief Shirkey discussing the Police Department's information from 2004 – 2011.

If you have additional questions or want other examples of contracted law enforcement please contact me at 831-6129 or Chief Shirkey at 831-6134.



WINDOM POLICE DEPARTMENT

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



Jeffrey A. Shirkey, Chief

Windom Police Department

8 Full Time Police Officers
1 Full Time Administrative Assistant
3 Leased Squad Cars
1 Unmarked Police Vehicle
24/7 Coverage
Dispatching Fees
Rent for Office Space

2011 Budget—\$824,270.00 (Will be over due to Toninato & Shirkey retirement payout)

2010 Budget—\$829,592.00 (Used \$810,102.82 = Attny.\$2500 Over, Squad 10-50 \$2100, City Hall Maintenance Contract \$375.00)

2009 Budget - \$834,045.00 (Used \$767,135.94 = Attny. \$4800 Over, Fox Lawson \$500, City Hall Maintenance Contract \$357.00)

2008 Budget—\$834,780.00 (Used \$816,892.83 = Attny. \$5700 Over, Fox Lawson \$5300, City Hall Server & Maintenance Contract \$1250.00, Jeep 10-50 \$6700.00)

2007 Budget—\$780,500.00 (Used \$773,671.60)

2006 Budget—\$741,950.00 (Used \$724,164.50)

2005 Budget—\$689,400.00 (Used \$679,872.94)

2004 Budget—\$652,300.00 (Used \$645,494.72)

***** If Police Department is contracted with the County, the City will lose all control of Law Enforcement services, and will see the cost in the contract with the County rise significantly in future years. **Note:** Deputies make more than Windom Officers.



2011-2015

**SECOND AMENDED CONTRACT
FOR
LAW ENFORCEMENT SERVICES**

THIS AGREEMENT, made and entered into effective this 16th day of February, 2010 by and between the County of Rock, a governmental entity of the State of Minnesota (hereinafter referred to as the "County"), and the City of Luverne, a municipal corporation existing under and by virtue of the laws of the State of Minnesota (hereinafter referred to as the "City"),

WITNESSETH:

WHEREAS, the parties are each respectively charged with the enforcement of laws of the State of Minnesota in their respective jurisdictions and in the instance of the City, the enforcement of its municipal ordinances;

WHEREAS, the parties entered into a "Contract for Law Enforcement Services" dated November 18, 1997 (hereinafter "First Contract") under which the County has provided law enforcement services to the City since January 1, 1998, and which contract was amended on February 22, 2005 (hereinafter the "Amended Contract") and has continued in force according to its terms to the date hereof;

WHEREAS, after duly considering and studying the same, both parties have determined that the provision of law enforcement services to both jurisdictions will be enhanced, extended and improved by the City continuing to contract with the County to provide law enforcement services within the corporate limits of the City;

WHEREAS, both parties desire to enter into a contract to amend, in part, the terms of the "Amended Contract" and to provide for law enforcement services thru the continuation of a contractual arrangement for the period of 2011 - 2015;

WHEREAS, the County, through the office of the Rock County Sheriff, maintains a Sheriff's Department in accordance with Minn. Stat. Chapter 387 to specifically exercise the powers and duties specified in Minn Stat. 387.03;

WHEREAS, Minnesota Statutes, Section 471.59 subd. (8) provides that a county may enter into an agreement with a city to perform on behalf of that city any service or function which the city would be authorized to provide for itself;

WHEREAS, Minnesota Statutes, Section 436.05 permits the sheriff of any county to contract with any city for the purposes of providing police service, subject to contractual approval by governing bodies;

WHEREAS, all law enforcement personnel employed by the county pursuant to this contract are appropriately licensed and certified peace officers in the State of Minnesota;

WHEREAS, the Rock County Sheriff has consented to the City and County entering into this Agreement and has expressed his consent to the terms of this Agreement;

WHEREAS, both the County and the City desire to enter into a contract whereby the County, through its Sheriff's Department, shall provide law enforcement services to the City.

NOW THEREFORE, pursuant to the terms and conditions as hereinafter set forth, it is agreed by and between the parties as follows:

1. RECITALS. The recitals set forth in the whereas clauses are incorporated by reference as if fully set forth herein.

2. PURPOSE. The purpose of this Agreement is to provide for the continued provision of law enforcement services by the County for the benefit of the City within the corporate limits of the City and to continue to pool resources, expand the service capabilities of law enforcement, conserve funds, and fully utilize the expertise of licensed law enforcement personnel.

3. SHERIFF'S DUTIES. The Sheriff shall not by virtue of this Agreement be relieved of any duties imposed by law

4. HOLD HARMLESS. The City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of the scope of employment and the County agrees to indemnify and hold harmless the City against any such claims. Notwithstanding this provision, neither party shall assume any liability for the intentional or negligent acts of the other party's employees and in the event that any claim is made against either party, its officers or employees for such intentional or negligent acts, that party shall hold the other harmless and shall defend the other against any claims for damages resulting therefrom.

5. EMPLOYEES. All individuals employed by the Sheriff's department shall in all respects be County employees and shall be subject to all County administrative policies, rules, personnel plans, regulations, and pay plans including all employee benefits.

6. FUNDING - 2011 - 2015. During the term of the contract, unless otherwise agreed as provided herein, the City shall pay to the County for the services to be provided herein, the following amounts on an annual basis, to wit:

2011	\$770,884
2012	\$770,884
2013	\$778,593
2014	\$794,165
2015	\$810,048

Payments shall be made on a quarterly basis commencing January 15, 2011 and continuing on the 15th day of each and every April, July, October and January thereafter up to and including October 15, 2015. In addition, on or before January 15 of each year during the term of this contract commencing with January 15, 2012 and continuing through January 15, 2016, the City shall remit to the County the City's share of fines and forfeitures for ordinance or statutory violations received during the preceding calendar year.

- 7. REDUCTION IN GOVERNMENTAL AID.** Beginning in 2011, in the event the City's Local Government Aid (LGA) or equivalent aid(s) or payments, received from the State of Minnesota decreases by more than 15% from the prior year, the City shall have the right to renegotiate the contract price and the services to be provided.
- 8. MAINTENANCE OF EFFORT REQUIRED.** The County agrees, within the corporate limits of the City of Luverne, during the term of this contract, to maintain the same or equivalent level of law enforcement services as was provided to the City pursuant to the "Amended Contract", except as otherwise specifically modified or amend by agreement of the parties. Said maintenance of effort shall reflect the law enforcement services and dispatch services provided during 2010. The services to be provided include those services identified in Attachment "A".
- 9. EQUIPMENT, FACILITIES & SUPPLIES.** The County shall provide all equipment, vehicles, communication equipment and facilities, dispatching and 911 services, necessary office space, supplies, and personnel to administer and operate the law enforcement department and to render the service required under this Agreement. The County shall retain ownership of all such equipment, supplies, and furniture acquired for the purpose of complying with this paragraph.
- 10. MANAGEMENT REPORTS.** The Sheriff of Rock County shall provide to the City and the County the law enforcement activity reports as noted in Attachment B. The City/County Liaison Committee may request additional reports as the Committee determines necessary or appropriate. All requests for additional management reports from the City to the Sheriff shall be directed to the Liaison Committee to be considered in accordance with this paragraph.
- 11. CITY COUNCIL BRIEFINGS.** The Sheriff of Rock County or his designee shall appear before the City Council quarterly to provide a summary of law enforcement activities provided pursuant to this contract. The Sheriff shall also identify specific law enforcement concerns or issues related to law enforcement services provided to the City.
- 12. DATA PRACTICES.** The County and the Rock County Sheriff shall receive, record, maintain and distribute all information and data received pursuant to this contract in accordance with the applicable federal or state laws and regulations.
- 13. CONTRACT TERM.** This contract shall be effective on January 1, 2011 and shall continue in effect until December 31, 2015, unless otherwise terminated pursuant to paragraph 15 of this contract. If a party desires to extend the contract beyond December 31, 2015, they shall notify the other party of their desire to extend the contract no later than December 31, 2014. If both parties give notice to extend, the parties shall jointly initiate negotiations to extend the contract no later than April 1, 2015. Negotiations regarding any contract extension shall be completed no later than June 30, 2015, or the contract shall be terminated as provided herein.
- 14. TERMINATION.** Notwithstanding the provisions of paragraph 15, this Agreement may be terminated upon the mutual agreement of the parties. In addition, either party may terminate upon the failure of the other party to perform under the terms of this Agreement, provided that the party seeking to terminate shall provide the other party written notice of the specific default. Thereafter the party alleged to be in default shall have 90 days to cure the default, unless the allegation is for non payment of the contract payments, in which case the cure period shall be reduced to 15 days. Nothing contained herein shall limit either party's rights at law to enforce the terms of the Agreement, including the right to seek specific performance.

15. MEDIATION. All disputes between or among the parties regarding the alleged failure of either party to perform under the terms of this contract shall be reduced to writing and delivered to the legal counsel of both parties. Thereafter, the party alleged to be in default shall have ninety (90) days to cure the default.

Any alleged default or dispute under the contract which cannot be resolved to the satisfaction of the parties shall be submitted to mediation as defined by Minn. Rules of General Practice Rule 114.02(7). If the parties are unable to select a mediator, they shall request the Chief Judge of the Judicial District to name a panel of three (3) mediators. Each party shall have the right to eliminate one mediator. All such mediation shall occur in Rock County.

Nothing contained herein shall limit either party's rights at law to enforce the terms and conditions of this contract, including the right to seek specific performance, or any other remedy at law.

16. PRIOR CONTRACT. The Amended Contract shall continue in force thru December 31, 2010 at which time it shall be deemed to have been amended in its entirety by this Agreement.

17. DISPATCHING SERVICES. In the event the County either through contract or regionalization of dispatch services eliminates the local dispatch service, any net cost savings to the County will be shared equally with the City and the amounts due by the City under Paragraph 7 would be adjusted accordingly. The approximate cost of Dispatching for 2010 is \$400,000, including administrative and record keeping functions that may not be eliminated thru contract or regionalization.

18. CROSSING GUARDS. In the event that an alternative means for students to cross Highway 75 is developed during the term of this agreement and results in the elimination of the Crossing Guards, then the savings by eliminating crossing guards would be applied to any required matching funding for the construction of the alternative crossing. If the amount of required matching funds is attained, then any remaining direct costs savings from the elimination of crossing guards shall be refunded to the City.

19. APPLICABLE LAWS. This contract shall be interpreted under and in accordance with the laws of the State of Minnesota.

20. SEVERABILITY. If any of the terms of this contract are in conflict with any rule of law or statutory provision of the State of Minnesota, or are otherwise declared null and void by any court of competent jurisdiction, then such terms shall be deemed inoperative and null and void without invalidating or otherwise affecting the remaining provisions of this contract.

21. AMENDMENTS. This contract may be amended at any time by the mutual written agreement of the parties. Any amendments, deletions, modifications or waivers of the provisions of this contract shall be valid only when reduced to writing and signed by the parties..

22. ENTIRE AGREEMENT. This contract shall constitute the entire contract of the parties relating to the subject matter herein.

IN WITNESS WHEREOF, The parties have hereunto set their hand on the dates below written.

DATED: 2/16, 2010

COUNTY OF ROCK

By Jim Wilkey Langphere
Its Chairman

ATTEST:

By [Signature]
Its County Administrator

DATED: 3/9, 2010

CITY OF LUVERNE

By [Signature]
Its Mayor

ATTEST:

By [Signature]
Its City Administrator

[Signature]
Rock County Sheriff

DATED: February 22, 20~~09~~¹⁰

APPROVED AS TO FORM AND EXECUTION:

[Signature]
Luverne City Attorney

APPROVED AS TO FORM AND EXECUTION:

[Signature]
Rock County Attorney

ATTACHMENT "A"

SERVICES PROVIDED BY COUNTY SHERIFF

1	Traffic patrol, enforcement, patrol school zones and monitor school crossing guards.
2	Accident investigation.
3	Crowd control - traffic - parades - ball games - Rock County Fair - special events.
4	Capture animals and deliver to impound, provide initial sustenance and domestic animal control
5	Lock parks - park restrooms.
6	Lock City Hall restrooms.
7	Shut off lights at ball diamonds & tennis courts.
8	Enforce parking ordinances.
9	Enforce snow emergency.
10	Liquor store money escort.
11	Notify City of burned out street lights, airport lights, down wires, water leaks.
12	Weather watch, Skywarn.
13	Bike - skateboard - roller blade enforcement - violation program.
14	Finger print business people for jobs - government jobs.
15	Background checks for solicitor's license.
16	Background checks for City employees.
17	Enforce City ordinances, State Statutes.
18	D.A.R.E. program, other drug education programs.
19	Vacation and winter residence checks.
20	Business check and door check.
21	Assist the needy, vagrants, check them for wants and warrants.
22	Domestics, family problems, battered women, abused children, sexual assault.
23	Criminal investigations.
24	Assist fire department, traffic control, crowd control, haz.mat.
25	Use community based policing format for our citizens and programs.
26	Assist the City when necessary in serving administrative citations and summons.
27	Conduct City employee alcohol tests when requested.

28	911 & emergency communication services.
29	Dispatching services.
30	Records processing.
31	Records storage and maintenance services.
32	School crossing guards services.
33	Assist the City, when necessary to preserve the peace, in gaining access to properties for utility readings.
34	Provide average daily law enforcement services (provided by a licensed peace officer) of 30 hours with a minimum of 24 hours per any single day. Annual coverage of 10,950 hours.

ATTACHMENT "B"**MANAGEMENT REPORTS**

Report Name	Report Description	Frequency of Report
Traffic/Moving Violations	Number of traffic citations and moving violation citations issued	Quarterly
Criminal Investigation	Number of criminal investigations initiated by type or classification of investigation	Quarterly
Criminal Arrests	Number of criminal arrests by type or classification	Quarterly
Liquor Law Arrests	Number of liquor law arrests by type or classification	Quarterly
Vehicle Accidents	Number of vehicle accidents by type (property damage, hit & run, personal injury and fatal)	Annual
Parking Violations	Number of parking violation citations issued	Annual
Other Activity	As presented by Sheriff's Department	Quarterly
Total Number of Calls	Total number of calls for service by type	Annual
Uniform Crime Report	Provide a copy of the annual Uniform Crime Report received from the State each year	Annual

**AMENDED CONTRACT
FOR
LAW ENFORCEMENT SERVICES**

THIS AGREEMENT, made and entered into effective this 22nd day of February, 2005 by and between the County of Rock, a governmental entity of the State of Minnesota (hereinafter referred to as the "County"), and the City of Luverne, a municipal corporation existing under and by virtue of the laws of the State of Minnesota (hereinafter referred to as the "City"),
WITNESSETH:

WHEREAS, the parties are each respectively charged with the enforcement of laws of the State of Minnesota in their respective jurisdictions and in the instance of the City, the enforcement of its municipal ordinances;

WHEREAS, the parties entered into a "Contract for Law Enforcement Services" dated November 18, 1997 (hereinafter "First Contract") under which the County has provided law enforcement services to the City since January 1, 1998, and which contract has continued in force according to its terms to the date hereof;

WHEREAS, after duly considering and studying the same, both parties have determined that the provision of law enforcement services to both jurisdictions will be enhanced, extended and improved by the City contracting with the County to provide law enforcement services within the corporate limits of the City;

WHEREAS, both parties desire to enter into a contract to amend, in part, the terms of the "First Contract" for the fiscal year 2005 and to provide law enforcement services through the continuation of a contractual arrangement for the period of 2006 - 2010;

WHEREAS, the County, through the office of the Rock County Sheriff, maintains a Sheriff's Department in accordance with Minn. Stat. Chapter 387 to specifically exercise the powers and duties specified in Minn Stat. 387.03;

WHEREAS, Minnesota Statutes, Section 471.59 subd. (8) provides that a county may enter into an agreement with a city to perform on behalf of that city any service or function which the city would be authorized to provide for itself;

WHEREAS, Minnesota Statutes, Section 436.05 permits the sheriff of any county to contract with any city for the purposes of providing police service, subject to contractual approval by governing bodies;

WHEREAS, all law enforcement personnel employed by the county pursuant to this contract are appropriately licensed and certified peace officers in the State of Minnesota;

WHEREAS, the Rock County Sheriff has consented to the City and County entering into this Agreement and has expressed his consent to the terms of this Agreement;

WHEREAS, both the County and the City desire to enter into a contract whereby the County, through its Sheriff's Department, shall provide law enforcement services to the City.

NOW THEREFORE, pursuant to the terms and conditions as hereinafter set forth, it is agreed by and between the parties as follows:

- 1. RECITALS.** The recitals set forth in the whereas clauses are incorporated by reference as if fully set forth herein.
- 2. PURPOSE.** The purpose of this Agreement is to provide for the continued provision of law enforcement services by the County for the benefit of the City within the corporate limits of the City and to continue to pool resources, expand the service capabilities of law enforcement, conserve funds, and fully utilize the expertise of licensed law enforcement personnel.
- 3. SHERIFF'S DUTIES.** The Sheriff shall not by virtue of this Agreement be relieved of any duties imposed by law
- 4. HOLD HARMLESS.** The City shall not be liable for compensation or indemnity to any County employee for injury or sickness arising out of the scope of employment and the County agrees to indemnify and hold harmless the City against any such claims. Notwithstanding this provision, neither party shall assume any liability for the intentional or negligent acts of the other party's employees and in the event that any claim is made against either party, its officers or employees for such intentional or negligent acts, that party shall hold the other harmless and shall defend the other against any claims for damages resulting therefrom.
- 5. EMPLOYEES.** All individuals employed by the Sheriff's department shall in all respects be County employees and shall be subject to all County administrative policies, rules, personnel plans, regulations, and pay plans including all employee benefits.
- 6. FUNDING -- 2005.** The City shall pay to the County \$604,000, and the City's fine revenue received in 2005, for law enforcement services for 2005. Said payments shall be

made in quarterly installments of \$151,000 each commencing on February 22, 2005 and continuing on April 15, 2005, July 15, 2005 and October 15, 2005.

7. FUNDING – 2006 - 2010. During the term of the contract, unless otherwise agreed as provided herein, the City shall pay to the County for the services to be provided herein, the following amounts on an annual basis, to wit:

2006	\$634,200
2007	\$665,910
2008	\$699,206
2009	\$734,136
2010	\$770,874

Payments shall be made on a quarterly basis commencing January 15, 2006 and continuing on the 15th day of each and every April, July, October and January thereafter up to and including October 15, 2010. In addition, on or before January 15 of each year during the term of this contract commencing with January 15, 2006 and continuing through January 15, 2011, the City shall remit to the County the City's share of fines and forfeitures for ordinance or statutory violations received during the preceding calendar year.

8. REDUCTION IN GOVERNMENTAL AID. In the event the City's Local Government Aid (LGA) or equivalent aid(s) or payments, received from the State of Minnesota decreases by more than 15% from the prior year, the City shall have the right to renegotiate the contract price and the services to be provided.

9. MAINTENANCE OF EFFORT REQUIRED. The County agrees, within the corporate limits of the City of Luverne, during the term of this contract, to maintain the same or equivalent level of law enforcement services as was provided to the City pursuant to the "First Contract". Said maintenance of effort shall reflect the law enforcement services and dispatch services provided during 2004. The services to be provided include those services identified in Attachment "A".

10. EQUIPMENT, FACILITIES & SUPPLIES. The County shall provide all equipment, vehicles, communication equipment and facilities, dispatching and 911 services, necessary office space, supplies, and personnel to administer and operate the law enforcement department and to render the service required under this Agreement. The County shall retain ownership of all such equipment, supplies, and furniture acquired for the purpose of complying with this paragraph

11. MANAGEMENT REPORTS. The Sheriff of Rock County shall provide to the City and the County the law enforcement activity reports as noted in Attachment B. The City/County Liaison Committee may request additional reports as the Committee determines necessary or appropriate. All requests for additional management reports from the City to the Sheriff shall be directed to the Liaison Committee to be considered in accordance with this paragraph.

12. CITY COUNCIL BRIEFINGS. The Sheriff of Rock County or his designee shall appear before the City Council quarterly to provide a summary of law enforcement activities provided pursuant to this contract. The Sheriff shall also identify specific law enforcement concerns or issues related to law enforcement services provided to the City.

13. DATA PRACTICES. The County and the Rock County Sheriff shall receive, record, maintain and distribute all information and data received pursuant to this contract in accordance with the applicable federal or state laws and regulations.

14. CONTRACT TERM. This contract shall be effective on February 22, 2005, and shall continue in effect until December 31, 2010, unless otherwise terminated pursuant to paragraph 15 of this contract. If a party desires to extend the contract beyond December 31, 2010, they shall notify the other party of their desire to extend the contract no later than December 31, 2009. If both parties give notice to extend, the parties shall jointly initiate negotiations to extend the contract no later than April 1, 2010. Negotiations regarding any contract extension shall be completed no later than June 30, 2010, or the contract shall be terminated as provided herein.

15. TERMINATION. Notwithstanding the provisions of paragraph 16, this Agreement may be terminated upon the mutual agreement of the parties. In addition, either party may terminate upon the failure of the other party to perform under the terms of this Agreement, provided that the party seeking to terminate shall provide the other party written notice of the specific default. Thereafter the party alleged to be in default shall have 90 days to cure the default, unless the allegation is for non payment of the contract payments, in which case the cure period shall be reduced to 15 days. Nothing contained herein shall limit either party's rights at law to enforce the terms of the Agreement, including the right to seek specific performance.

16. MEDIATION. All disputes between or among the parties regarding the alleged failure of either party to perform under the terms of this contract shall be reduced to writing and delivered to the legal counsel of both parties. Thereafter, the party alleged to be in default shall have ninety (90) days to cure the default.

Any alleged default or dispute under the contract which cannot be resolved to the satisfaction of the parties shall be submitted to mediation as defined by Minn. Rules of General Practice Rule 114.02(7). If the parties are unable to select a mediator, they shall request the Chief Judge of the Judicial District to name a panel of three (3) mediators. Each party shall have the right to eliminate one mediator. All such mediation shall occur in Rock County.

Nothing contained herein shall limit either party's rights at law to enforce the terms and conditions of this contract, including the right to seek specific performance, or any other remedy at law.

17. PRIOR CONTRACT. Except as specifically incorporated herein the existing contract between the parties dated November 18, 1997 (the First Contract) shall be deemed to be

terminated and amended in its entirety by this Agreement. Specifically the parties agree that there is a negative balance in the Law Enforcement Fund created by Paragraph 9 of the First Contract and that the City is not entitled to any payment as a result of the termination of the First Contract. The parties acknowledge that no Capital Improvement Reserve Fund was created in accordance with Paragraph 10 of the First Contract and that no amounts are due to the City. The only property to which the City is entitled to receive any payment pursuant to either Paragraph 11(b) or Paragraph 13(b) is set forth in Attachment "C" attached hereto. The County agrees to pay the City \$15,000.00 for the City's interest in said property and equipment.

18. DISPATCHING JOINT POWERS. The parties have previously entered into a Joint Powers Agreement for Dispatching Services and Rental Agreement dated November 16, 1993 ("Joint Powers Agreement") and which Agreement has been terminated by the City effective December 31, 2004 pursuant to its terms. The parties hereto acknowledge and confirm the termination of said Joint Powers Agreement and agree that neither party shall be obligated or indebted to the other, or have any claim against the other as a result of said Joint Powers Agreement.

The City acknowledges that the County must retain all personal property and equipment used to provide Dispatching Services. The City, therefore, waives any right it may have in any equipment or compensation pursuant to Paragraph 12 of said Joint Powers Agreement.

19. APPLICABLE LAWS. This contract shall be interpreted under and in accordance with the laws of the State of Minnesota.

20. SEVERABILITY. If any of the terms of this contract are in conflict with any rule of law or statutory provision of the State of Minnesota, or are otherwise declared null and void by any court of competent jurisdiction, then such terms shall be deemed inoperative and null and void without invalidating or otherwise affecting the remaining provisions of this contract.

21. AMENDMENTS. This contract may be amended at any time by the mutual written agreement of the parties. Any amendments, deletions, modifications or waivers of the provisions of this contract shall be valid only when reduced to writing and signed by the parties..

22. ENTIRE AGREEMENT. This contract shall constitute the entire contract of the parties relating to the subject matter herein.

IN WITNESS WHEREOF, The parties have hereunto set their hand on the dates below written.

DATED: February 22, 2005

COUNTY OF ROCK

By Kenneth Hanson
Its Chairman

ATTEST:

By [Signature]
Its Clerk to the County Board

DATED: February 22, 2005

CITY OF LUVERNE

By Andrew Steensma
Its Mayor

ATTEST:

By [Signature]
Its Clerk

DATED: February 22, 2005

Michael Winkels
Rock County Sheriff

APPROVED AS TO FORM AND EXECUTION:

[Signature]
Luverne City Attorney

APPROVED AS TO FORM AND EXECUTION:

[Signature]
Rock County Attorney

ATTACHMENT "A"
SERVICES PROVIDED BY COUNTY SHERIFF

1	Traffic patrol, enforcement, patrol school zones and monitor school crossing guards.
2	Accident investigation.
3	Crowd control - traffic - parades - ball games - Rock County Fair - special events.
4	Capture animals and deliver to impound, provide initial sustenance, domestic and wild animal control
5	Lock parks - park restrooms.
6	Lock City Hall restrooms.
7	Shut off lights at ball diamonds & tennis courts.
8	Enforce parking ordinances.
9	Enforce snow emergency.
10	Liquor store money escort.
11	Notify City of burned out street lights, airport lights, down wires, water leaks.
12	Weather watch, Skywarn.
13	Bike - skateboard - roller blade enforcement - violation program.
14	Finger print business people for jobs - government jobs.
15	Background checks for solicitor's license.
16	Background checks for City employees.
17	Enforce City ordinances, State Statutes.
18	D.A.R.E. program, other drug education programs.
19	Vacation and winter residence checks.
20	Business check and door check.
21	Assist the needy, vagrants, check them for wants and warrants.
22	Domestics, family problems, battered women, abused children, sexual assault.
23	Criminal investigations.

24	Assist fire department, traffic control, crowd control, haz.mat.
25	Use community based policing format for our citizens and programs.
26	Assist the City when necessary in serving administrative citations and summons.
27	Conduct City employee alcohol tests when requested.
28	911 & emergency communication services.
29	Dispatching services.
30	Records processing.
31	Records storage and maintenance services.
32	School crossing guards services.
33	Assist the City, when necessary to preserve the peace, in gaining access to properties for utility readings.

ATTACHMENT "B"
MANAGEMENT REPORTS

Report Name	Report Description	Frequency of Report
Traffic/Moving Violations	Number of traffic citations and moving violation citations issued	Quarterly
Criminal Investigation	Number of criminal investigations initiated by type or classification of investigation	Quarterly
Criminal Arrests	Number of criminal arrests by type or classification	Quarterly
Liquor Law Arrests	Number of liquor law arrests by type or classification	Quarterly
Vehicle Accidents	Number of vehicle accidents by type (property damage, hit & run, personal injury and fatal)	Annual
Parking Violations	Number of parking violation citations issued	Annual
Other Activity	As presented by Sheriff's Department	Quarterly
Total Number of Calls	Total number of calls for service by type	Annual
Uniform Crime Report	Provide a copy of the annual Uniform Crime Report received from the State each year	Annual

ATTACHMENT "C"
PERSONAL PROPERTY PURCHASED BY COUNTY
PURSUANT TO PARAGRAPH 17

2001 Ford Explorer	\$ 8,500.00
3 radars	3,800.00
5 hand guns	1,200.00
3 - shotguns	300.00
2 - mini 14's	600.00
5 - file cabinets	125.00
Miscellaneous	<u>475.00</u>
TOTAL	<u>\$15,000.00</u>

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	BEIM CONSULTING	WEB SITE REDESIGN	99.08
	Total for Department 101		99.08*
CITY OFFICE	BEIM CONSULTING	WEB SITE REDESIGN	99.08
CITY OFFICE	HY-VEE FOOD STORE	MERCHANDISE	38.20
	Total for Department 103		137.28*
P & Z / BUILDING OFF	BEIM CONSULTING	WEB SITE REDESIGN	99.08
P & Z / BUILDING OFF	FULDA AUTO SERVICE L	MAINTENANCE	105.68
	Total for Department 106		204.76*
CITY HALL	JOE'S LAWN CARE	BOILER INSPECTION	37.50
CITY HALL	MN ENERGY RESOURCES	HEATING	953.19
	Total for Department 115		990.69*
POLICE	BEIM CONSULTING	WEB SITE REDESIGN	99.08
POLICE	KEVIN L. PATTERSON	EXPENSE	13.66
POLICE	AVCAM	REGISTRATION	90.00
	Total for Department 120		202.74*
FIRE DEPARTMENT	BEIM CONSULTING	WEB SITE REDESIGN	99.08
FIRE DEPARTMENT	FOX BROTHERS	MAINTENANCE	50.63
FIRE DEPARTMENT	PETERSON FEED	WOOD CHIPS	133.00
	Total for Department 125		282.71*
STREET	BEIM CONSULTING	WEB SITE REDESIGN	99.08
STREET	PRAXAIR DISTRIBUTION SERVICE		83.64
	Total for Department 140		182.72*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	64.00
	Total for Department 145		64.00*
RECREATION	BEIM CONSULTING	WEB SITE REDESIGN	99.08
	Total for Department 150		99.08*
PARKS	BEIM CONSULTING	WEB SITE REDESIGN	99.08
	Total for Department 165		99.08*
	Total for Fund 01		2,362.14*
LIBRARY	BEIM CONSULTING	WEB SITE REDESIGN	99.08
LIBRARY	JOE'S LAWN CARE	BOILER INSPECTION	37.50
LIBRARY	MN ENERGY RESOURCES	HEATING	843.66
	Total for Department 171		980.24*
	Total for Fund 03		980.24*
	P.M. REPAIR & DETAIL TIRE CHANGING MACHINE		700.00
	Total for Department		700.00*
	Total for Fund 04		700.00*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	MN DEPT OF HEALTH	PLAN REVIEW FOR POOL SLI	600.00
		Total for Department	600.00*
		Total for Fund 12	600.00*
AMBULANCE	BEIM CONSULTING	WEB SITE REDESIGN	99.08
AMBULANCE	TIM HACKER	EXPENSE	7.80
AMBULANCE	HY-VEE FOOD STORE	MERCHANDISE	8.08
AMBULANCE	ROBIN SHAW	EXPENSE	10.99
AMBULANCE	KIM POWERS	EXPENSE	133.15
AMBULANCE	PRAXAIR DISTRIBUTION SERVICE		536.94
AMBULANCE	ALLAN REMPEL	EXPENSE	29.87
		Total for Department 176	825.91*
		Total for Fund 13	825.91*
MULTI-PURPOSE BUILDI	HY-VEE FOOD STORE	MERCHANDISE	319.50
MULTI-PURPOSE BUILDI	MN ENERGY RESOURCES	HEATING	1,145.85
		Total for Department 177	1,465.35*
		Total for Fund 14	1,465.35*
LIQUOR	BEIM CONSULTING	WEB SITE REDESIGN	99.08
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	2,833.55
LIQUOR	COCA-COLA BOTTLING C	MERCHANDISE	280.80
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	3,255.05
LIQUOR	JOHNSON BROS.	MERCHANDISE	835.00
LIQUOR	MN ENERGY RESOURCES	HEATING	112.63
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	3,599.55
LIQUOR	S&K LINES	FREIGHT	1,485.30
LIQUOR	CAMPUS CLEANERS	SERVICE	20.05
		Total for Department 180	12,521.01*
		Total for Fund 60	12,521.01*
WATER	BEIM CONSULTING	WEB SITE REDESIGN	99.08
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	69.79
WATER	HY-VEE FOOD STORE	MERCHANDISE	14.32
WATER	MN ENERGY RESOURCES	HEATING	709.93
		Total for Department 181	893.12*
		Total for Fund 61	893.12*
	BANK MIDWEST	TRANSFER TO SAVINGS	300,000.00
		Total for Department	300,000.00*
ELECTRIC	BEIM CONSULTING	WEB SITE REDESIGN	99.08
ELECTRIC	CRYTEEL TRUCK EQUIP	MAINTENANCE	141.61
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	69.80
ELECTRIC	MN ENERGY RESOURCES	HEATING	288.32

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	XCEL ENERGY	DISPOSAL OF TRANSFORMER	750.00
		Total for Department 182	1,348.81*
		Total for Fund 62	301,348.81*
SEWER	BEIM CONSULTING	WEB SITE REDESIGN	99.08
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	69.79
SEWER	MN ENERGY RESOURCES	HEATING	15.61
		Total for Department 183	184.48*
		Total for Fund 63	184.48*
ARENA	BEIM CONSULTING	WEB SITE REDESIGN	99.08
ARENA	FRANKS SHOE REPAIR	MAINTENANCE	8.00
ARENA	MN ENERGY RESOURCES	HEATING	866.81
		Total for Department 184	973.89*
		Total for Fund 64	973.89*
ECONOMIC DEVELOPMENT	BEIM CONSULTING	WEB SITE REDESIGN	99.08
ECONOMIC DEVELOPMENT	MARK HANSON	EXPENSE	147.90
		Total for Department 187	246.98*
		Total for Fund 67	246.98*
TELECOMMUNICATIONS	BEIM CONSULTING	WEB SITE REDESIGN	99.12
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	209.37
TELECOMMUNICATIONS	HY-VEE FOOD STORE	MERCHANDISE	29.34
TELECOMMUNICATIONS	WINDOM ED & COLLABOR	MIRC GRANT-ACCESS TO TEC	3,932.00
		Total for Department 199	4,269.83*
		Total for Fund 69	4,269.83*
		Grand Total	327,371.76*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
CITY OFFICE	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.40
		Total for Department 103	20.40*
CITY HALL	COTTONWOOD CO TREASU	TAXES	24.00
		Total for Department 115	24.00*
POLICE	COTTONWOOD CO TREASU	DISPATCHING	275.00
POLICE	COTTONWOOD CO TREASU	RENT	1,500.00
POLICE	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	10.18
		Total for Department 120	1,785.18*
FIRE DEPARTMENT	AMOCO OIL COMPANY	GAS	55.11
FIRE DEPARTMENT	COTTONWOOD CO TREASU	DISPATCHING	212.50
FIRE DEPARTMENT	MN FIRE SERVICE CERT	REGISTRATION	60.00
		Total for Department 125	327.61*
EMERGENCY MANAGEMENT	COTTONWOOD CO TREASU	DISPATCHING	12.50
		Total for Department 130	12.50*
STREET	AMOCO OIL COMPANY	GAS	371.21
STREET	COTTONWOOD CO TREASU	DISPATCHING	125.00
STREET	COTTONWOOD CO TREASU	TAXES	24.00
		Total for Department 140	520.21*
RECREATION	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	10.18
		Total for Department 150	10.18*
PARKS	COTTONWOOD CO TREASU	DISPATCHING	37.50
PARKS	COTTONWOOD CO TREASU	TAXES	42.00
		Total for Department 165	79.50*
		Total for Fund 01	2,779.58*
	WENCK ASSOCIATES, IN	18TH STREET STORM WATER	2,723.50
		Total for Department	2,723.50*
		Total for Fund 02	2,723.50*
LIBRARY	COTTONWOOD CO TREASU	TAXES	24.00
LIBRARY	THE NEW YORK TIMES	SUBSCRIPTION	405.60
LIBRARY	STAR TRIBUNE	SUBSCRIPTION	62.40
LIBRARY	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	5.09
LIBRARY	TRADITIONAL HOME	SUBSCRIPTION	24.00
		Total for Department 171	521.09*
		Total for Fund 03	521.09*
AIRPORT	COTTONWOOD CO TREASU	TAXES	1,412.00
AIRPORT	MN DEPT OF ADMINISTR	TELEPHONE	183.71
		Total for Department 174	1,595.71*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 11			1,595.71*
POOL	AL BALOUN	EXPENSE	33.15
POOL	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	5.09
Total for Department 175			38.24*
Total for Fund 12			38.24*
AMBULANCE	COTTONWOOD CO TREASU	DISPATCHING	200.00
AMBULANCE	CREATIVE DESIGN	SERVICE	142.14
AMBULANCE	EMERGENCY MEDICAL PR	SUPPLIES	123.16
AMBULANCE	ALLAN REMPEL	EXPENSE	4.76
AMBULANCE	FLORENCE BEYER	REFUND - AMBULANCE	12.63
AMBULANCE	WILLARD JOHNSON	REFUND - AMBULANCE	72.35
Total for Department 176			555.04*
Total for Fund 13			555.04*
MULTI-PURPOSE BUILDI	BEVERAGE WHOLESALERS	MERCHANDISE	211.80
MULTI-PURPOSE BUILDI	HAGEN DISTRIBUTING	MERCHANDISE	729.13
MULTI-PURPOSE BUILDI	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	10.18
Total for Department 177			951.11*
Total for Fund 14			951.11*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	6,061.88
LIQUOR	COLLINS BROTHERS, IN	MERCHANDISE	244.28
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	707.31
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	2,276.80
LIQUOR	HOLT'S CLEANING SERV	CLEANING	350.00
LIQUOR	JOHNSON BROS.	MERCHANDISE	2,312.84
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	4,016.33
LIQUOR	SOUTHERN WINE & SPIR	MERCHANDISE	111.04
LIQUOR	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.36
Total for Department 180			16,100.84*
Total for Fund 60			16,100.84*
WATER	AMERICAN PAYMENT CEN	SERVICE	16.50
WATER	COTTONWOOD CO TREASU	DISPATCHING	100.00
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
WATER	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.36
Total for Department 181			303.53*
Total for Fund 61			303.53*
HOMETOWN SANITATION REFUND - UTILITY PREPAYM			300.00
MELANIE MARTIN REFUND - UTILITY PREPAYM			125.00
BRADY POWERS REFUND - UTILITY PREPAYM			300.00
Total for Department			725.00*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	AMERICAN PAYMENT CEN SERVICE		16.50
ELECTRIC	AMOCO OIL COMPANY	GAS	753.92
ELECTRIC	COTTONWOOD CO TREASU	DISPATCHING	187.50
ELECTRIC	COTTONWOOD CO TREASU	TAXES	24.00
ELECTRIC	MARV GRUNIG	EXPENSE	90.00
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
ELECTRIC	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.36
	Total for Department 182		1,258.95*
	Total for Fund 62		1,983.95*
	BOLTON & MENK, INC.	SERVICE	5,000.00
	Total for Department		5,000.00*
SEWER	AMERICAN PAYMENT CEN SERVICE		16.50
SEWER	AMOCO OIL COMPANY	GAS	368.57
SEWER	COTTONWOOD CO TREASU	DISPATCHING	100.00
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
SEWER	MN VALLEY TESTING	TESTING	115.20
SEWER	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	32.56
	Total for Department 183		799.50*
	Total for Fund 63		5,799.50*
ARENA	AMOCO OIL COMPANY	GAS	115.36
ARENA	AL BALOUN	EXPENSE	33.15
ARENA	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	18.32
	Total for Department 184		166.83*
	Total for Fund 64		166.83*
	ELECTRIC FUND	LOAN PAYMENT TO ELECTRIC	712.68
	Total for Department		712.68*
ECONOMIC DEVELOPMENT	COTTONWOOD CO TREASU	TAXES	22,400.00
ECONOMIC DEVELOPMENT	ELECTRIC FUND	LOAN PAYMENT TO ELECTRIC	236.82
	Total for Department 187		22,636.82*
	Total for Fund 67		23,349.50*
TELECOMMUNICATIONS	AMERICAN PAYMENT CEN SERVICE		49.50
TELECOMMUNICATIONS	DELL MARKETING L.P.	MIRC GRANT FOR PD-FIRE-A	18,099.13
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	499.99
TELECOMMUNICATIONS	NEW STAR SALES & SER	COPIER MAINTENANCE	35.00
TELECOMMUNICATIONS	QUEST	TELEPHONE	104.90
TELECOMMUNICATIONS	QWEST COMMUNICATIONS	LEXIS BILLING SERVICE	204.11
TELECOMMUNICATIONS	NEUSTAR, INC.	MAINTENANCE	51.50
TELECOMMUNICATIONS	SIJAMBO CAFE	EXPENSE	71.61
TELECOMMUNICATIONS	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	30.54
TELECOMMUNICATIONS	BANK MIDWEST	NSF CHECK	247.84

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount

		Total for Department 199	19,394.12*
		Total for Fund 69	19,394.12*
	AFLAC	INSURANCE	391.20
	JOHNSON COUNTY COURT	PAYROLL DEDUCTION CDDMO1	1,202.00
	LAW ENFORCMENT	LABOR UNION DUES	252.00
	LOCAL UNION #949	UNION DUES	1,547.12
		Total for Department	3,392.32*
		Total for Fund 70	3,392.32*
		Grand Total	79,654.86*



Session Update: Legislature Heads into the Final Weeks

With less than four weeks remaining in the regular session, legislators must solve the state's budget deficit and more.

(Published Apr 27, 2011)

With the Easter/Passover recess now behind them, legislators returned to St. Paul on April 26 with less than four weeks remaining in the regular 2011 legislative session. Over the next four weeks, the House and Senate and Gov. Dayton must reach an agreement on the state's upcoming 2012-2013 biennium—or risk running into overtime.

Under the current House and Senate committee structure, there are 10 major omnibus bills that will become the state budget, including those for agriculture and rural development, K-12 education, environment, natural resources and commerce, health and human services, higher education, jobs and economic growth, judiciary and public safety, state government finance and veterans, and taxes and transportation. Only one piece—the omnibus agriculture finance bill—has been finalized and signed into law by the governor. The other nine bills, which include the omnibus tax bill, remain in conference committee.

Deadlines

Ironically, the conference committee process on the major budget bills has now been slowed, due in part to a legislative leadership decision early in the session to accelerate the work on the state budget and delay work on other non-budget policy legislation. The Legislature typically sets self-imposed committee deadlines for action on legislation, with the deadline for committee action on policy bills generally around mid to late March, and the deadline for committee action on appropriations bills in late April.

However, due to the size of the projected state budget deficit, this year the Legislature set the appropriation bill deadline for late March while delaying the first and second policy committee deadlines until April 29 and May 6. Policy bills must be heard in all committees in the house of origin to meet the first deadline, and then must be favorably acted upon in the other body by the second deadline.

So as legislators reconvened on Tuesday, they will have two weeks of policy committee agendas packed with policy bills as well as ongoing meetings of budget conference committees.

Keep in mind that there is one additional deadline: the Legislature is constitutionally required to complete the regular legislative session by the first Monday after the third Saturday of May each year. This year, that date is May 23.

Conference committee updates

Following is a brief summary of the status of the major omnibus finance bill conference committees.

Note: figures are for the 2012-2013 biennium. The asterisk () indicates the bill number that is being used in conference committee.*

Agriculture and rural economies finance (SF 1016 *(Link to:*

*https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1016&ssn=0&y=2011) */HF 1039)*

Status: The conference committee has completed its work and the bill has been approved by both chambers and signed into law by the governor.

Representatives: Rod Hamilton (R-Mountain Lake), Paul Anderson (R-Starbuck), Ron Shimanski (R-Silver Lake), Mike LeMieur (R-Little Falls), Kent Eken (DFL-Twin Valley)

Senators: Doug Magnus (R-Slayton), Gary Kubly (DFL-Granite Falls), Gary Dahms (R-Redwood Falls), Sean Nienow (R-Cambridge), Jeremy Miller (R-Winona)

Education finance (SF 1030/HF 934 *(Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF934&ssn=0&y=2011) *)*

Status: Conference committee continues to meet.

Representatives: Pat Garofalo (R-Farmington), Sondra Erickson (R-Princeton), Tim Kelly (R-Red Wing), Connie Doepke (R-Orono), Dan Fabian (R-Roseau)

Senators: Gen Olson (R-Minnetrista), Carla Nelson (R-Rochester), Dave Thompson (R-Lakeville), Pam Wolf (R-Spring Lake Park), Ben Kruse (R-Brooklyn Park)

Issues to watch:

- Although the bills have no direct impact on city operations, the bills do make a number of substantial changes related to teacher employment. The Senate bill includes a salary freeze for teachers through June 30, 2013, while both bills include changes to the collective bargaining process for teacher contracts and a prohibition on teacher strikes.

Environment, energy, natural resources, commerce, and utilities (HF 1010 *(Link to:*

*https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1010&ssn=0&y=2011) */SF 1029)*

Status: Conference committee continues to meet.

Representatives: Denny McNamara (R-Hastings), Tom Hackbarth (R-Cedar), Paul Torkelson (R-Nelson Township), Joe Hoppe (R-Chaska), David Dill (DFL-Crane Lake)

Senators: Bill Ingebrigtsen (R-Alexandria), Julie Rosen (R-Fairmont), John Pederson (R-St. Cloud), Chris Gerlach (R-Apple Valley), Gary Dahms (R-Redwood Falls)

Issues to watch:

- The divisions that deal with water management and permitting at both the Department of Natural Resources and the Pollution Control Agency are set to take significantly larger cuts in the House and Senate bills than were proposed in the governor's budget. This could have an impact on the

timeliness of agency permit processing and on the completion of the water clean-up plans needed to meet Clean Water Act requirements.

- Municipal water permit fee increases are not currently being proposed, but could come up as part of the package as negotiation move forward on a budget deal.
- The bill is also where the settlement of how to deal with developing a more scientific and current state sulfate standard to protect wild rice will likely be addressed. This is essential to the mining industry, but will also affect a large percentage of wastewater treatment facilities in the state.

Health and human services (SF 760 (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0760&ssn=0&y=2011) */HF 927)

Status: Conference committee continues to meet.

Representatives: Jim Abeler (R-Anoka), Steve Gottwalt (R-St. Cloud), Mary Kiffmeyer (R-Big Lake), Kathy Lohmer (R-Lake Elmo), Tom Huntley (DFL-Duluth)

Senators: David Hann (R-Eden Prairie), Michelle Benson (R-Ham Lake), Gretchen Hoffman (R-Vergas), Scott Newman (R-Hutchinson), Sean Nienow (R-Cambridge)

Issues to watch:

- The bills have few, if any, provisions that have a direct impact on city operations, but the bills include substantial (approximately \$1.6 billion) reductions in general fund health and human services appropriations in order to eliminate the state general fund deficit.

Higher education (SF 924/HF 1101 (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1101&ssn=0&y=2011) *)

Status: Conference committee continues to meet.

Representatives: Bud Nornes (R-Fergus Falls), Bob Dettmer (R-Forest Lake), Kurt Daudt (R-order to banaCrown), Pat Mazorol (R-Bloomington), David Hancock (R-Bemidji)

Senators: Michelle Fischbach (R-Paynesville), John Carlson (R-Bemidji), David Brown (R-Becker), Claire Robling (R-Jordan), David Senjem (R-Rochester)

Issues to watch:

- The bills have few, if any, direct impacts on city operations, but the bills include roughly \$410 million in reductions in general fund-supported higher education appropriations in order to erase the general fund deficit.

Jobs and economic growth (SF 887 (Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0887&ssn=0&y=2011) */HF 1049)

Status: Conference committee meets for the first time this week.

Representatives: Bob Gunther (R-Fairmont), Joe Hoppe (R-Chaska), Andrea Kieffer (R-Woodbury), Carol McFarlane (R-White Bear Lake), Tim Sanders (R-Blaine)

Senators: Geoff Michel (R-Edina), Ted Lillie (R-Lake Elmo), Ted Daley (R-Eagan), Jeremy Miller (R-Winona), John Pederson (R-St. Cloud)

Issues to watch:

- The League is watching the funding for certain Department of Employment and Economic Development clean-up/development programs (Minnesota Investment Fund, the Redevelopment Fund, and the Contaminated Clean-up Account)—which are funded at lower levels in both the House and Senate compared to the governor's position.
- Additionally, funding from the Iron Range Resources & Rehabilitation Board/Douglas J. Johnson account is taken in both the House and Senate bills and used to fund other initiatives in the bill. This will continue to be a major point of contention as budget discussions continue. *Funds that are administered through the Minnesota Housing Finance Agency will be impacted; cuts will affect the Challenge in Economic Development Program.

Judiciary and public safety (SF 958 *(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=SF0958&ssn=0&y=2011)*

*b=Senate&f=SF0958&ssn=0&y=2011) */HF 853—Public Safety and HF 440—Judiciary)*

Status: Conference committee continues to meet.

Representatives: Tony Cornish (R-Good Thunder), Tim Kelly (R-Red Wing), Steve Smith (R-Mound), Bruce Vogel (R-Willmar), Kelby Woodard (R-Belle Plaine)

Senators: Warren Limmer (R-Maple Grove), Dan Hall (R-Burnsville), Scott Newman (R-Hutchinson), Michael Jungbauer (R-East Bethel), Julianne Ortman (R-Chanhassen)

Issues to watch:

- The League is concerned about raids on two important funds, the Fire Safety Account and the Allied Radio Matrix for Emergency Response (ARMER).
- The Fire Safety Account is a dedicated account derived from a surcharge on homeowners insurance premiums for the purpose of funding the State Fire Marshal's Office, firefighter training and regional fire service initiatives. The House omnibus public safety bill, HF 853 (Rep. Tony Cornish, R-Good Thunder), would transfer \$8.5 million from the Fire Safety Account to the general fund for the next biennium. The Senate's bill, SF 958 (Sen. Warren Limmer, R-Maple Grove), would make a similar transfer of \$6.5 million.
- ARMER is the radio system used primarily by emergency responders to communicate during emergencies like natural disasters. The build-out of the system is being funded in part by a dedicated surcharge on telephone bills. The House omnibus public safety bill takes \$5.2 million from ARMER for the biennium and transfers it to the state's general fund. The Senate omnibus bill in its current form funds ARMER at \$6.8 million for the biennium, the level recommended by Gov. Dayton.

State government finance (SF 1047 *(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=SF1047&ssn=0&y=2011)*

*b=Senate&f=SF1047&ssn=0&y=2011) */HF 577)*

Status: Conference committee continues to meet.

Representatives: Morrie Lanning (R-Moorhead); Bruce Anderson (R-Buffalo Township), Mike Benson (R-Rochester), Keith Downey (R-Edina), Kirk Stensrud (R-Eden Prairie)

Senators: Mike Parry (R-Waseca), Paul Gazelka (R-Brainerd), Dave Thompson (R-Lakeville), Ted Daley (R-Eagan), Ray Vandevener (R-Forest Lake)

Issues to watch:

- As currently structured, the bills have little direct impact on city operations. They include neither the previously proposed state-mandated local government salary freeze nor the shift of pension contributions from local government employers to employees.
- The bills include a state employee salary freeze.
- The Senate bill moves state employees to a health care savings account/high deductible health insurance plan.
- The House bill includes a reduction in general fund-supported state operating costs of roughly \$142 million while the Senate bill includes general fund cuts of approximately \$374 million, which includes the savings from the switch to the new health insurance noted above.
- Both bills also include assumed general fund revenues of roughly \$170 million due to tax compliance initiatives.

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](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF42&ssn=0&y=2011)) */SF27)

Status: Conference Committee continues to meet.

Representatives: Greg Davids (R-Preston), Sarah Anderson (R-Plymouth), Jenifer Loon (R-Eden Prairie), Linda Runbeck (R-Circle Pines), Ann Lenczewski (DFL-Bloomington)

Senators: Julianne Ortman (R-Chanhassen), David Senjem (R-Rochester), Warren Limmer (R-Maple Grove), Roger Chamberlain (R-Lino Lakes), Julie Rosen (R-Fairmont).

Issues to watch:

- Both bills include cuts in local government aid and market value homestead credit.
- Both bills include individual city sales tax proposals.
- Both bills relax the library maintenance-of-effort requirements for cities and counties.
- The Senate bill includes a one-year extension of last year's TIF flexibilities to entice job creation.
- The House bill includes levy limits for taxes payable in 2012 and 2013.
- The House bill includes a two-year moratorium on conducting a referendum for a local sales tax and a permanent restriction on spending any public funds to advertise or promote a local sales tax proposal.

Transportation (HF 1140) ([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=HF1140&ssn=0&y=2011)

[b=House&f=HF1140&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1140&ssn=0&y=2011)) */SF 898)

Status: The first meeting of the conference committee took place on April 15 with a walk-through of the bills and the differences between them.

Representatives: Mike Beard (R-Shakopee), Mark Murdock (R-Perham), Tory Westrom (R-Elbow Lake), Mike Benson (R-Rochester), Ernie Leidiger (R-Mayer)

Senators: Joe Gimse (R-Willmar), John Howe (R-Red Wing), Al DeKruif (R-Madison Lake), Ben Kruse (R-Brooklyn Park), Ted Lillie (R-Lake Elmo)

Issues to watch:

- The main issue to resolve is how much general fund money will be available for the transportation budget. Last biennium, the state provided \$166.334 million in general fund dollars for transportation, including Minnesota Department of Transportation, the Metropolitan Council, and the Department of Public Safety. The governor's recommendation for the fiscal year (FY) 2012-2013 biennium is for \$180 million in general fund dollars.
- The House bill provides only \$41.7 million in general fund dollars for the FY 2012-2013 biennium with a cut of \$129 million to metropolitan area transit and \$3.7 million for Greater Minnesota transit. The Senate bill provides a total of \$139.660 million in general fund dollars for transportation, leaving a difference between the House and Senate of \$97.9 million in general fund dollars. The two bodies need to resolve what the final amount will be.

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

Your LMC Resource

If you have questions about the session or a particular bill, get in touch with our intergovernmental relations staff.

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



LMC 2011 Annual Conference and Marketplace

I Love My City!

June 15-17—Mayo Civic Center, Rochester

Safe and vibrant neighborhoods. Places to gather and play. Bustling business areas. Caring community. It's hard work to make a city feel like home, but it's worth the time, energy, and love you put into it. Join your colleagues at this year's Annual Conference and Marketplace to celebrate all the things that make our cities great and share ideas for preserving what we love about our cities.

Attend this unique, one-stop-shop conference to learn more about trust and leadership, city budgeting, financial planning and human resource issues, as well as timely topics like innovation and collaboration in service delivery, how to encourage public input in your city's decisions, and ways to save money on technology.

You'll have lots of opportunities to network with your colleagues, exhibitors, and League staff and you'll leave equipped with the information, tools, and resources you need to keep the city you love moving forward.

—**REGISTER** (Link to: <http://mylmc.lmc.org/ebusiness/ProductCatalog/Product.aspx?ID=1748>) (NEW: you'll need to set up a MyLMC account in your name to register)

Conference details:

- Registration Options and Fees** (Link to: <http://www.lmc.org/page/1/ac2011-regfees.jsp>)
- Agendas and Conference Highlights** (Link to: <http://www.lmc.org/page/1/ac2011-agenda.jsp>)
- Clerks' Orientation Conference** (Link to: <http://www.lmc.org/page/1/ac2011-clerks.jsp>)
- Hotel Information** (Link to: <http://www.lmc.org/page/1/ac2011-hotel.jsp>)
- Meet Our Sponsors** (Link to: <http://www.lmc.org/page/1/ac2011-sponsors.jsp>)
- Access the Virtual Exhibit Hall** (Link to: <http://www.lmc.org/page/1/virtual-exhibit-hall.jsp>)

Marketplace details:

- Exhibitor Information** (Link to: <http://www.lmc.org/page/1/exhibitorinfo-ac2011.jsp>)

Your LMC Resource

Contact Rebecca Erickson
Program Assistant

<http://www.lmc.org/page/1/ac2011.jsp>

4/28/2011

(651) 281-1222 or (800) 925-1122 rerickson@lmc.org *(Link to: mailto:rerickson@lmc.org)*

Special Accommodations

If you have special accommodation needs (dietary/mobility), please contact **Rebecca Erickson** using the contact information above.

Billing/Cancellation Policy

- Your invoice will be sent as a pdf attachment to the confirmation e-mail you receive after you register online; please pay from that invoice.
- If you cannot attend the conference, you are welcome to send a substitute. All cancellation requests must be submitted via email or fax by 4:30 p.m. on June 3, 2011 and are subject to a fee of 20 percent of the total conference rate. After that date, you will be billed at the full conference rate; no refunds will be made.

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Federal Health Care Reform Update

(Updated April 27, 2011)

President Obama signed the Patient Protection and Affordable Care Act (also referred to as “health care reform”) into law on March 23, 2010. Shortly after, a reconciliation bill was also signed into law by President Obama.

Provisions of the legislation will take effect over time with additional regulations and guidance issued, as well as possible amendments to the Act by Congress. A timeline with key provisions that may impact cities is provided below. Additional details are provided for those provisions that have a more immediate impact. The League will provide updates as guidance is issued or changes are made.

Key provisions—near term

Recent updates (federal or state) have been made to the following key health reform provisions for cities:

- Early Retiree Reinsurance Program—deadline looming!! Applications must be received no later than 5 p.m. on **May 5**.
- Expansion of dependent coverage—state definition of dependent amended for 2010 tax year.
- Reporting requirements on the value of health benefits.

Early Retiree Reinsurance Program

This program provides temporary reimbursements for employers providing health insurance coverage to early retirees age 55 and older who are not eligible for Medicare to help offset the cost of providing this coverage. This program began on June 1, 2010, and ends on Jan. 1, 2014. **The deadline for submitting applications is 5 p.m. on May 5, 2011. Applications will not be accepted after this time.**

—**Read more about the Early Retiree Reinsurance Program** (*Link to: <http://www.lmc.org/page/1/2010healthreform.jsp>*)

Dependent coverage expanded to age 26

Health reform deals with two aspects of covering “adult children”—expanded coverage and federal tax consequences.

Expanded coverage: For plan years beginning after Sept. 23, 2010, dependent coverage is expanded to age 26 regardless of financial dependency, full-time student status, or marital status. This applies to all group health plans, including medical, dental, health flexible spending accounts (health FSAs), health reimbursement arrangements (HRAs and VEBAs), etc., but does not include health savings accounts (HSAs).

Tax consequences: Effective March 31, 2010, group health plan coverage (including health FSAs and HRAs/VEBAs) provided to the employee's "adult child" is now excluded from the employee's income for federal income tax purposes. The tax benefit is available until the end of the calendar in which the adult child turns age 26.

Note: On March 21, 2011, Gov. Dayton signed into law Chapter 8 which excludes from state income tax the value of health insurance for adult children to age 26 for the 2010 tax year. Employers were not required to issue new W-2 forms if they had already issued W-2s showing the value of health insurance coverage provided to these adult children. Tax committees are working on a conformity bill that would fix this issue for tax years after 2010.

—**Read more about expansion of dependent coverage** (*Link to: <http://www.lmc.org/page/1/2010healthreform.jsp>*)

Reporting requirements on value of health benefits

Employers will soon need to begin reporting the value of the health benefits that they provide to employees on the employee's W-2. This reporting requirement was scheduled to go into effect for benefits provided in 2011, however the IRS recently issued interim relief so employers **will not be required** to report the value of employer-sponsored health coverage for 2011 on W-2s issued in January 2012.

—**Read more about reporting value of health benefits** (*Link to: <http://www.lmc.org/page/1/2010healthreform.jsp>*)

—**Read more about key near-term provisions** (*Link to: <http://www.lmc.org/page/1/2010healthreform.jsp>*) (*Updated on April 27, 2011*)

—**Read about key long-term provisions starting in 2013 and beyond** (*Link to: <http://www.lmc.org/page/1/latehealthreform.jsp>*)

Resources

Following are links to additional resources:

- **HealthCare.gov website:** This is the official government web site for health care reform. You can register to receive free alerts and updates from the U.S. Department of Health & Human Services as regulations and guidance are issued.

Visit the HealthCare.gov website (*Link to: <http://www.healthcare.gov>*)

- **Internal Revenue Service:** Some guidance on health care reform will be issued by the IRS. Search "health care reform" or "affordable care act."

Visit the IRS website (*Link to: <http://www.irs.gov>*)

- **Kaiser Family Foundation:** This website includes a wealth of information about the new legislation.

Visit the Kaiser Family Foundation website (*Link to: <http://healthreform.kff.org/>*)



Recent Appointments

State Aviation System Plan Advisory Committee

Bloomington City Councilmember **Steve Peterson** and Hutchinson Public Works Manager **John Olson** were appointed in April to serve as the League appointee and alternate appointee, to the State Aviation System Advisory Committee.

The Minnesota **State Aviation System Plan** (*Link to: <http://www.dot.state.mn.us/aero/avoffice/planning/sasp.html>*) (SASP) provides a macro level plan for guiding airport development and navigational aids in Minnesota. It gives input to the Federal Aviation Administration's (FAA) National Plan of Integrated Airport Systems (NPIAS), individual airport master plans, and the State's Transportation System Plan. The FAA uses the NPIAS as a basis for funding decisions, and the State Transportation System Plan guides transportation investment.

The SASP Advisory Committee will provide insight and guidance to the Minnesota Department of Transportation as a new plan is drafted in the coming year. The League was tasked with finding one city representative for the committee. The SASP Advisory Committee will provide input from both aviation and non-aviation interests.

MnDOT Area Transportation Partnership

Worthington Councilmember **Lyle Tenhaken** and North Mankato City Planner **Michael Fischer** were appointed in April to serve as a city appointee and alternate appointee, to the Minnesota Department of Transportation (MnDOT) **Area Transportation Partnership** (*Link to: <http://www.dot.state.mn.us/d7/atp/>*) (ATP) for Region 7.

ATPs were established to help further MnDOT's efforts to bring the decision-making process to a more regional level. ATPs solicit candidate projects for federal funding, rank projects by category, set investment targets for each category, and integrate the lists of projects into the four year Area Transportation Improvement Program (ATIP). Every year, the ATPs develop an ATIP that covers a minimum four-year period. There are eight ATPs in Minnesota (one for each MnDOT district area). The ATP-7 region includes 13 counties in South-Central Minnesota: Blue Earth, Brown, Cottonwood, Faribault, Jackson, Le Sueur, Martin, Nicollet, Nobles, Rock, Sibley, Waseca, and Watonwan. There are 14 **members of the ATP-7** (*Link to: <http://www.dot.state.mn.us/d7/atp/members.html>*), including five elected officials. The League was tasked with finding a replacement appointee when the former city appointee was not re-elected.

MnDOT Visioning Steering Committee

Bemidji Councilmember **Rita Albrecht** and Alexandria Public Works Coordinator **Bryan Bjorgaard** were named in March to serve as the League appointees to the Minnesota Department of Transportation (MnDOT) Visioning Steering Committee.

As part of a recent effort, MnDOT is conducting an intensive visioning process to establish a 50-year multimodal vision for transportation in Minnesota. The effort is titled, **Minnesota GO: Crafting a Transportation Vision for Generations** (*Link to: <http://www.dot.state.mn.us/minnesotago/>*).

The Minnesota GO Steering Committee is comprised of 29 members representing a range of disciplines and perspectives. The League was tasked with finding two city representatives for the committee. The purpose of the steering committee is to guide the visioning process and use the outcomes of the statewide public workshops, web-based forums, and advisory groups to craft a vision statement and guiding principles for transportation in Minnesota.

Statewide Radio Board

Montevideo City Councilmember **Marvin Garbe** and Cambridge City Councilmember **Christopher Caulk** were appointed in December to serve as the League appointee and alternate appointee, to the Statewide Radio Board (SRB).

The SRB consists of 20 persons, two of which are appointed by the League with one from Greater Minnesota and another from the nine-county metropolitan area. The League is also allowed to appoint alternates. Rochester City Councilmember Bob Nowicki, who did not seek re-election this year, had previously served as the Greater Minnesota LMC designee. Rosemount Mayor Bill Droste serves as the metro LMC designee.

As directed in statute, the other SRB members include appointments by the Association of Minnesota Counties, Minnesota Sheriffs' Association, Minnesota Chiefs of Police Association, Minnesota Fire Chiefs' Association, Minnesota Ambulance Association, along with the commissioner of Public Safety, the commissioner of Transportation, the state chief information officer, the commissioner of Natural Resources, the chief of the Minnesota State Patrol, the commissioner of Finance, and the chair of the Metropolitan Council.

The SRB was created by the Minnesota Legislature in 2004 to implement the Statewide Interoperable Public Safety Radio and Communication System Plan. That plan evolved out of the implementation of a region wide interoperable radio system in the Minneapolis/St. Paul metropolitan area in 2001. At the time the SRB was created the Statewide Interoperable Public Safety Radio and Communication System was given the name of Allied Radio Matrix for Emergency Response (ARMER). The ARMER system is a major element of Minnesota's long-term interoperable communication planning, but not the only element.

Learn more from the SRB website (*Link to: <http://www.srb.state.mn.us>*)

Statewide Residential Fire Sprinkler Advisory Committee

Duane Willenbring, Rockville city councilmember, has been appointed to serve as the League appointee on the statewide Residential Fire Sprinkler Advisory Committee. **Luke Berscheid**, Minnetonka fire inspector/investigator, has been appointed as an alternate to this committee. The state-run advisory committee will provide input on sprinkler system requirements in the 2012 International Residential Code.

The Minnesota Department of Labor and Industry (DLI) is looking to update the State Building Code (SBC). To form part of the SBC, Minnesota amends and adopts the International Residential Code (IRC). The 2012 IRC model code language will include a requirement that all new single-family homes and all new townhouses have sprinkler systems.

DLI is establishing this advisory committee to discuss this new provision and allow all affected parties the ability to express their concerns and address where the new thresholds should be. The thresholds recommended will set the groundwork for the advisory committee and its review of the 2012 IRC. The Residential Fire Sprinkler Advisory Committee will be comprised of 18 members with representatives from local governments, fire services, residential builders, building officials, the insurance industry, and state agencies.

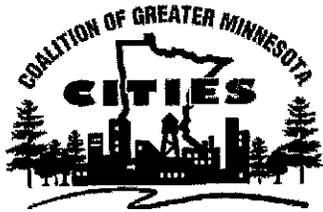
Read about appointment opportunities (*Link to: <http://www.lmc.org/page/1/appointment-oppo.jsp>*)

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

Your LMC Resource

Contact intergovernmental relations (IGR) staff if you have questions about legislative issues or appointment opportunities.

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



Coalition of Greater Minnesota Cities

CGMC in Brief

April 28, 2011

Contact: Tim Flaherty
651-225-8840

Contact Legislators about Transit Cuts

The House Transportation omnibus finance bill (H.F. 1140) proposes a \$7.6 million cut to greater Minnesota transit. The Senate Transportation omnibus finance bill (S.F. 898) does not include any cuts to greater Minnesota transit. The Governor's budget recommendation also does not include cuts to greater Minnesota transit.

The House and Senate have appointed conferees to reconcile the differences between the two bills. The House conferees are: Reps. Mike Beard, **Mark Murdock**, **Torrey Westrom**, **Mike Benson**, and Ernie Leidiger. The Senate conferees are: Sens. **Joe Gimse**, **John Howe**, **Al DeKruif**, Benjamin Kruse and Ted Lillie. (Greater Minnesota Conferees are in bold.)

The greater Minnesota transit cuts in the House bill are significant. According to MnDOT, the House reductions would result in a 7% reduction of transit, equaling approximately 76,000 hours of service, or the equivalent of cutting four average small urban and four average rural transit systems. Additionally, MnDOT estimates that inflation will consume forecasted increases in MVST revenues available to greater Minnesota, thus making these cuts even more consequential.

Please take a moment to contact the greater Minnesota legislators on the House-Senate Transportation conference committee and encourage them to support the Senate and Governor's position of no cuts to greater Minnesota transit. For more information, please contact J.D. Burton with Flaherty & Hood, P.A. at 651-225-8840, or by email.

Greater Mankato Growth Hosts Issues Dialogue, Surveys Members on LGA

In an effort to engage its members, Greater Mankato Growth, Inc. (the local Chamber of Commerce) hosted an issues dialogue on Local Government Aid. Offering perspectives at the forum were Mark Haveman, Executive Director of the Minnesota Tax Payers Association; Mark Dehen, Mayor of North Mankato; and Pat Hentges, Mankato City Manager. Following this event Greater Mankato Growth surveyed its business members on the LGA issue. **Of the 124 businesses that responded 69% felt that LGA should either be maintained or increased, while 31% felt it should either be reduced or eliminated.**

CGMC would like to thank Greater Mankato Growth and its President and CEO Jonathan Zierdt for engaging Mankato area businesses in this important policy discussion. The full survey results and the subsequent letter that was sent to area legislators can be seen on Greater Mankato Growth's website at <http://www.greatermankato.com/gmg-lga.php>.



Signs of Compromise in St. Paul?

In most budget negotiations it is expected that both sides will compromise. What "compromise" means, however, may be in the eye of the beholder. Recently several Republican legislators have stated that their legislative budget is a compromise. They say their original position was to spend less than the current budgets passed in the House and Senate. Early in the session many GOP legislators did say that \$32 billion in spending for the next two years should be adequate to meet the state's needs. The \$32 billion in spending was based on the State's November Economic Forecast that estimated the state would have \$32 billion in incoming revenue. Unfortunately no budgets based on \$32 billion in spending were developed for comparison. The budgets passed out of the Minnesota House and Senate each have \$34 billion in spending. The increase in spending occurred when the State's February Economic Forecast showed a stronger economy that raised estimated incoming revenue to \$34 billion. If the GOP started to compromise at the point of the February forecast by increasing its spending due to higher revenues, then Gov. Dayton also began compromising at the same time when he reduced his tax increases by eliminating a 3% tax surcharge on income earned over \$500,000. With both sides agreeing to continue the education shift there is just roughly \$3.5 billion more to go.

Survey USA Poll on the Minnesota Budget Deficit

A poll conducted by Survey USA in late March shows 52% of Minnesotans want to raise some taxes to solve the state's budget deficit while 42% believe it should be done with just spending cuts. Only 11% believe it should be done with only tax increases, while 41% believe it should be done with an even split of tax increases and spending reductions. Not surprisingly Republicans were more likely to support spending cuts with 67% of them supporting an all cuts approach and 22% supporting an even split. Democrats were more likely to support tax increases with 22% supporting an all tax approach with 46% supporting an even split of tax increase and spending cuts. 53% of independents also supported the even split approach.

Thank LGA Media tour continues

CGMC's Media expert Glen Fladeboe helped arrange a press conference in Mankato earlier this week. St. Paul Mayor Chris Coleman joined New Ulm Mayor Robert Buessman, North Mankato Mayor Mark Dehan, and Mankato City Council member Mike Laven. The press conference focused on the importance of LGA to the greater Mankato region and to the entire state. Coverage of the press conference is included below.

CGMC testifies in favor of balanced budget approach

On Tuesday, the House tax committee held a hearing on Governor Dayton's tax plan, which includes revenue to solve the budget deficit. Steve Peterson testified at the hearing on behalf of the CGMC. He advocated for a balanced approach that includes revenue. Advocates from many other organizations such as transit and health and human services supporters also testified in favor of increasing state revenue in addition to making budget cuts.



Wealthy Suburbs Go on the Offensive

Last week the Municipal Legislative Commission (MLC), the organization that represents wealthy suburbs that don't get LGA launched a website and public relations effort centered around the theme of "property tax fairness." They are trying to make an issue of the so-called Voss Report that suggests suburban property tax payers are paying more as a share of their income in property taxes than are greater Minnesota property taxpayers. On their website www.propertytaxfairness.com they make this plea, "We ask that you email or call your Senator and Representative and ask them to make property tax burdens more equitable when they consider making changes to property tax relief programs such as local government aid and market value credit."

As we have pointed out previously, it is overly simplistic to conclude from the Voss Report that more property tax relief should go to the suburbs even if they pay more in property taxes as it relates to income. Because property taxes are based on property value and metro residents tend to own higher value homes it only makes sense that they would pay more in property taxes. Additionally, metro residents often pay more in property taxes as they have been more successful in passing school levies, thus voluntarily raising their own property taxes.

Additionally, MLC lobbyist Bill Schreiber recently testified in the Senate Tax Committee, that from his organization's perspective it was "appropriate" to be "adjusting expectations downward" when it came to LGA funding, or more simply put his argument was, because we don't get any LGA we think it is fine if you cut it. Given the amount of cooperation so far between cities across the state it is extremely disappointing that the wealthy suburbs are taking such a narrow regional approach.

CGMC Hopes for Dedicated Parks & Trail Money

Sen. John Pederson (R—St. Cloud) introduced a bill, S.F. 1230, that would dedicate 26% of the state parks & trails fund to parks and trails outside the metropolitan area. State Parks and Metropolitan Parks would each receive 37% of the money. Although greater Minnesota is not receiving as much as the metropolitan area, this dedication allocation would be a significant improvement over the current system of allocation. Right now greater Minnesota must compete with the metropolitan area for a share of a smaller pool of money, even though the metropolitan area has an additional dedicated pool. Over the last two years, a significant amount of the pool for which Greater Minnesota competes has gone to St. Paul and other metropolitan government units.

The bill was heard Wednesday in Senate Environment. Anita Rasmussen, the planning and community development director for Sartell, testified on behalf of Sartell and the CGMC in favor of the bill. The Senate omnibus legacy funding bill was released today and contained the language from S.F. 1230.



**End of Session
Lobbying Day set for
May 11**

Please plan on attending our end of session lobbying day on Wednesday, May 11. The lobbying day will begin with a membership briefing at the Flaherty & Hood offices at 10:00 a.m. Members will then be cut loose to lobby at the capitol. CGMC staff will take care of making appointments with key legislators. While plans are still coming together, we are inviting Mayors Coleman and Rybak to address the group and are working to provide an opportunity for Rep. Davids and Sen. Ortman the two tax chairs to give us a progress report on the Omnibus Tax Bill and LGA. Please RSVP to Colleen Millard at Colleen Millard at cfmillard@flaherty-hood.com or at 651-225-8840 if you are planning on attending.

**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 17th. 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 cfmillard@flaherty-hood.com or at 651-225-8840.

**CGMC in Brief: A
great addition to
council packets**

As the legislative session enters its' final phase it is more important than ever that all CGMC city officials understand what is going on in St. Paul. Though the *CGMC in Brief* is distributed to most CGMC mayors and council members by email, there are a number for whom we do not have email addresses. Many cities include the *CGMC in Brief* in their council packets. We encourage all cities to adopt the practice of including the *CGMC in Brief* in council packets. This ensures that council members get the information we are sending out and helps the public understand the value of your city's membership in the Coalition.

**LGA Media Round-
up**

On Tuesday, St. Paul Mayor Chris Coleman joined mayors and city officials in Mankato. They met to discuss the importance of LGA in keeping property taxes low and encourage business growth. The Mankato Free Press covered the story here: <http://bit.ly/dUBsUm> and KEYC's story can be viewed here: <http://bit.ly/hAYKkh>

The Rochester Post-Bulletin ran a story about the wealthy suburbs banding together and creating a property tax website. CGMC and ThankLGA.org are mentioned: <http://bit.ly/fU7x3t>

An editorial in the St. Paul Pioneer Press encouraged legislators to form a new consensus on LGA: <http://bit.ly/mCu2NN>

**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/>.



Main Identity

From: "Bach, Jeannette" <JBach@lmc.org>
To: "Clerk/Administrators" <clerk-admins@listserv.lmc.org>
Sent: Tuesday, April 26, 2011 11:21 AM
Subject: [clerk-admins] Elected officials sought for LMCIT Board position
 Please share this opportunity with your city mayor and council members.

The League Board is seeking candidates to fill a vacancy on the LMCIT Board of Trustees. Candidates for this vacancy must be elected officials. This appointment will be to fill an unexpired term which runs through March 31, 2013. The appointee would be eligible to be re-appointed to an additional term at that time.

The LMCIT Board of Trustees is the governing body of the League of Minnesota Cities Insurance Trust. The Board's responsibilities include overall management and policy direction, setting premium rates, deciding on dividends, establishing the budget for in-house operations, overseeing investments, approving coverage changes, etc.

The LMCIT Board typically meets six to eight times per year. In addition, the LMCIT Board meets annually for a one-and-a-half-day strategic planning retreat in February or March. LMCIT reimburses Board members for travel expenses to attend meetings. In addition, Trust Board members who are not compensated by their home city for time spent attending LMCIT Board meetings are eligible for a \$150 per diem payment for each meeting day.

LMCIT Trust Board members are appointed by the LMC Board of Directors. The LMCIT trust document requires that at least two of the seven Trustees must be elected officials. At least one Trustee must also be a member of the League Board of Directors. The Executive Director of the League also serves *ex officio* as an LMCIT Trustee.

As in all appointments, the Board tries if possible to achieve balance by geographical location, size of city, and gender.

To apply, send a letter expressing your interest to the attention of Laura Honeck at the League office. You can also send it by e-mail to lhoneck@lmc.org, or by fax to 651-281-1298. It will be helpful to briefly outline your background and experience as a city official; your experience with the League and with LMCIT; the reasons for your interest in serving on the LMCIT Board; and any thoughts you may have on LMCIT and what its future direction should be. Applications will be accepted through May 13, 2011.

We anticipate that the League Board's Executive will interview candidates in late May or early June, and will make a recommendation to the League Board for action at the Board's June 15, 2011 meeting.

If you have questions either about the position or the process, feel free to call Pete Tritz at 651-281-1265 or ptritz@lmc.org; or Jim Miller at 651-281-1205 or jmiller@lmc.org.

Jeannette Bach | Research Manager

Tel: 651-281-1223 | Fax: 651-215-4123

jbach@lmc.org | www.lmc.org

League of Minnesota Cities

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Conference Committee Begins Big Job of Reconciling Tax Bills

Major differences remain among the positions of the House, Senate, and governor.

(Published Apr 20, 2011)

When legislators return to St. Paul on April 26, they will have less than four weeks remaining in the 2011 regular legislative session. With one small exception, the budget conference committee process on the nine major funding bills and the tax bill, which will form the backbone of the state's 2012-2013 biennial budget, has only just begun and a global agreement on all of those pieces is not readily apparent.

The one exception is the agriculture finance conference committee. That lone budget panel has reached agreement and the compromise conference committee report has now been approved by the House and Senate and signed into law by Gov. Dayton.

One of the most contentious budget bills will likely be the omnibus tax bill. The House and Senate have taken somewhat different approaches to their respective versions of the bill. But the differences between the House and Senate are relatively minor compared to the differences between those bills and the governor's tax proposal. Gov. Dayton's proposal includes roughly \$2.4 billion in tax increases, largely through an income tax increase. In contrast, the House and Senate tax bills include tax reductions—the House largely through an income tax cut while the Senate is largely through business tax reductions.

On the expenditure side, the governor is proposing no cuts from current law for property tax aids and credit programs while the House and Senate each propose deep reductions. The table below summarizes the three plans in terms of revenue changes, expenditure changes, and the combined net impact on the state's projected \$5 billion deficit.

Tax Plans: Impact on State Deficit for FY 2012-2013
(\$ in millions)

	Governor	House	Senate
Revenue Changes	+\$2,314.1	-\$330.7	-\$154.8
Expenditure Changes	\$0	-\$877.3	-\$729.3
Net Impact on Deficit	-\$2,314.1	-\$546.6	-\$574.5

Conference committee meets

On April 14, the conference committee on the omnibus tax bill (**HF 42** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF42&ssn=0&y=2011) /**SF 27** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0027&ssn=0&y=2011&ls=87) held its first hearing to reconcile the differences between the House and Senate versions of the bill. Although Revenue Commissioner Myron Frans attended the meeting, it is unclear whether the negotiations will include the administration. The hearing included only a walk-through of the content of the House and Senate bills.

At the conclusion of the hearing, Senate Taxes Chair **Julianne Ortman** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10802](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10802)) (R-Chanhassen) announced that the conference committee would not reconvene until April 26, after legislators return from the spring recess.

The conferees are Reps. **Greg Davids** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10123](http://www.house.leg.state.mn.us/members/members.asp?id=10123)) (R-Preston), **Sarah Anderson** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15269](http://www.house.leg.state.mn.us/members/members.asp?id=15269)) (R-Plymouth), **Jenifer Loon** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15313](http://www.house.leg.state.mn.us/members/members.asp?id=15313)) (R-Eden Prairie), **Linda Runbeck** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10575](http://www.house.leg.state.mn.us/members/members.asp?id=10575)) (R-Circle Pines), **Ann Lenczewski** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=10369](http://www.house.leg.state.mn.us/members/members.asp?id=10369)) (DFL-Bloomington), and Sens. Ortman, **David Senjem** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1058&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1058&ls=)) (R-Rochester), **Warren Limmer** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1032&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1032&ls=)) (R-Maple Grove), **Roger Chamberlain** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1187&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1187&ls=)) (R-Lino Lakes), and **Julie Rosen** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1053&ls=](http://www.senate.leg.state.mn.us/members/member_bio.php?mem_id=1053&ls=)) (R-Fairmont).

Below is a summary of some of the major provisions included in the House and Senate versions of the omnibus tax bill.

Senate bill (SF 27)

For aid and credit payments scheduled to be paid in 2011, the Senate bill will reduce local government aid (LGA) by \$102 million and will reduce market value homestead credit (MVHC) reimbursements by \$48 million. These cuts are identical to the cuts in HF 130, the initial bill approved by the Legislature, but vetoed by the governor. The cuts would effectively freeze most cities at their 2010 levels for LGA and MVHC after the 2010 legislatively ratified unallotment reductions and the 2010 supplemental budget reductions.

For aid and credit payments scheduled to be paid in 2012, the Senate bill continues the \$102 million LGA reduction by freezing the LGA amounts to cities. The Senate plan also eliminates the entire MVHC program—not just the reimbursement to local units of government. In other words, homeowners would no longer have a reduction on their property tax statement, nor would the certified levies of local units of government be reduced by the amount of the credit with the promise of state reimbursement. To buffer the impact of the MVHC elimination on homeowners, homesteaded properties would receive a market value exclusion that will effectively reduce the tax capacity of the property and therefore shift the loss of the MVHC reimbursement to all properties.

As the result of a floor amendment during final passage of the Senate bill, there is no longer a general local sales tax option for capital projects. However, the bill does include local sales tax amendments or authorizations for the cities of Rochester, Clearwater, Fergus Falls, Lanesboro, Hermantown, and Hutchinson as well as a requirement for future local sales tax requests to be preceded by a local referendum on the sales tax. The bill also includes specific tax increment financing (TIF) modifications for the cities of Cohasset, Lino Lakes, and Ramsey. The Senate bill also includes a one-year extension of last year's tax increment authorization to accommodate the slow economic recovery.

The Senate bill includes a \$3.5 million annual grant program that would make consolidation grants available to cities and counties. The program would be administered by the state auditor, and the

maximum grant would be \$100,000. The bill also includes a two-year provision that allows library maintenance-of-effort requirements to be reduced to 90 percent of the 2011 current law requirements.

House bill (HF 42)

Under the House bill as approved, Minneapolis, St. Paul, and Duluth will have their 2011 LGA reduced by nearly \$75 million while all other cities will receive their certified 2011 LGA distributions with no immediate reduction.

For the 2012 distributions, all non-first class cities will receive either their net 2010 LGA after all cuts or their certified 2011 LGA, whichever is less. The first class cities of Minneapolis, St. Paul, and Duluth will receive only 50 percent of either their 2010 net LGA or their certified 2011 LGA, whichever is less.

Unlike the Senate bill, the House bill includes a two-year extension of traditional levy limits. Cities over 2,500 in population and all counties will be subject to a two-year extension (through taxes payable in 2013) of current law levy limits. Those levy limits are computed as the lesser of 3.9 percent or the implicit price deflator (IPD) for state and local government consumption expenditures, which is currently running at roughly 2.4 percent.

The bill's levy limit language includes all of the traditional special levies contained in current law, except that it repeals the special levy for MVHC reimbursement cuts. That special levy was eliminated effective for taxes payable in 2013 due to the bill's elimination of the MVHC program beginning in 2012.

The House bill includes local sales tax language for the cities of Cloquet, Fergus Falls, Hutchinson, Marshall, Lanesboro, Medford, Rochester, Clearwater, and Hermantown. Although the bill includes these local sales taxes, it also includes a two-year moratorium that prohibits local units of government from holding a referendum for a local sales tax. The sales tax statute now also includes a permanent prohibition on expending funds by a local unit of government for the promotion of a local sales tax, although after the two-year moratorium, this prohibition does not prevent a city from conducting a referendum.

The House bill includes a few local development provisions, including those for the cities of Lino Lakes, Ramsey, and a border city development zone authorization for the city of Taylors Falls. Additionally, the bill still includes last year's provision to allow TIF pooling to be used in certain foreclosure situations on market rate housing.

The bill also includes a small cooperation, consolidation, and innovation grant program that is available to cities, counties, and townships. The program will receive roughly \$1.6 million per year, with a grant maximum of \$100,000 per unit of government, funded on a first come, first served basis. The bill would also exempt purchases of water used directly in providing public safety services by an organized fire department, fire protection district, or fire company regularly charged with the responsibility of providing fire protection to the state or a political subdivision. Finally, the House bill includes a two-year suspension in county and city contributions under the library funding requirements, also known as library maintenance of effort.

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

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Voter Photo ID Bills Moving Despite Lack of Funding for Local Costs

Cities face new responsibilities and added costs if elections legislation passes.

(Published Apr 20, 2011)

Cities, counties, school districts, and townships face higher costs to conduct voting under proposed voter photo ID legislation. The bills would require local governments to conduct provisional balloting, retain more election materials for 36 rather than 22 months, and hold more meetings of local absentee ballot boards.

The voter photo ID and other requirements are included in **HF 89** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF89&ssn=0&y=2011) (**Rep. Mike Benson** *(Link to:*

http://www.house.leg.state.mn.us/members/members.asp?leg_id=15342), **R-Rochester**)/**SF 479** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0479&ssn=0&y=2011&ls=87) (**Sen. John Howe** *(Link*

to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15332), **R-Red Wing**) and **HF 210** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF210&ssn=0&y=2011) (**Rep. Mary Kiffmeyer** *(Link*

to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=15302), **R-Big Lake**)/**SF 509** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0509&ssn=0&y=2011&ls=87) (**Sen. Warren**

Limmer *(Link to:* http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10376*)*, **R-Maple Grove**). Early indications of increased costs for local governments have not deterred legislative committees from recommending approval of the bills, which would substantially modify or eliminate many election procedures administered at the local level and alter voting activities at the polls.

On April 7, Minnesota Management and Budget (MMB) issued an official local impact note that estimated statewide costs of \$8.3 million in fiscal year 2012-2013 to implement the most recent version of HF 210. The estimate for the cost to implement HF 89 is expected to be announced this week.

After the local impact note was released, legislators eliminated the requirement to use electronic poll books and allowed local officials to decide whether to use them (at a cost of over \$4,000 each). Without that requirement in place, the costs would be reduced by one-time start-up costs of \$4.25 million, leaving a continuing impact at the local level of \$4.1 million statewide per each state election. Ongoing costs for conducting local elections under the term of the voter photo ID requirements would continue as well.

Costs related to provisional balloting include:

- Staff and resources required to monitor provisional voters and ballots on Election Day.
- Separate secure storage for voted provisional ballots.
- Posting of provisional ballot data to the Statewide Voter Registration System.

- Local office access for voters to present valid ID for five days following the election.

There are also requirements to mail notices to those whose ballots are not counted after the five-day deadline for presenting required documentation of their eligibility to vote. In many cases, such voters are likely to be listed on the local voter register as pre-registered and have voted many times but whose identification or address on the voter rosters may not be accurate or current on Election Day. It is anticipated that between 2 and 3 percent of voters may cast provisional ballots, but as many as 50 percent of those who do so may not return to present the documents required to establish their ID before the five-day deadline expires.

MMB surveyed a sample of cities and counties to determine the per-voter impact of the changes contemplated in the voter photo ID legislation and to address the impact of new requirements on local government.

HF 210/SF 509 initially required use of electronic poll books in some, if not all, polling places. But the use of and broadband connectivity for these additional devices has been made optional under the terms of pending legislation. HF 89/SF 479 do not now contemplate use of such equipment, but do impose additional duties on election judges to count the individual voter signatures on polling place voter rosters to establish the number of voters who have been authorized to cast a ballot. This requirement remains in the bill despite evidence and testimony that counting signatures is often inaccurate.

Another substantial concern is the requirement for voters to cast provisional ballots. This requirement is currently included in all versions of voter photo ID legislation still under consideration. The requirement causes local election administrators to object to how the process is to be conducted at the polls and whether voters who cast such ballots will be able to have their votes counted. It is also the outstanding example of how voters affected by this requirement may lose confidence in the fairness of the election process.

At the local level, provisional voting will likely lead many cities and other local election jurisdictions to appoint additional election judges. The judges must conduct and monitor the provisional balloting process at the polls to make sure ballots are cast as directed. The judges must also secure the ballots until the deadline passes for those voters to return to present their ID and prove their eligibility to have their provisional ballot counted.

It is expected that the **House Ways and Means Committee** ([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 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=)) will meet after the spring break to determine which form of the legislation will move forward, including whether and how to cover the costs of implementing some form of voter photo ID legislation at both the local and state level.

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))



Variance Bill Ready for Quick Passage

The legislation, which includes compromise language the League agreed to, could be passed on both the House and Senate floors on April 26.

(Published Apr 20, 2011)

With all of the primary interests reaching agreement on compromise language for the variance bill, the Senate has set the stage for quick action on **HF 52** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF52&ssn=0&y=2011) /**SF 13** *(Link to:*

https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF0013&ssn=0&y=2011&ls=87) . The purpose of the bill is to restore city variance authority.

The House passed HF 52 on April 4, but was not able to have the compromise language drafted into an amendment for inclusion in the bill, since the agreement was reached during the floor discussion of the legislation.

The Senate bill, authored by **Sen. Gen Olson** *(Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10483)* (R-Minnetrista), was amended with the agreed upon language and passed the **Senate Local**

Government and Elections Committee *(Link to: [http://www.senate.leg.state.mn.us/committees/committee_bio.php?](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3052&ls=)*

cmte_id=3052&ls=) on April 13. It was reported to the Senate floor on April 14 and could be voted on at the next Senate floor session, which will occur on April 26 when the Legislature returns from spring break. From there, it is expected that the House will accept the changes made by the Senate and pass the bill on to Gov. Dayton for final approval. Once the bill is signed by the governor, the legal change will go into effect the next business day.

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 about the Supreme Court ruling *(Link to: <http://www.lmc.org/page/1/varianceruling.jsp>)*

Since the bill will be moving quickly, those concerned about HF 52 and SF 13 should immediately contact their local legislators to ask that they pass the bill with the compromise changes to which the League agreed.

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Interest Arbitration Legislation Expected to Move in Senate

A bill requiring arbitrators to consider the fiscal condition of an employer is expected to be heard in the Senate after the spring recess.

(Published Apr 20, 2011)

A bill that would require arbitrators to consider the financial condition of the public employer when awarding pay increases in labor contracts was expected to be heard on April 18 in the **Senate State Government Innovation and Veterans Committee** ([Link to: http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3054&ls=](http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=3054&ls=)), but the hearing was postponed until after the spring recess.

SF 1100 ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1100&ssn=0&y=2011&ls=87](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=Senate&f=SF1100&ssn=0&y=2011&ls=87)) (**Sen. David Brown** ([Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15323](http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=15323)), R-Becker), is the companion to **HF 501** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF501&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF501&ssn=0&y=2011)) (**Rep. Linda Runbeck** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?leg_id=10575](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10575)), R-Circle Pines), which passed through the **House Government Operations and Elections Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87009)) and the **House Civil Law Committee** ([Link to: http://www.house.leg.state.mn.us/comm/committee.asp?comm=87003](http://www.house.leg.state.mn.us/comm/committee.asp?comm=87003)) and is awaiting action by the **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)).

Under the state's Public Employment Labor Relations Act (PELRA), "essential employees"—mostly public safety, health care and correctional workers—do not have the right to strike. When an employer and a union cannot resolve labor contract disputes, the parties go to arbitration. The bill would require arbitrators to give "substantial weight" to issues like local government aid cuts, property tax burdens, and the impact of levy limits. It would also forbid them from considering an employer's budget reserves when determining their ability to pay.

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

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

City officials are urged to discuss this legislation with legislators while they are home over the spring recess.

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Hearing Scheduled for Bill Removing City Authority of Well Drilling

Legislation would remove all local authority over whether private wells are appropriate within areas served by city water utilities.

(Published Apr 20, 2011)

Legislation that limits city authority to covering only public wells has been scheduled for its first hearing in the Senate. The bill would allow property owners to sink their own wells to circumvent paying for public water.

The Senate Environment and Natural Resources Committee *(Link to:*

http://www.senate.leg.state.mn.us/committees/committee_bio.php?cmte_id=1006&ls=) has scheduled **SF 64** *(Link to:*

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

(Link to: http://www.senate.leg.state.mn.us/members/member_bio.php?leg_id=10796*)*, R-East Bethel) for a hearing on April 26 at 3 p.m. in Room 107 of the State Capitol.

League staff are working closely with the Legislature, Minnesota Rural Water, the Minnesota Municipal Utilities Association, the Department of Natural Resources, and the Department of Health to prevent this attempt to circumvent reasonable local restrictions on water use.

The House companion, **HF 135** *(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=HF135&ssn=0&y=2011)

[b=House&f=HF135&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF135&ssn=0&y=2011)*)* (**Rep. Tom Hackbarth** *(Link to:* [http://www.house.leg.state.mn.us/members/members.asp?](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10229)

[leg_id=10229](http://www.house.leg.state.mn.us/members/members.asp?leg_id=10229)*)*, R-Cedar) is awaiting action in the **House Environment, Energy and Natural Resources Policy and Finance Committee** *(Link to:* <http://www.house.leg.state.mn.us/comm/committee.asp?comm=87007>*)*, but the time of that hearing has not yet been determined.

Why cities need authority over private wells

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

Where this has occurred, it has led to a serious strain on the financial viability of public water systems. Obviously, if one large water user suddenly stops paying, the capital debt and system operations and maintenance expenses must be paid by the remaining customers. It has also resulted in large increases in water use through those new private wells, which affects future water availability for the public water supply. Other cities have experienced serious public water supply contamination issues when private wells are not properly maintained.

Because of the negative impact on utility revenues and the added risk to local water quality and quantity, the League is strongly opposing this legislation. The League supports existing law, which recognizes that it should be a local determination whether private wells are appropriate in any given jurisdiction.

Last fall, after ongoing discussions with the League and other concerned parties, the Minnesota Department of Health notified the League that it would no longer tell cities they do not have the legal authority to ban the construction of wells within their jurisdictional authority. This is what prompted well drillers to have this legislation introduced.

Cities and utilities with concerns about this legislation should contact their area legislators and the offices of the chairs of the environment committees as soon as possible to ask them to oppose this legislation.

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Debating the Numbers for a Balanced State Budget

An ongoing debate over fiscal notes and a new bill to shift the preparation of these estimates to a legislative body could impact this year's budget negotiations.

(Published Apr 20, 2011)

As the state budget negotiations have evolved this session, there has been a growing debate over the accuracy and timeliness of budget estimates prepared on proposed legislation. Gov. Dayton and DFL leaders have criticized the Republican majority for using independent estimates of the revenue impacts and expenditure savings of legislative proposals rather than relying on estimates prepared by affected state agencies.

In Minnesota, the responsibility of preparing fiscal estimates is largely vested with Minnesota Management and Budget (MMB). The statutory requirements for state *fiscal notes* can be found in **Minnesota Statutes, section 3.98** ([Link to: https://www.revisor.mn.gov/statutes/?id=3.98](https://www.revisor.mn.gov/statutes/?id=3.98)), while a closely related statute governing the preparation of *local impact notes* can be found in **Minnesota Statutes, section 3.987** ([Link to: https://www.revisor.mn.gov/statutes/?id=3.987](https://www.revisor.mn.gov/statutes/?id=3.987)). In a separate section of state law, **Minnesota Statutes, section 270C.11, subdivision 5** ([Link to: https://www.revisor.mn.gov/statutes/?id=270C.11](https://www.revisor.mn.gov/statutes/?id=270C.11)), the Department of Revenue is charged with the responsibility of analyzing legislation and drafting *revenue estimates*.

Although fiscal notes, local impact notes, and revenue estimates are intended to be an objective analysis on the change in expenditures and revenues that will result from a bill, according to an informational memo drafted by the House of Representatives Fiscal Analysis Department, the Legislature is not obligated by either law or rule to use the official estimates in developing the state budget. These estimates are considered advice to the Legislature on what the Executive Branch believes are the costs or revenues associated with a new or modified program.

With the debate on these fiscal estimates ongoing, on April 18 **Rep. King Banaian** ([Link to: http://www.house.leg.state.mn.us/members/members.asp?id=15340](http://www.house.leg.state.mn.us/members/members.asp?id=15340)) (R-St. Cloud) introduced a bill, **HF 1506** ([Link to: https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1506&ssn=0&y=2011](https://www.revisor.mn.gov/revisor/pages/search_status/status_detail.php?b=House&f=HF1506&ssn=0&y=2011)), that would move the function of preparing fiscal notes and local impact notes from MMB to a reconstituted Legislative Commission on Planning and Fiscal Policy (LCPFP). To handle the new fiscal analysis function, the LCPFP would be authorized to hire staff and would receive a yet-to-be-determined state appropriation. Although the Banaian proposal would vest the fiscal note and local impact note functions with an existing legislative body, the proposal could certainly be considered a step toward creating a full-fledged legislative budget office (LBO).

The House and Senate currently maintain a staff of analysts that track the fiscal impacts of legislative proposals. However, these staff have traditionally based their tracking on official state fiscal notes, local impact notes, and revenue estimates coordinated by MMB and the Department of Revenue.

The concept of a legislative budget office is not new. In 2000, then Rep. Ron Abrams introduced HF 4073, a bill that would have formally created a legislative budget office with defined budget duties that would have included responsibility for preparing fiscal notes or reviewing fiscal notes prepared by the executive branch as well as responsibility for providing the House and Senate with independent, accurate, and timely information and analysis regarding state revenues and expenditures, possibly including a separate legislative state budget forecast that would have been in addition to the current executive state budget forecast prepared by MMB.

Although the current draft of the Banaian bill to reconstitute the LCPFP and shift fiscal note preparation from MMB is not as far-reaching as the Abrams LBO proposal, it is possible that his bill and the ongoing debate over fiscal notes could initiate further discussions about creating a full-fledged legislative budget office. At this point, it is unclear how such discussions might impact the negotiations on the main task of the 2011 Legislature—creating a state budget for the 2012-2013 biennium. The Banaian bill is scheduled for a hearing on April 26.

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