

Council Meeting
Tuesday, October 4, 2011
City Council Chambers
7:30 p.m.



AGENDA

Call to Order
Pledge of Allegiance

1. Approval of Minutes
 - Council Minutes–September 20, 2011
2. Consent Agenda
 - Minutes
 - Utility Commission – September 21 & 28, 2011
 - Telecommunication Commission – September 22, 2011
 - Community Center Commission – September 26, 2011
 - Permit Application – Use of Amplification Equipment – Phat Pheasant
3. Department Heads
4. Wastewater Treatment Plant – Bid Award
5. Des Moines River Dam – Bid Award
6. Environmental Assessment Worksheet
7. Letter of Engagement for 2011 City Audit
8. New Business
9. Old Business
10. Regular Bills
11. Council Concerns
12. Adjourn

Upcoming City Council Meetings

- October 5 – 7 p.m. - Long Range Planning
- October 10 – 6 p.m. - Budget Workshop
- October 11 – 6 p.m. - Budget Workshop



**Council Meeting
Windom City Hall, Council Chamber
September 20, 2011
7:30 p.m.**

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

2. Roll Call: Mayor: Kirby Kruse

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

Council Members Absent: None

City Staff Present: Steve Nasby, City Administrator; Bruce Caldwell,
Street & Park Superintendent; Mike Haugen,
Water\Wastewater Superintendent; Al Baloun,
Recreation Director and Jeremy Rolfes, Telecom

3. Pledge of Allegiance

4. Approval of Minutes:

Motion by Ray second by Jones, to approve the City Council minutes from September 6, 2011. Motion carried 5 – 0.

5. Consent Agenda:

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

- Tree Commission – September 7, 2011
- Economic Development Authority – September 12, 2011
- Park & Recreation Commission – September 12, 2011
- Library Board – September 13, 2011
- Planning & Zoning Commission – September 13, 2011
- Street Committee – September 14, 2011
- Airport Commission – September 15, 2011

Motion by Jones second by Ray, to approve the Consent Agenda as presented. Motion carried 5 – 0.

6. Department Heads:

Al Baloun, Recreation Director, said that staff has been working with the Windom Hockey Association and Park & Recreation Commission on improvements to the Arena. An

Preliminary

opportunity to purchase boards and glass, lockers, storage cabinets and other miscellaneous equipment had arisen as Coon Rapids is building a new ice arena and auctioning off their existing equipment. Baloun said that he had visited Coon Rapids ice arena to inspect the items being auctioned and some of the equipment would be an upgrade to our ice arena. In conjunction with the Windom Hockey Association the decision was made to purchase the boards and glass for about \$12,000. The City has a letter from the Windom Hockey Association requesting a donation of \$12,000 for the purchase of the boards and glass. They would arrange the labor necessary to disassemble the boards in Coon Rapids, provide transportation of the equipment from Coon Rapids to Windom and assist with other tasks as needed. This project would be similar to the concession stand improvement project that was done at the Arena last year where the City paid for the majority of the materials and the Windom Hockey Association provided all of the labor.

Jones asked if there was money budgeted for the project. Baloun said there were capital funds in the Arena account. Nasby noted that Baloun had inquired and there is about \$13,000 in the fund.

Powers asked if the concession stand project was completed. Baloun said the project had been completed.

Motion by Ray, seconded by Maricle, to approve the donation of \$12,000 to the Windom Hockey Association for improvements to be made to the City of Windom Arena. Motion carried 5 – 0.

7. Planning Commission Recommendation – Variance Request for 945 21st Street:

Jim Kartes, Building Official, said that the property owners at 945 21st Street had requested a variance for a reduction in the side yard setback for the purposes of constructing a new detached garage. Kartes noted this is a corner lot so the setback requirements is the same as a front yard setback and the proposed garage would essentially be a side yard fronting a “paper street” as the street is platted but not constructed. The reduction in the setback would still maintain the necessary right of way if the platted street were to be constructed. The Planning and Zoning Commission is recommending approval of the variance.

Jones asked if the proposed street were present would he and the Planning Commission still be recommending approval. Kartes said they would still approve the variance.

Jones asked if the proposed street were constructed if there was enough right of way as there is a significant grade change on that lot. Kartes said there is sufficient room to have the grade match the proposed curb line.

Motion by Jones, seconded by Maricle, to approve the variance for 945 21st Street as proposed and recommended by the Planning & Zoning Commission. Motion carried 5 – 0.

Preliminary

8. Property Purchase Agreement – Wastewater Treatment Plant Project:

Mike Haugen, Water\Wastewater Superintendent, said that the proposed main lift station reconstruction project included the replacement of the interceptor line along the river. The plan is to move this line away from the river bank. As such, an easement was needed from the property owner. The Utility Commission had recommended that staff obtain an easement from the owner prior to the scheduled bid award on October 4, 2011. Staff met with the property owner and his preference was to sell the property rather than to receive compensation for an easement. The property is located at the end of Prospect Avenue, is 1.85 acres in size and is adjacent to the existing Wastewater Treatment Plant property. He is recommending the purchase of this property for the relocation of the sewer main, but also for future use. Funds for the purchase would come from the Wastewater Department.

Jones asked how much of the interceptor line was on this property. Haugen said about 400 feet, which is about $\frac{2}{3}$ of the length.

Motion by Jones second by Maricle, to approve the purchase agreement between the City of Windom and Marlyn Voehl for Tax ID Parcel #25.177.0150 located at the end of Prospect Avenue containing approximately 1.85 acres for \$15,000.00. Motion carried 5 – 0.

9. Baptist Church Sidewalk Proposal:

Bruce Caldwell, Street & Parks Superintendent and Buckwheat Johnson, Baptist Church Trustee, introduced themselves. Johnson said the church is proposing a sidewalk from the end of Buckwheat Avenue to the Baptist Church parking lot near their playground. He said a number of families and children use the playground and it is difficult for them to get to it as the street ends prior to the paved parking lot.

Caldwell said the street is not platted any further than it is currently constructed. The proposed sidewalk would be the responsibility of the church for installation, maintenance and liability.

Powers asked if it will be flooded in heavy rain as that area can be wet. Johnson said he did not foresee any problems.

Fossing asked how long the sidewalk would be to connect Buckwheat Avenue and the church parking lot. Johnson said about 135 feet.

Powers asked if the sidewalk would be ADA compliant. Johnson said the plan is for the sidewalk to be 4 – 5 feet wide to accommodate a bike and walker simultaneously. Caldwell said he would check on the ADA requirements and get that information to Johnson.

Motion by Powers second by Ray, to approve the proposal from the Baptist Church to construct a sidewalk from the end of Buckwheat Avenue to the Baptist Church parking lot. Motion carried 5 – 0.

Preliminary

10. Highway 60\71 Water main Project Bid Award:

Dennis Johnson, Wenck Associates and Mike Haugen, Water\Wastewater Superintendent, introduced themselves.

Johnson said that the project only had one bid, but there were 20 sets of plans distributed including seven general contractors. The bid amount was well over the engineer's estimate so he is recommending that the bid be rejected and the project re-bid. It could be re-bid independently or with other projects being considered for 2012.

Motion by Maricle, seconded by Ray, to reject the bids for the Highway 60\71 Water main Project and re-bid it at a later date. Motion carried 4 – 0 (Powers absent).

11. Des Moines River Dam -- U.S. Fish & Wildlife Cooperative Agreement:

Nasby said the U.S. Fish & Wildlife Service has earmarked \$100,000 for the proposed dam removal project for the purpose of fish passage. He had wanted to have this agreement presented at the next meeting as that is when the City Council will be considering a bid award on the project; however, the U.S. Fish & Wildlife Service agreement needed to be approved prior to the end of the federal fiscal year that is September 30.

Jones said that there were one or two typographical errors. Nasby said there was one error on the number of rock riffles and another on the amount of the grant award. Both of these items would be fixed with the U.S. Fish & Wildlife Service.

Motion by Powers, seconded by Jones, to approve the cooperative agreement with the U.S. Fish & Wildlife Service for the Des Moines River Dam Project as presented with the necessary corrections. Motion carried 5 – 0.

12. Airport Commission - Recommendation:

Nasby said that the Airport Commission had met on September 15 and discussed two important maintenance items, which included the repair of hanger doors and replacement of the fuel monitoring system. The hanger doors had been discussed for the last year, but the quotes on the prices for new doors were approximately \$30,000 each for the four doors. This option was dismissed and discussion turned to repair. A quote to cut off and re-build the bottom two feet of the doors was obtained and this price, including new pulleys, cables, weather-stripping and labor was about \$30,000. The fuel monitoring system issue recently came up during a MPCA inspection of the airport. The current system is only accurate if the tank is more than half full, if it is under half the system does not work properly and the MPCA cannot tell if there is a leak. To correct this problem a new monitoring system is needed and the cost to purchase and install this system is \$3,500. The State DOT has emergency dollars available for both of these projects. The State will fund 50% of the cost, but the City would need to cover approximately \$16,250. The Airport Commission is requesting \$16,250 in funds to be advanced from the 2012 budget so they can start on this project now as winter is coming and it would be good to have the hanger doors fixed.

Preliminary

Caldwell said the problem with the doors on the north side of the old hanger has been addressed with the installation of the heated concrete we installed during the last Airport project, but the hanger doors were already severely deteriorated before that was installed.

Motion by Ray, seconded by Powers to approve the request by the Airport Commission to fund the repair of the hanger doors and installation of the fuel monitoring system from 2012 funds. Motion carried 5 – 0.

13. Utility Commission Appointment:

Kruse said that he is proposing the appointment of Tom Riordan to serve on the Utility Commission.

Motion by Fossing, seconded by Powers, to approve the appointment of Tom Riordan to the Windom Utility Commission. Motion carried 5 – 0.

14. Strong Beer License Request:

Nasby said that there was a request made by a local business for the City Council to consider authorizing strong beer sales under the City's Beer and Wine licenses. The City Council had directed staff to research the City Code and applicable State law. In the Council packet is a copy of the State statutes and City Code.

The State law is somewhat confusing as they refer the Malt Liquor, intoxicating liquor and 3.2 percent malt liquor whereas the City code defines wine and beer. State law allows municipalities to authorize the sale of "intoxicating malt liquor" a.k.a. strong beer if at least 60 percent of the licensee's gross receipts are from food sales. Currently the City Code allows for beer under its license, which is defined as 3.2 percent beer. The staff memorandum outlines some issues the Council may want to consider such as the need to have a separate license or authorization process for strong beer sales and if there would be a fee for the authorization as the verification of gross sales would need to be completed annually when the licenses are renewed.

Jones said that he would favor allowing strong beer sales under the existing beer and wine license as other license holders such as the Happy Chef and China Restaurant may want that option too.

Maricle said he would prefer a second type of license for the strong beer as the businesses may or may not want to offer that product or go through the verification process.

Powers said if only one license type all would have to verify their sales receipts.

Jones said that he thought it would not be an issue to verify and having that verification is okay if an establishment wants to sell beer.

Ray said she would agree to have a second type of license for strong beer.

Preliminary

Fossing said he is favoring the option of having two license types, but sees the point of having the verification process for all license holders.

Powers said he would support two license options.

Kruse said he would like to have the second license option as we do not need to add regulations to the license process we already have for the existing beer licenses.

Kruse asked what action is needed at this time. Nasby said staff needed direction to prepare an amendment to the applicable ordinance for the Council to consider regarding this matter.

Jones said he is still favoring having only one license for beer and wine.

Maricle said he anticipates a slightly higher fee for the strong beer license.

Mari Harris, River City Eatery, said that the State law allows the City to "authorize" strong beer sales and that is a check box on the existing license she has from the State of Minnesota and there is not a separate fee indicated for the authorization. Nasby said that the imposition of a fee for licenses is up to the individual municipalities as they are responsible for enforcement.

Kruse asked if staff had sufficient direction to prepare an amendment for consideration. Nasby responded in the affirmative.

15. New Business:

None.

16. Old Business:

Kruse said that meeting dates needed to be set for both Long Range Planning and Budget meetings. The suggested dates are October 3 or 5 for the planning meeting and October 10 and 11 for the budget workshops. The Council selected October 5 for the planning meeting and confirmed October 10 and 11 for the budget workshops.

Jones asked about the Street Shop remodeling project. Nasby said the project is complete and the punch list items were finally done.

Jones asked about the imposition of liquidated damages. Caldwell said he had talked to the engineer and this was being discussed. He feels there should be five days of penalties at \$500 per day. Jones asked if a notice of substantial completion had been issued. Both Nasby and Caldwell said that they thought it had been issued.

17. Regular Bills:

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

Preliminary

18. Council Concerns:

Ray asked that residents not place their garbage cans in the street for collection. The winter weather is coming up and the garbage cans cause problems for the snow plows if the cans are in the street.

19. Adjourn:

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

Kirby Kruse, Mayor

Attest: _____
Steve Nasby, City Administrator

UTILITY COMMISSION MINUTES
City Hall, Council Chamber
September 21, 2011

Call Meeting to Order: The Utility Commission meeting was called to order at 10:00 a.m., on September 21, 2011 in the City Hall Council Chamber.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Tom Riordan 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; Mark Hanson, EDA Director

Others Present: None

APPROVE MINUTES

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

The Utility Commission and staff welcomed Tom Riordan to the meeting as the new Utility Commissioner.

WATER / WASTEWATER ITEMS

Wastewater Treatment Plant / Main Lift Station Update – Haugen informed the Utility Commission that the City purchased the 1.85 acres from Marlyn Voehl for \$15,000, in place of the easement required for access to replacing the interceptor line for the Wastewater Project. Haugen said that the only other easement that may be required is the river crossing, and this land is in the estate of Clair Gilmore. Haugen said that the bid opening for this project is at 2 p.m. on the 22nd of September. Haugen also indicated that many of the prospective bidders walked through the project with the Engineers and himself on the 15th of September 2011.

Wastewater Rate Study – Haugen provided a “Request for Proposal” from Bolton & Menk, Inc. to the Utility Commission outlining the procedures for this study and a not-to-exceed fee of \$7,500

Motion by Francis, seconded by Riordan, to accept the RFP for the “Wastewater Rate Study” from Bolton & Menk, Inc with a not-to-exceed fee of \$7,500. Motion carried 3-0.

The next meeting to review the bids for the Wastewater Treatment Plant / Main Lift Station was set for September 28, 2011 at 10:00 a.m.

Fish Lake Sewer Project Update – Haugen said that at the present time approximately 2500 – 3000 gallons per day is being treated by the City of Windom Wastewater Treatment Plant. Jones requested that Haugen get the information on which property owners still need to be hooked into the system, and which property owners have compliant systems and how much time they have to hook into the system. Schwalbach also asked staff to review the contract and verify that Iowa Lakes will be notifying the City if any additional hook ups are made and the number of hook ups do not exceed language in the contract.

Water / Wastewater Budget Discussion – Haugen reviewed the budget line items for revenue and expenses for 2012 in both Water and Wastewater Funds. Haugen said that there is rust appearing on the water tower by the recreational area, and this is why the \$15,000 is budgeted for 2012 for water tower maintenance. The commission requested that staff look at warranties to resurface those areas, and also wondered if \$15,000 would be enough for maintenance on the tower if repairs are made.

Other Water / Wastewater Items

- **Fire Hydrants** – Haugen said that B & L Utilities painted the traffic lights on the highway, and at that time he asked them about painting fire hydrants. They said that they would paint them at \$50.00 per hydrant, and if lead paint is involved the price would be \$85.00. This price includes sand blasting and painting two (2) coats consisting of primer and paint. Haugen said there is maintenance money in the budget.

The Utility Commission by general consensus directed staff to notify B & L Utilities to paint 100 hydrants in 2012, as this is a budget item for 2012.

- **60/71 Watermain Project** – Haugen said that the bid for the 60/71 came in 50% above the engineers estimate, so the bid was rejected. Haugen recommended that if there is another project in 2012, we can add this project in as an option.
- **Empire Sewer Jetting & Vac** – Haugen said that Empire Sewer Jetting has completed the project for 2011. They jetted 63,000 feet with documentation and mapping of each area. Haugen said that he did not have the mapping and documentation at this time, but that it would be available shortly as they completed their work about two weeks ago.
- **Re-locate Dump Site to Cenex Property** – Schwalbach asked if staff had spoken to Cenex to see if they would be interested in having a camper dump site on their property. Nasby said that he asked Caldwell to check with the Park and Recreation Board, and they were not interested in moving the dumping station. The commission was in agreement

that Cenex should be asked if they were interested as a second site that would be more convenient for campers going through town. (Staff was directed to speak with Cenex.)

ELECTRIC ITEMS

Electric Budget Discussion – Grunig said that one of the line items in his budget is the contribution to the WADC, which is \$14,400 per year. Grunig introduced Mark Hanson, EDA Director, with a presentation regarding this contribution.

Hanson said that the EDA is requesting a Remick Grant for \$100,000 to fund building rehabilitation and improvements throughout Windom's business district. The EDA would also like to request \$15,000 per year for 3 years from the Windom's Utilities to partially match the Remick Grant. Hanson is requesting that the money from the Utilities replace the WADC contribution that the Utilities is presently making. The Windom Utility funds will be used as revolving loan dollars to be equal to the business owner investment of \$3,000, which is a maximum.

Hanson said that the grant needs to be completed to Remick Foundation by the 30th of September, and the action that he needs to have from the Utilities Commission is their willingness to partner in this project with the \$15,000 per year for each of 3 years.

General consensus of the Utility Commission was to allow Hanson to include the City of Windom Utilities as a partner in this project and discuss this project with the WADC.

Utility Transfer – Grunig reviewed with the Utility Commission the yearly transfer that is made to the General Fund in the amount of \$175,000. It is the assumption that this transfer is made in lieu of taxes that would be paid if this was a private business.

After lengthy discussion, staff was directed to get real property tax valuations from Cottonwood County for further discussion on the transfer.

Cost of Power (Revenue & Expense) Budget Discussion – Grunig said that the cost of wholesale electric energy is difficult to project as it is subject to market forces, the weather, the price of natural gas and the economy. The 2012 Budget will be affected by the below items.

- The re-negotiated NSP 55 contract that produced approximately \$2.4 million savings over the past 4 years, this contract expires October 31, 2011.
- There are 2 new NSP Energy contracts that will begin on January 1, 2012. They are NSP 5x16 block of on-peak energy and the NSP TOD priced energy that should mirror the cost of market priced energy. Because of the economy and above variable the cost of this power is currently more costly than available through the MISO Market. The assumption is that these new contracts will increase CMMPA's wholesale energy cost by 19%.

Because this is not the only source of wholesale energy, Grunig said that he is projecting the impact to the City of Windom's Utilities will be 3% to 4% increase.

- Western Area Power will not have a significant price increase based on their Federal Drought debt repayment that is required.
- The City of Windom will continue to see a positive impact of lower natural gas prices used for electric generation and its influence on the MISO Day-Ahead and Real-Time energy market. This market energy is also impacted by the economy.
- ITC's purchase of the Alliant System has substantially increased transmission costs to the City of Windom Utilities as investment dollars are recaptured. However the returning revenues from Windom's transmission assets should off set some of these higher costs.

Based on the items detailed above Grunig is projecting 2012 electric revenues to increase 3% to 4% in 2012.

Fuel Storage Tank – Discussion was held on the fuel storage tank that holds 50,000 gallons of fuel. The Utility has 33,000 gallons of #2 Diesel in the tank at the present time. Grunig said that this fuel is old and needs to be burned off (used). The Commission ask Grunig to check on removing that fuel through Staples oil, and if it could be used through some other means.

Update on NESHAP RICE Generator Emissions Requirements – Grunig updated the Utility Commission on the catalyst that will be added to the diesel generators to make it compliant to the NESHAP RICE Generator Emissions Requirements for May 3, 2013. He said they will last a lifetime as long as updates and the required maintenance are done. Grunig also updated Riordan the new commission on the background of NESHAP RICE.

Iowa Stored Energy Project Update – Grunig said that this is the compressed air storage facility that is 3000 feet below the surface. This compressed air would generate electricity. Grunig said that participation in this project has been terminated by CMMPA.

Annual CMMPA Regional Meeting – Grunig informed the commission of CMMPA's upcoming annual meeting in Springfield, MN on Tuesday, October 25, 2011. Grunig said that more information will follow.

Other Electric Items

- ITC Substation – Grunig said that he has had no further correspondence with ITC on the purchase of the substation.
- Renewable Credits – Grunig informed the Commission that the City of Windom Utilities can purchase enough renewable energy credits thru 2021.

REGULAR BILLS

Motion by Riordan, seconded by Francis to approve the bills to Wenck Associates in the amount of \$721.48 for the Landfill Site, and \$1,400.03 for the Highway 60 Watermain Project. Motion carried 3-0.

OLD BUSINESS

None

NEW BUSINESS

The next regular meeting date was set for October 26, 2011 at 10:00 a.m.

At the next regular meeting we will swear in Tom Riordan, the new commissioner and elect a secretary.

Motion by Riordan, seconded by Francis to adjourn the meeting at 12:55 p.m.

Mike Schwalbach, Utility Comm. Chairperson

Attest: _____
Steve Nasby, City Administrator

SPECIAL UTILITY COMMISSION MINUTES
Wastewater Treatment Plant
September 28, 2011

Call Meeting to Order: The Special Utility Commission meeting was called to order at 10:00 a.m., on September 28, 2011 at the Wastewater Treatment Plant.

Members Present: Utility Commission Chairperson: Mike Schwalbach

Members Present: Glen Francis and Tom Riordan

Member Absent: None

City Council Liaison: Dominic Jones

Staff Present: Brigitte Olson, Assistant City Administrator; Mike Haugen, Water/Wastewater Superintendent;

Others Present: Kelly Yahnke, Bolton & Menk, Inc.

WATER / WASTEWATER ITEMS

Review Recommendation – Wastewater Treatment Plant Project Bid – Yahnke reviewed the bids for the Wastewater Treatment Plant with the Utility Commission. Yahnke said that the bids ranged from \$2,260,000 to \$3,274,784 with the engineers estimated cost being \$2,800,000. Yahnke said that the project could begin one month after the approval by the City Council and the completion date could be August 2012.

Schwalbach asked if the SCADA was included in this bid, and Yahnke said that it was, and that it was not a separate option.

Motion by Francis, seconded by Riordan, to accept the low bid from Robert L. Carr Company for the amount of \$2,260,000, and to recommend its approval to the City Council. Motion carried 3-0.

Discussion of East Water Tower Maintenance – Yahnke said that he had a request for proposal with a not to exceed amount of \$7,500 to have an expert inspect the east water tower, and determine why the tower is showing signs of rusting spots in its outward appearance, Haugen said that the bottom of the inside of the bowl is also showing signs of rusting, which Haugen believes is from condensation. Yahnke said that there is no warranty on the paint and that it is approximately 10 (ten) years old.

Haugen said that he would like a recommendation from the commission whether to go ahead and have the water tower inspected or to research it at future date. Haugen also said that the tower

was dive inspected and cleaned approximately one year ago, and he would look back to see what the records show regarding this inspection.

Motion by Riordan, seconded by Francis, to accept the proposal of a not to exceed contract for \$7,500 to inspect the water tower for possible repairs. Motion carried 3-0.

REGULAR BILLS

Motion by Riordan, seconded by Francis, to approve the bill from Bolton & Menk Inc. for the design of the Main Lift Station and River Crossing. Motion carried 3-0.

OLD BUSINESS

None

NEW BUSINESS

Haugen discussed with the Utility Commission the Fish Lake Sewer project. He said that they are permitted through the City of Windom Utilities to pump 22,000 gallons per day with an option to increase the flow to 30,000 gallons per day. Haugen said that Iowa Lakes Rural Water has 59 hook ups with two additional assessment payments for hook ups.

The commission requested that the Fish Lake contract be scanned and sent to the Commission members for their review.

Motion by Riordan, seconded by Francis to adjourn the meeting at 10:30 a.m.

Mike Schwalbach, Utility Comm. Chairperson

Attest: _____
Steve Nasby, City Administrator

Telecommunication Commission Minutes
Sept 22nd, 2011

1. Call to Order:

Wendell Woodcock called the meeting to order.

2. Roll Call:

Commission Members Present: Wendell Woodcock, Virgil Meier, Dominic Jones

Commission Members Absent: Forrest Fosheim, Corey Maricle

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

Public Present: None

3. Continued Free – Windom Schools Wireless Internet:

Dominic made motion to approve pending small report or update from Windom school on how it benefits kids. Virgil 2nd – All approved. Motion passed.

4. Digital/Sports Package Combined:

Windomnet would leave the channel numbers the same. Windomnet would not raise rates of the digital package. Windomnet will quit offering the Sports package as a stand alone package. Windomnet will grandfather in the people who already have the sports package.

Virgil made the motion to combine the Digital/Sports Packages. 2nd by Dominic. All approved. Motion passed.

5. Director's Report:

The AC units at NOC bad. 2 units cycle back and forth between each other. They run continually all year to keep the NOC cool. They AC units need to be upsized because of more equipment in NOC. Windomnet has some funds in the maintenance budget for this year and will use funds from maintenance from next years budget for the remaining costs.

PC to People Project. Blandin Grant to allow people lower cost PC's and internet rates. Should Windomnet charge install fee?

Virgil made the motion to wave the install fee for PC to People project. 2nd by Dominic. All approved. Motion passed.

Transmission agreements are still an ongoing process. Dan is working on them.

Sportsman Channel is up and running now on Channel 309.

Dan will be going to the Calix Users Group Conference in Vegas this Nov.

Bids went out to the County for services with them for phones. Windomnet is waiting to hear from them.

Windomnet is still working on getting a couple of local companies up and running with Windomnet services.

SMBS working hard to get fiber in ground. 51 thousand feet in as of last week. Crews saying the ground is very hard right now. Crews pulling 5 -6 thousand feet of cable per day. Still hoping for a Nov 1st date to turn on.

People are using more bandwidth, growing every week.

Working on getting new phone system for City Hall, it will be a VoIP system.

6. Adjourn:

Meeting adjourned by Wendell

Community Center Commission Minutes
Monday September 26, 2011

1. Call to Order: The meeting was called to order by Vice President Kelly Woizeschke at 5:35 p.m

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

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

EDA Director: Mark Hanson-Absent

3. Approval of Minutes:

Motion by Dick Jeffrey, seconded by Linda Stuckenbroker to approve the July 25, 2011 Community Center Commission Minutes. Motion carried 3-0

4. Additions to the agenda:

Rental Surveys were all good reports

5. President's Report:

Nothing to Report

6. Director's Report:

- A. WCC Director Bussa stated water heater went out Sat. Sept. 17, 2011. Director Bussa explained heater was 100 gallon and replaced with 2-50 gallon heaters. Down time was 2 days now everything is running well.
- B. Air Exchangers on roof are being looked at from damage due to hail. Insurance looking into replacement. Brick work on exterior of building has been finished, still waiting on tile for inside restroom damage
- C. WCC Director Bussa explained to Commission how WCC does Craft Show in conjunction with Chamber. We are expecting a good show with a full house of vendors.
- D. Gun and Knife Show-WCC Director told Commission WCC Senior Room would be closed on Friday Oct. 28, 2011 for security and set up of Gun and Knife Show as previous years.

8. Resource Management:

Schedule of Events: Things looking good.

Income/Expenses: Looks good.

9. Miscellaneous:

WCC Director Bussa told Commission about Traveling Car Show stopping at WCC Oct. 6, 2011 and will be dining with Senior Dining Program.

10. Open Forum:

Nothing to report

11. Next Meeting:

Monday October 24, 2011 @ 5:30 pm

Adjourn:

Motion by Dick Jeffrey, seconded by Linda Stuckenbroker, to adjourn the meeting at 6:00 pm. Motion carried 3-0.

Wayne Maras, WCC President

Hilary Mathis, WCC Secretary

Attest: _____
Brad Bussa, Community Center Director

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

**A RESOLUTION AWARDING THE CONTRACT FOR A PROJECT ENTITLED
"WASTEWATER TREATMENT IMPROVEMENT PROJECT"**

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

Robert L. Carr Company	\$2,260,000
Magney Construction	\$2,310,941
Rice Lake Construction Group	\$2,439,400
Kelleher Construction	\$3,274,784

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

Robert L. Carr Company	\$2,260,000
-------------------------------	--------------------

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

1. Pursuant to the bid advertisement, the bid of \$2,260,000 submitted by Robert L. Carr Company is hereby approved for award; and the Mayor and City Administrator are hereby authorized and directed, on behalf of the City of Windom, to enter into a contract with the above contractor for completion of the components of the project, entitled "Wastewater Treatment Improvement Project", according to the plans and specifications heretofore approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except for the deposits of the successful bidder and the next lowest bidder which shall be retained until the contract has been signed.

Adopted by the City Council this 4th day of October, 2011.

Kirby G. Kruse, Mayor

Attest: _____

Steven Nasby, City Administrator

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

**A RESOLUTION AWARDING THE CONTRACT FOR A PROJECT ENTITLED
"DES MOINES RIVER DAM REMOVAL AND ROCK RIFFLES INSTALLATION PROJECT"**

WHEREAS, pursuant to an advertisement for bids for the project entitled "Des Moines River Dam Removal and Rock Riffles Installation Project", bids were received, opened and tabulated according to law, and the following bids were in compliance with the advertisement:

Base Bid + Alternate #1

Frattalone Companies	\$925,607
Minnowa Construction, Inc.	\$634,000

Base Bid - Redrock

Frattalone Companies	\$845,857
Minnowa Construction, Inc.	\$577,750

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

Minnowa Construction, Inc.	\$577,750
(Base Bid)	

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

1. Pursuant to the bid advertisement, the bid of \$577,750 (Base Bid) submitted by Minnowa Construction, Inc. is hereby approved for award; and the Mayor and City Administrator are hereby authorized and directed, on behalf of the City of Windom, to enter into a contract with the above contractor for completion of the components of the project, entitled "Des Moines River Dam Removal and Rock Riffles Installation Project", according to the plans and specifications heretofore approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except for the deposits of the successful bidder and the next lowest bidder which shall be retained until the contract has been signed.

Adopted by the City Council this 4th day of October, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator

RESOLUTION #2011-

INTRODUCED:

SECONDED:

VOTED: Aye:

Nay:

Absent:

**A RESOLUTION AWARDING THE CONTRACT FOR A PROJECT ENTITLED
"DES MOINES RIVER DAM REMOVAL AND ROCK RIFFLES INSTALLATION PROJECT"**

WHEREAS, pursuant to an advertisement for bids for the project entitled "Des Moines River Dam Removal and Rock Riffles Installation Project", bids were received, opened and tabulated according to law, and the following bids were in compliance with the advertisement:

Base Bid + Alternate #1

Frattalone Companies	\$925,607
Minnowa Construction, Inc.	\$634,000

Base Bid - Redrock

Frattalone Companies	\$845,857
Minnowa Construction, Inc.	\$577,750

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

Minnowa Construction, Inc.	\$634,000
(Base Bid + Alternate #1)	

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

1. Pursuant to the bid advertisement, the bid of \$634,000 (Base Bid + Alternate #1) submitted by Minnowa Construction, Inc. is hereby approved for award; and the Mayor and City Administrator are hereby authorized and directed, on behalf of the City of Windom, to enter into a contract with the above contractor for completion of the components of the project, entitled "Des Moines River Dam Removal and Rock Riffles Installation Project", according to the plans and specifications heretofore approved by the City Council and on file in the office of the City Administrator.
2. The City Administrator is hereby authorized and directed to return forthwith to all bidders the deposits made with their bids, except for the deposits of the successful bidder and the next lowest bidder which shall be retained until the contract has been signed.

Adopted by the City Council this 4th day of October, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator



MEMORANDUM

TO: Steve Nasby, City Administrator

FROM: Rocky J. Keehn, PE

DATE: September 29, 2011

RE: Discussion on bids received for Des Moines River Dam Removal and Rock Riffles Installation
SEH No. WINDM 116800

The Windom Dam project received only two bids on September 28, 2011 and both bids exceeded the Engineers estimate by significant enough amounts to warrant some discussion on the reasons. Since the project does have funding constraints, SEH also completed a review of the bids and project to determine if the project cost could be reduced.

As part of the information sent to the Fish and Wildlife service, the project assumed that five riffles would be constructed. This results in an estimated construction cost of \$547,646. Once the surveys were completed, it was concluded that the number of riffles could be reduced to four. This resulted in a revised engineer's estimate of \$451,400 (base bid plus addendum on bid form). During the bidding process, the ability of obtaining river rock was raised and thus an addendum was done to bid the project with less river rock (only river rock in the center section). With this change the Engineers estimate for the project with less river rock was \$417,800 (base bid).

The final low bid exceeded the base engineers estimate by \$159,600 and base bid plus alternative by \$182,950 and thus the project funding share of the City will be significantly more than what was hoped for. A complete review of the bids was completed and two major items on the low bid that differed significantly from the engineers estimate were discovered. First was the riprap cost. The cost of rock was nearly \$120,000 more than the engineers estimate in the base bid (low bidder) and \$310,000 for the other bidder. The other item that exceeds the engineers estimate on the low bidder costs was the placement of the riffles which exceeded the engineers estimate by about \$60,000.

About a week before the bid opening, SEH heard that riprap quantities were in short supply due to the flood on the Missouri River this summer. Our hope was that this would not impact the northern quarries since most of the flooding was a significant distance from Windom, but since the levee protection projects constructed as part of the flood they required a significant amount of riprap protection and thus impacted the supply of rock many miles from flooded areas. This created a shortage of on hand riprap available for the Windom project and thus the cost increased significantly from what historically had been bid for rock. This shortage of rock was confirmed by the contractor to a call to you shortly after the bidding.

Since we don't have a lot of control over the price of rock, a rebid of the project would provide no significant savings in the short term. If the project construction is delayed until next year it may be possible to get better prices as quarries have time to catch up but there is no guarantee the river will be at the low level it is at this fall and then any rock cost saving could be offset by higher construction cost.

A closer review of the cost of the quarry rock versus the river rock was completed. Based on the unit costs of the lowest bidder if all the river rock is converted to quarry rock and the weir boulder limited to

the center 120 feet instead of across the entire channel, the project cost of the low bidder is reduced by about \$50,000. A review of the site does indicate the possibility of using the existing riprap downstream of the dam to be the base for the riffle and reducing the riffle rock. If more onsite rock can be used than it is anticipated another \$30,000 can be saved. This would take the project down to about \$500,000. With DNR approval, this would be much closer to the engineers estimate and would reduce the out of pocket costs of the City.

The other big difference was the cost to install the riffles. The cost to install the riffles between the two bidders was compared and the high bidder matched the engineers estimate very closely but the low bidder's values were much higher. The installation of the riffles is the most risky part of the project and it would make sense for a contractor to add more cost to this component to cover their risk. Had more contractors bid, our guess is this is the one area were bids would have varied since this is the most difficult quantity to estimate. With two bidders we did not get a lot opportunity to see the real cost of installation of the riffles.

I also received a call from a rock supplier after the bids were open and he indicated that he had rock available but it did not meet our gradations (rock was more a mixture of class III and class IV). It appears that if we review the project with the contractor we may be able to possibility get the rock for a better price with some slight adjustment to the rock size in some areas. This is another option to use to help reduce the cost.

Our recommendation is thus to try and move forward with the project and start discussions with the contractor to determine if they would still be interested in the project with some of the recommended changes. If they are interest in quantity adjustments (which we can do per our specifications) and some minor change orders to change the rock gradation, the project could be move forward.

We should try and schedule a meeting with the DNR and determine what option we have if any to modify the project slightly. If they think this option is better than looking for additional funding then we can approach the contractor and see what changes would be allowed under the contract. Of course, if the City can obtain additional funding and cover this issue of high rock prices, then the project could proceed as bid.

Enclosed is a recommendation to award the contract as bid. If there is hesitation to award the contract, then we should have the discussion this Tuesday what our next steps are and then work with the DNR and Contractor to reduce the bid. The City can then award the contract at the next Council meeting. We will have to award as bid, but can reduce the cost of the project during construction.

Please call with any questions.

rjk

Attachments

c: Jeremy Walgrave

c:\documents and settings\rkeehr\my documents\projects\windom\dam project\construction information\bid review memo.docx

September 29, 2011

RE: Windom, Minnesota
Des Moines River Dam Removal and Rock Riffles
Installation
SEH No. WINDM 116800

Steve Nasby, City Administrator
City of Windom
444 9th Street
Windom, MN 56101

Dear Mr. Nasby:

On Wednesday, September 28, 2011, two bids were received for the referenced project. Please find enclosed the bid tabulation detailing the results. The bid results are summarized below.

	Contractor	Base Bid plus Alternative (Base Bid)
1	Minnowa Construction, Inc.	\$634,000.00 (\$577,750.00)
2	Frattalone Companies	\$925,607.00 (\$845,857.00)

Based on the Bids Received, the low bid based on a base bid plus alternatives was submitted by Minnowa Construction, Inc. in the amount of \$634,000.00. The bidding process indicated that the City reserves the right to award the contract based on only the base bid which reduced the amount of river rock riprap to be used on the project. Based on the Bids Received, the low base bid was submitted by Minnowa Construction, Inc. in the amount of \$577,750.00.

We conclude that Minnowa Construction, Inc. has the experience and ability to complete a project of this type and size. SEH makes no representation or warranty as to the actual financial viability of the contractor or its ability to complete the work.

SEH reviewed the bid and if the entire river rock riprap and weir stones are eliminated and also if the number of weir stones is reduced to only be placed in the center 120 feet (instead of going across the entire river section) an additional \$50,000 can be saved on the project. This change will require further discussion with the DNR to implement but project will be consistent with other local dam removal projects.

Accordingly, we recommend the project be awarded for the bid amount of \$577,750.00 with the understanding that the City and SEH will work with the DNR and Contractor to reduce the amount of riprap and make other minor project modification to reduce the overall costs with a targeted final construction cost of \$500,000.

Sincerely,



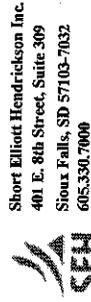
Rocky J. Keehn, PE
Project Manager

Enclosure

Project Des Moines River Dam Removal and Rock Riffles Installation Project
LOCATION Wadena, MN

Tabulation of Bids

Date Wednesday, September 28, 2011



Short Elliott Hendrickson Inc.
 401 E. 8th Street, Suite 309
 Sioux Falls, SD 57103-7032
 605.330.7000

Item No.	Item	Unit	Approx. Quantity	Unit Price	Engineer's Estimate	Minnerva Construction, Inc. Hammooy, MN		Frattalone Companies St. Paul, MN	
						Unit Price	Total	Unit Price	Total
1	Mobilization for Demolitions	LS	1	\$10,000	\$10,000.00	\$5,000.00	\$5,000.00	\$37,900.00	\$37,900.00
2	Mobilization for Rifle Placement and all other construction	LS	1	\$15,000	\$15,000.00	\$25,000.00	\$25,000.00	\$31,000.00	\$31,000.00
3	Control of Water	LS	1	\$25,000	\$25,000.00	\$20,000.00	\$20,000.00	\$64,232.00	\$64,232.00
4	Erosion Control (includes all methods required to mitigate sediment mitigation downstream)	LS	1	\$20,000	\$20,000.00	\$15,000.00	\$15,000.00	\$20,240.00	\$20,240.00
5	Clearing and Grubbing	LS	1	\$5,000	\$5,000.00	\$5,000.00	\$5,000.00	\$2,700.00	\$2,700.00
6	Removal of dam and east abutment	LS	1	\$25,000	\$25,000.00	\$20,000.00	\$20,000.00	\$56,000.00	\$56,000.00
7	Removal of Inlet Drainage Structure	LS	1	\$5,000	\$5,000.00	\$3,000.00	\$3,000.00	\$19,480.00	\$19,480.00
8	Removal of Small Drainage Structure	LS	1	\$3,000	\$3,000.00	\$2,500.00	\$2,500.00	\$6,655.00	\$6,655.00
9	Removal of 20 feet of 60"CMF pipe and collars	LS	1	\$5,000	\$5,000.00	\$2,000.00	\$2,000.00	\$1,983.00	\$1,983.00
10	Removal of west abutment	LS	1	\$3,000	\$3,000.00	\$5,000.00	\$5,000.00	\$6,468.00	\$6,468.00
11	Site Restoration (preparation, seed, fertilizer, erosion protection)	LS	1	\$5,000	\$5,000.00	\$6,000.00	\$6,000.00	\$3,450.00	\$3,450.00
12	Haul Road Maintenance and Repair	LS	1	\$15,000	\$15,000.00	\$3,000.00	\$3,000.00	\$10,254.00	\$10,254.00
13	Stockpile area restoration	LS	1	\$5,000	\$5,000.00	\$5,000.00	\$5,000.00	\$5,175.00	\$5,175.00
14	Weir Stones/Delivered	Each	50	\$110	\$5,500.00	\$300.00	\$15,000.00	\$300.00	\$15,000.00
15	Weir Stones/Delivered - Quarried Rock	Each	310	\$50	\$15,500.00	\$175.00	\$54,250.00	\$225.00	\$69,750.00
16	MnDOT Class I Riprap (Rifle Riprap Base for weir stones) Delivered	CY	120	\$45	\$5,400.00	\$65.00	\$7,800.00	\$106.00	\$12,720.00
17	MnDOT Class IV Riprap - Field Stone (Rifle Riprap around weir stones) Delivered	CY	300	\$75	\$22,500.00	\$100.00	\$30,000.00	\$225.00	\$67,500.00
18	Riprap around weir stones) Delivered	CY	2700	\$45	\$121,500.00	\$65.00	\$175,500.00	\$112.00	\$302,400.00
19	MnDOT Class III (Riprap over existing concrete riprap) Delivered and placed	CY	200	\$65	\$11,000.00	\$85.00	\$17,000.00	\$125.00	\$25,000.00
20	Miscellaneous Riprap and Rock Placement and Relocation	Hr	16	\$200	\$3,200.00	\$250.00	\$4,000.00	\$575.00	\$9,200.00
21	Placement of Rock Riffles 0 to 0.25 height (includes Excavation and placement of Weir Stones and Riprap)	LF	80	\$140	\$11,200.00	\$200.00	\$16,000.00	\$100.00	\$8,000.00
22	Placement of Rock Riffles 0.25 to 0.75 height (includes Excavation and placement of Weir Stones)	LF	400	\$120	\$48,000.00	\$190.00	\$76,000.00	\$100.00	\$40,000.00
23	Placement of Rock Riffles 0.75 to 1.25 height (includes Excavation and placement of Weir Stones)	LF	240	\$100	\$24,000.00	\$180.00	\$43,200.00	\$100.00	\$24,000.00
24	Placement of Rock Riffles Tiebacks with no weir stones (includes Excavation and placement of Riprap)	LF	150	\$60	\$9,000.00	\$150.00	\$22,500.00	\$65.00	\$12,750.00
Alt. 1	ADD - Weir Stones/Delivered (ADD)	Each	310	\$110	\$34,100.00	\$300.00	\$93,000.00	\$300.00	\$93,000.00
Alt. 2	DEDUCT - Weir Stones/Delivered - Quarried Rock	Each	-310	\$50	-\$15,500.00	\$175.00	-\$54,250.00	\$225.00	-\$69,750.00
Alt. 3	ADD - MnDOT Class IV Riprap - Field Stone (Rifle Riprap around weir stones) Delivered	CY	500	\$75	\$37,500.00	\$100.00	\$50,000.00	\$225.00	\$112,500.00
Alt. 4	DEDUCT - MnDOT Class IV Riprap - Quarried Rock (Rifle Riprap around weir stones) Delivered	CY	-500	\$45	-\$22,500.00	\$65.00	-\$32,500.00	\$112.00	-\$56,000.00
Total Base Bid + Alternate Bid						\$451,400.00	\$634,000.00	\$925,607.00	

RESOLUTION #2011-

INTRODUCED:

SECONDED:

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

**RESOLUTION OF THE WINDOM CITY COUNCIL MAKING A NEGATIVE
DECLARATION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT
FOR THE PROPOSED DES MOINES RIVER DAM REMOVAL**

WHEREAS, MN Rule 4410 establishes the requirements for the preparation of an Environmental Assessment Worksheet (EAW); and

WHEREAS, the City of Windom initiated an environmental review to determine if the proposed Des Moines River dam removal has the potential for significant environmental effects as required by MN Rule, Chapter 4410.4300, Subpart 14; and

WHEREAS, the Windom City Council makes the following findings of fact:

1. The City of Windom is the Responsible Governmental Unit (RGU) for the EAW.
2. An EAW was prepared and the City Council approved its distribution to the Minnesota Environmental Quality Board Environmental Review Program EAW Distribution List.
3. The public comment period ended on September 21, 2011.
4. The City has reviewed comments on the EAW and has prepared responses to these comments.
5. The extent to which environmental effects are subject to mitigation by ongoing public regulatory authority indicates that this project does not have the potential for significant environmental effects.
6. In considering the type, extent, and reversibility of environmental effects, there will be no significant environmental effects resulting from the dam removal.
7. The City Council must make either a negative declaration or a positive declaration on the need for an Environmental Impact Statement (EIS); and

WHEREAS, the City Council has reviewed the Record of Decision, Findings of Fact & Conclusions for the Des Moines River Dam Removal prepared by Short Elliott Hendrickson Inc.

NOW, THEREFORE, BE IT RESOLVED by the City Council that: (1) The Record of Decision, Findings of Fact & Conclusions for the Des Moines River Dam Removal dated September 29, 2011, is hereby approved and the Mayor and City Administrator are authorized to execute said document. (2) The Windom City Council makes a negative declaration regarding the need for an EIS, meaning that an EIS is not needed for the Des Moines River dam removal project as it is currently proposed.

Adopted by the City Council this 4th day of October, 2011.

Kirby G. Kruse, Mayor

Attest: _____
Steven Nasby, City Administrator

Record of Decision
Findings of Fact & Conclusions

DES MOINES RIVER DAM REMOVAL

City of Windom

Cottonwood County, Minnesota

Prepared by
Short Elliott Hendrickson Inc.
for
City of Windom

September 29, 2011

RECORD OF DECISION

ADMINISTRATIVE BACKGROUND

The City of Windom is the Responsible Governmental Unit (RGU) for this project. An Environmental Assessment Worksheet (EAW) was prepared for this project in accordance with the Environmental Review Program of the Minnesota Environmental Quality Board (MEQB).

The EAW was filed with the MEQB and circulated for review to the required EAW distribution list. A Notice of Availability was published in the *EQB Monitor* on August 22, 2011.

The 30-day comment period closed on September 21, 2011. Three comments were received from regulatory agencies. Written comments received from all responders were summarized and responded to in the Environmental Assessment Worksheet – Response to Comments. This document will be submitted to all responders upon completion of the environmental review process.

FINDINGS OF FACT

Project Description

The City of Windom proposes to remove a dam on the West Fork of the Des Moines River, which failed in 2007, and is no longer functional. The dam will be removed and replaced with a series of rock riffles to maintain the channel and reduce bank erosion.

The purpose of the project is to remove the failed dam structure and restore and improve the riverine habitat in the area. The project will remove the dam, which is a barrier to migrating fish. The current structure is no longer functional, and poses a safety risk and remains a channel obstruction. Removal of the dam will eliminate potentially dangerous recirculating currents immediately downstream of the breach, and maintain river connectivity for riverine species. The beneficiaries will be the residents of the city, and recreational users of the river.

The EAW divides the review into several areas of review. The following are the major topics and a summary of the findings included in the EAW.

1. Land Use and Cover Types

The project area is 9.11 acres (Defined as the area of the channel between Highway 62 and Highway 60). No work will occur beyond these limits, although it is recognized that the project will have affects to the upstream conditions of the river, particularly the previous pool area.

2. Fish and Wildlife Resources

The project will be a net benefit to fish and wildlife by removing an obstruction to fish passage and improving habitat through placement of created riffles.

3. Water Resources, Including Wetlands

The entire project is within the Des Moines River. Short term impacts will occur during construction to remove the remains of the dam, and for placement of the created riffles. Long term the project is anticipated to be beneficial.

4. Water Use

There is no proposed change in water usage from this project.

5. Erosion and Sedimentation

The site will require erosion control during construction to prevent loss of soil and manage dust.

6. Storm Water Management

No storm water runoff will be generated by the project.

7. Wastewater

There is no proposed change in wastewater usage from this project.

8. Geology and Soils

There are no significant issues related to geology or soils within the proposed development.

9. Solid and Hazardous Waste

No solid or hazardous waste will be generated by the project.

10. Traffic

No changes in traffic volumes or movement patterns are anticipated.

11. Odor, Noise, and Dust

The construction is not anticipated to generate significant amounts of odor, noise or dust.

12. Cultural Resources

The original dam is identified as a historic property, however it is expected that any original structures that may still be present are below the bed of the river, and will be left in place.

13. Visual Impacts

The proposed project will not have any visual impacts.

14. Compatibility with Local Plans

This development is in compliance with local plans.

15. Infrastructure and Public Services

The proposed project will not require any changes to local infrastructure or services.

16. Cumulative Impacts

There are no future projects related to the dam removal, and no anticipated cumulative impacts.

Additional Information

The scope of the proposed project has not substantially changed since publication of the EAW.

DECISION ON THE NEED FOR AN ENVIRONMENTAL IMPACT STATEMENT (EIS)

Minnesota Rule 4410.1700 provides that an environmental impact statement shall be ordered for projects that have the potential for significant environmental effects. In deciding whether a project has the potential for significant environmental effects, the following factors shall be considered:

1. Types, Extent, and Reversibility of Impacts

The EAW analyzed the potential for impacts of the proposed dam removal and placement of rock riffles upon the following factors: economic and fiscal impacts, community resources, public safety, vegetation and wildlife, water resources, floodplains, surface water drainage, water quality, groundwater, potential contamination sites, air quality, noise, cultural resources, farmland, parks, and utilities.

The EAW analysis concluded that the Build Alternative would result in no substantial adverse impacts.

2. Cumulative Potential Effects of Related or Anticipated Future Projects

There are no related or anticipated future stages of this project. Once the dam has been removed, there is no need for additional impacts.

3. Extent to which the Environmental Effects are Subject to Mitigation by Ongoing Public Regulatory Authority

The environmental impacts of this project have been addressed in the EAW and will be subject to permit conditions and approvals of regulatory authorities including the Minnesota Department of Natural Resources, the United States Army Corps of Engineers, Minnesota Pollution Control Agency, Cottonwood County, and the City of Windom.

4. Extent to which Environmental Effects can be Anticipated and Controlled as a Result of Other Environmental Studies

The City of Windom has experience working with developers on development projects. City staff is very familiar with the project area and no problems are anticipated that the staff have not encountered and successfully solved previously. The City of Windom finds that the environmental effects of the project can be anticipated and controlled as a result of environmental review and experience on similar projects.

CONCLUSIONS

1. All requirements for environmental review of the proposed project have been met.
2. The EAW and permit processes related to the project have generated information that is sufficient to determine whether the project has the potential for significant effects.
3. Areas where potential environmental effects have been identified are being addressed during the design of the project. Mitigation will be provided where impacts are expected to result from project construction, operation, or maintenance. Mitigative measures are incorporated into project design, and have been or will be coordinated with county and state agencies during the permitting process.
4. Based on the criteria in Minnesota Rule part 4410.1700, the project does not have the potential for significant environmental effects.
5. An Environmental Impact Statement is not required for the proposed Des Moines River dam removal.

ORDER

Based on the Findings of Fact and Conclusions contained herein and on the entire record:
The City of Windom hereby determines that the Des Moines River dam removal project will not result in significant environmental impact, and that the project does not require the preparation of an Environmental Impact Statement.

For the City of Windom

Kirby Kruse, Mayor
City of Windom

Date

ATTEST: _____
Steven Nasby, City Administrator



Minnesota Department of Natural Resources

Division of Ecological & Water Resources – Reg. 4

261 Hwy 15 South

New Ulm, MN 56073-8915

Phone: (507) 359-6073 Fax: (507) 359-6018 E-mail: kevin.mixon@dnr.state.mn.us

September 16, 2011

Steve Nasby
City Administrator
444 9th Street
PO Box 38
Windom, MN 56101-0038

In re: Des Moines River Dam Removal
Environmental Assessment Worksheet
City of Windom, MN

Dear Steve:

The Minnesota Department of Natural Resources (DNR) appreciates the opportunity to provide comments on the Environmental Assessment Worksheet (EAW) for the Des Moines River Dam Removal located in Windom, Minnesota.

Section 8, Permits and approvals required, indicates the DNR Public Waters Work Permit is completed. Tom Kresko (DNR Hydrologist) has been working with the proposer on the permit application; however the final permit decision is not made by the DNR until after the environmental review phase is completed.

Section 11 b., discusses the two species of freshwater mussel in the vicinity of the project area. Lisa Joyal, NHIS Program Coordinator, should be contacted (651-259-5109) to discuss how to address potential mussel issues. Please be advised that this issue needs to be resolved prior to the DNR issuing any permits for the project.

Sincerely,

A handwritten signature in black ink that reads 'Kevin Mixon'.

Kevin Mixon

Regional Environmental Assessment Ecologist
Southern Region

Cc: Tom Kresko, DNR
Skip Wright, DNR
Lisa Joyal, DNR
Bernice Cramblit, DNR

Steve Nasby

From: Morgan, Scott (DOT) <scott.morgan@state.mn.us>
Sent: Wednesday, September 21, 2011 4:36 PM
To: snasby@windom-mn.com
Cc: Kresko, Tom (DNR); Danielson-Bartelt, Nicole (DOT); Slagle, Holly (DOT); Scheidel, Mark (DOT); Fowlds, Chad (DOT)
Subject: MnDOT Comments on the Environmental Assessment Worksheet for Des Moines River Dam Removal (Bridge 17002 on Highway 62)
Attachments: Bridge 17002 Windom city letter EA Comments TH 62 CS 1704.doc

Dear Mr. Nasby,
Please find attached MnDOT District 7's comments on the Environmental Assessment Worksheet for Des Moines River Dam Removal (Bridge 17002 on Highway 62). Thank you for the opportunity to comment.
Scott Morgan

*Email Rec'd 9-21-11
Hydrology Rec'd 9-22-11
Post-mark 9-25-11*



Minnesota Department of Transportation

Transportation District 7
2151 Bassett Drive
Mankato, MN 56001-6888

Office Tel: 507/304-6100
Fax: 507/304-6119

September 19, 2011

Steven Nasby
City Administrator
Windom City Hall
444 9th Street, P.O. Box 38
Windom, MN 56101-0038

RE: MnDOT Comments on the Environmental Assessment Worksheet for Des Moines River Dam Removal (Bridge 17002 on Highway 62)

Dear Mr. Nasby

We appreciate the opportunity to comment on your planned project.

1. There is no Hydraulic Analysis performed for the project.
 - a. What is the pre-construction water surface elevation and velocity profiles through the bridge for the 100 year and 500 year flood events?
 - b. What is the post-construction water surface elevation and velocity profiles through the bridge for the 100 year and 500 year flood events?
2. Impacts at the highway and bridge resulting from lowering the normal water surface elevation by almost 6' are not listed or addressed.
 - a. What are the impacts and mitigation to the bridge's slope protection?
 - b. What are the impacts and mitigation to stream bank erosion?
3. The 19' maximum predicted scour depth from a 500 year flood was based on the downstream dam being in place. What effect does the project have on this predicted scour elevation?
4. Are the Single Rock Riffles designed to be stable for 100 or 500 year flood events?

MnDOT District 7 would not support this project without knowing more about the impacts to Bridge 17002 on Highway 62.

Thank you for sharing our concerns regarding the State Highway Bridges. If you have any questions regarding the above comments, please call me at 507-304-6210.

Respectfully,

Scott Morgan
District Maintenance Operations Engineer

CC: Tom Kresko DNR Waters
Kay Clark Cottonwood SWCD
Nicole Danielson-Bartelt MnDOT
Holly Slagle MnDOT



Minnesota Department of Transportation

Transportation District 7
2151 Bassett Drive
Mankato, MN 56001-6888

Office Tel: 507/304-6100
Fax: 507/304-6119

Tom Kresko
DNR Waters
175 County Road 26
Windom, MN 56101-1868

Kay Clark
Cottonwood SWCD
339 9th St
Windom, MN 56101

Nicole Danielson-Bartelt
MN/DOT Bridge Office
M.S. 610
3485 Hadley Ave N
Oakdale, MN 55128



Minnesota Pollution Control Agency

520 Lafayette Road North | St. Paul, Minnesota 55155-4194 | 651-296-6300

800-657-3864 | 651-282-5332 TTY | www.pca.state.mn.us | Equal Opportunity Employer

Hand copy only
Rec'd
Sept 26, 2011
(Post marked)
Sept 27, 2011
see Attached

September 21, 2011

Mr. Steve Nasby
City Administrator
City of Windom
444 9th Street, PO Box 38
Windom, MN 56101-0038

Re: Des Moines River Dam Removal Environmental Assessment Worksheet

Dear Mr. Nasby:

Thank you for the opportunity to review and comment on the Environmental Assessment Worksheet (EAW) for the Des Moines River Dam Removal project (Project) located in Cottonwood County, Minnesota. The Project consists of removal of a dam on the West Fork of the Des Moines River. Regarding matters for which the Minnesota Pollution Control Agency (MPCA) has regulatory responsibility and other interests, MPCA staff has the following comments for your consideration.

Project Description (Item 6)

The proposed construction time line for the Project is between October 2011 and February 2012. Please note that the time line for obtaining a Clean Water Act Section 401 water quality certification may delay the October 2011 initiation of the Project. Please contact Judy Mader at 651-757-2544 if you have any questions.

Physical Impacts on Water Resources (Item 12)

Please provide an estimate of the amount of sediment currently located upstream of the dam, and explain how the Project will be carried out in order to minimize the amount of sediment released during dam removal and construction.

Erosion and Sedimentation (Item 16)

This section discusses the amount of soil to be disturbed but does not state the specific location (e.g., shoreline, river bed, etc.) of the disturbance. Please provide this information.

Water Quality: Surface Water Runoff (Item 17)

- This item states that the Des Moines River is listed as impaired for aquatic life and aquatic recreation. What this item does not mention is that the impairment is based on turbidity and fecal coliform. Nor does this item mention that the Des Moines River upstream of the dam is also listed as impaired for aquatic life and that impairment is also based on turbidity.

Given that the Des Moines River is listed as impaired based on turbidity, both up and downstream of the dam, the MPCA believes that more information should have been provided in items 12 and 16 on how the Project will be carried out (e.g., staging the removal, etc.) in order to minimize contributions to the turbidity impairment.

- It appeared to the MPCA that the Stormwater Pollution Prevention Plan (SWPPP) had been developed by editing the SWPPP for another project as the MPCA noted the following errors:
 - Total Project Area Disturbed did not give an acreage
 - Receiving Waters lists the wrong waterbody
 - Environmentally Sensitive Areas lists the wrong impaired waters and states incorrectly that there are no established TMDL (total maximum daily load) plans
 - Also, Justin Klabo is listed as the SWPPP writer under Training, but Rocky Keehn's name is given in the *I hereby certify ...* box at the bottom of the plan sheet. Please clarify who designed the SWPPP and the date of their training certification.

We appreciate the opportunity to review the Project. Please provide your specific responses to our comments and notice of decision on the need for an Environmental Impact Statement. Please be aware that this letter does not constitute approval by the MPCA of any or all elements of the Project for the purpose of pending or future permit action(s) by the MPCA. Ultimately, it is the responsibility of the Project proposer to secure any required permits and to comply with any requisite permit conditions. If you have any questions concerning our review of this EAW, please contact me at 651-757-2508.

Sincerely,



Karen Kromar
Planner Principal
Environmental Review Unit
Prevention and Assistance Division

KK:mbo

cc: Craig Affeldt, MPCA, St. Paul
Judy Mader, MPCA, St. Paul
Randy Hukriede, MPCA, Marshall

Steve Nasby

From: Sheldon_Myerchin@fws.gov
Sent: Wednesday, September 28, 2011 11:10 AM
To: ryan.doorenbos@state.mn.us; tom.kresko@state.mn.us
Cc: Steve Nasby
Subject: Re: Windom dam project

As an FYI,

We have a completed & signed Cooperative Agreement with the City of Windom to provide the \$100,000 of Fish Passage grant funds to the City upon completion of the project. The funds are obligated and we a good to go from this end.

I have received clearance from the SHPO office that no cultural of historical sites are present in the work area. I also have concurrence from our Twin Cities Ecological Services office, through our NEPA process, that no T & E species will be adversely affected by this project. Please let me know if you need copies of these documents.

Thanks,

Sheldon Myerchin
U.S. Fish and Wildlife Service
Minnesota Private Lands Office
434 Great Oak Drive
Waite Park, MN 56387
(320) 253-4682

DENNIS L. RICK, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants
Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA
TISHA S. PAPLOW, CPA
ANDREA M. JOHNSON, CPA

September 28, 2011

Mr. Steve Nasby
City Administrator
City of Windom
444 9th Street
Windom, MN 56101

Re: Audit proposal

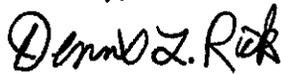
Dear Steve:

I have attached an engagement letter for 2011 audit. The amount of the audit for 2011 would be \$28,000. We have kept the cost the same for the last three years.

In regards to the 2012 audit, we would keep the price the same at \$28,000. In my discussions with you for 2012, the City will probably need a Single Audit done in conjunction with the regular audit. A Single Audit is needed if the City expends over \$500,000.00 in federal monies. If the need arises for a Single Audit to be done we estimate our cost to be in a range of \$1,300 to \$1,700 for each federal grant that would need to be audited.

If you have any questions or need clarification on the proposal please contact me.

Sincerely,



Dennis L. Rick, CPA



America Counts on CPAs

507-376-5818 * 1018 FOURTH AVENUE * WORTHINGTON, MN 56187
507-831-1332 * 1043 FOURTH AVENUE, SUITE 6 * WINDOM, MN 56101

DENNIS L. RICK, LTD.

CERTIFIED PUBLIC ACCOUNTANTS

American Institute of Certified Public Accountants
Minnesota Society of Certified Public Accountants

DENNIS L. RICK, CPA
TISHA S. PAPLOW, CPA
ANDREA M. JOHNSON, CPA

September 28, 2011

To the City Council
City of Windom
Windom, Minnesota

We are pleased to confirm our understanding of the services we are to provide the City of Windom for the year ended December 31, 2011. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, if any, each major fund, and the aggregate remaining fund information, which collectively comprise the basic financial statements of the City of Windom as of and for the year ended December 31, 2011. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Windom's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Windom's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.

Audit Objective

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. If our opinions on the financial statements are other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statements and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.



America Counts on CPAs

507-376-5818 * 1018 FOURTH AVENUE * WORTHINGTON, MN 56187
507-831-1332 * 1043 FOURTH AVENUE, SUITE 6 * WINDOM, MN 56101

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Windom and the respective changes in financial position and where applicable, cash flows, in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations. You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.

Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Windom’s compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

Dennis L. Rick, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our fee for these services will be at our standard hourly rates except that we agree that our gross fee, including expenses will not exceed \$28,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the City of Windom and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Dennis L. Rick, LTD.

Dennis L. Rick, LTD.

RESPONSE:

This letter correctly sets forth the understanding of the City of Windom.

Signed: _____

Title: _____

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	CONVENT. & VISTOR BU	LODGING TAX	7,400.95
	Total for Department 101		7,400.95*
CITY OFFICE	MCFOA REGION V	REGISTRATION	35.00
CITY OFFICE	STEVE NASBY	EXPENSE - MILEAGE / PARK	238.10
CITY OFFICE	STEVE NASBY	EXPENSE - MILEAGE/PARKIN	9.94
CITY OFFICE	PITNEY BOWES	RENTAL CHARGES	29.84
	Total for Department 103		312.88*
P & Z / BUILDING OFF	PITNEY BOWES	RENTAL CHARGES	29.84
	Total for Department 106		29.84*
CITY HALL	MN ENERGY RESOURCES	HEATING	19.88
	Total for Department 115		19.88*
POLICE	AT & T	USAGE CHARGE	173.82
POLICE	Verizon Wireless	SERVICE FOR LAP TOPS	78.06
POLICE	PITNEY BOWES	RENTAL CHARGES	29.84
POLICE	FLEET SERVICES DIVIS	LEASE CAR	2,217.74
POLICE	YAHOO! CUSTODIAN OF	SERVICE	20.44
	Total for Department 120		2,519.90*
FIRE DEPARTMENT	Verizon Wireless	SERVICE FOR LAP TOPS	52.04
FIRE DEPARTMENT	RIVERSIDE LAUNDRY	SERVICE	44.89
	Total for Department 125		96.93*
STREET	COTTONWOOD SOIL & WA	TREES	1,550.00
STREET	PITNEY BOWES	RENTAL CHARGES	29.84
STREET	B & L UTILITY MAINT.	PAINT TRAFFIC LIGHT	12,968.00
	Total for Department 140		14,547.84*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	128.00
	Total for Department 145		128.00*
	Total for Fund 01		25,056.22*
		CONSTRUCTION BULLETI AD	215.25
	Total for Department		215.25*
	Total for Fund 02		215.25*
LIBRARY	GE MONEY BANK/AMAZON	SUBSCRIPTION	99.99
LIBRARY	JOAN HUNTER	POSTAGE	38.55
LIBRARY	MN ENERGY RESOURCES	HEATING	77.59
	Total for Department 171		216.13*
	Total for Fund 03		216.13*
AIRPORT	PITNEY BOWES	RENTAL CHARGES	29.84
	Total for Department 174		29.84*

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 11			29.84*
AMBULANCE	KATE AXFORD	EXPENSE	30.98
AMBULANCE	JIM AXFORD	EXPENSE	12.83
AMBULANCE	JORDAN BUSSA	EXPENSE	10.69
AMBULANCE	VAUGHN CORWIN	EXPENSE	85.44
AMBULANCE	TIM HACKER	EXPENSE	66.53
AMBULANCE	Verizon Wireless	SERVICE FOR LAP TOPS	78.06
AMBULANCE	PITNEY BOWES	RENTAL CHARGES	29.84
AMBULANCE	ALLAN REMPEL	EXPENSE	12.95
Total for Department 176			327.32*
Total for Fund 13			327.32*
MULTI-PURPOSE BUILDI MN ENERGY RESOURCES		HEATING	89.85
Total for Department 177			89.85*
Total for Fund 14			89.85*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	2,748.45
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	224.46
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	9,882.75
LIQUOR	JOHNSON BROS.	MERCHANDISE	1,286.69
LIQUOR	MN ENERGY RESOURCES	HEATING	81.17
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	2,381.96
LIQUOR	PITNEY BOWES	RENTAL CHARGES	29.84
Total for Department 180			16,635.32*
Total for Fund 60			16,635.32*
	WENCK ASSOCIATES, IN HWY 60 PROJECT		1,400.03
Total for Department			1,400.03*
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.33
WATER	SOURCE ONE SOLUTIONS	POPSTAGE	1.96
WATER	SOURCE ONE SOLUTIONS	SPECIAL SERVICE	143.00
WATER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	806.61
WATER	MN DEPT OF HEALTH	REGISTRATION	90.00
WATER	PITNEY BOWES	RENTAL CHARGES	29.84
WATER	WENCK ASSOCIATES, IN LANDFILL		721.48
Total for Department 181			1,951.22*
Total for Fund 61			3,351.25*
	EZEQUIEL RIVERA DEDI REFUND - UTILITY PREPAYM		300.00
	JULIO CESAR DOMINGUE REFUND - UTILITY PREPAYM		125.00
Total for Department			425.00*
ELECTRIC	AMUNDSON DIG	MAINTENANCE	359.10
ELECTRIC	CENTRAL MINNESOTA MU	POWER COST	259,340.53

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.35
ELECTRIC	SOURCE ONE SOLUTIONS	POPSTAGE	1.91
ELECTRIC	SOURCE ONE SOLUTIONS	SPECIAL SERVICE	143.00
ELECTRIC	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,663.63
ELECTRIC	MN ENERGY RESOURCES	HEATING	19.88
ELECTRIC	PITNEY BOWES	RENTAL CHARGES	29.84
ELECTRIC	DEPARTMENT OF ENERGY	POWER COST	116,206.26
		Total for Department 182	377,922.50*
		Total for Fund 62	378,347.50*
	CONSTRUCTION BULLETI AD		476.00
		Total for Department	476.00*
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.33
SEWER	SOURCE ONE SOLUTIONS	POPSTAGE	1.91
SEWER	SOURCE ONE SOLUTIONS	SPECIAL SERVICE	143.00
SEWER	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	806.60
SEWER	MN ENERGY RESOURCES	HEATING	78.37
SEWER	PITNEY BOWES	RENTAL CHARGES	29.84
		Total for Department 183	1,218.05*
		Total for Fund 63	1,694.05*
ARENA	STEVE NASBY	EXPENSE	9.94
ARENA	PITNEY BOWES	RENTAL CHARGES	29.84
		Total for Department 184	39.78*
		Total for Fund 64	39.78*
ECONOMIC DEVELOPMENT	COTTONWOOD CO TREASU	DEED TAX	33.00
ECONOMIC DEVELOPMENT	MCDONALD & SCHRAMEL	WARRANTY DEED	140.00
ECONOMIC DEVELOPMENT	PITNEY BOWES	RENTAL CHARGES	29.84
ECONOMIC DEVELOPMENT	CAPITOL LIEN RECORDS	ABSTRACT SEARCH	400.00
		Total for Department 187	602.84*
		Total for Fund 67	602.84*
TELECOMMUNICATIONS	BEIM CONSULTING	WEB SITE DESIGN	1,700.00
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	474.99
TELECOMMUNICATIONS	KRIS JANSSEN	REFUND - STATEMENT CREDI	32.50
TELECOMMUNICATIONS	SOURCE ONE SOLUTIONS	POPSTAGE	5.73
TELECOMMUNICATIONS	SOURCE ONE SOLUTIONS	UTILITY BILL SERVICES	1,764.42
TELECOMMUNICATIONS	PITNEY BOWES	RENTAL CHARGES	89.52
TELECOMMUNICATIONS	JEREMY ROLFES	SERVICE	50.94
TELECOMMUNICATIONS	U S BANK TRUST NATIO	ADMINISTRATION FEE	402.50
		Total for Department 199	4,520.60*
		Total for Fund 69	4,520.60*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount

	AFLAC	INSURANCE	356.20
	MN BENEFIT ASSOCIATI	INSURANCE	256.57
	Total for Department		612.77*
	Total for Fund 70		612.77*
	Grand Total		431,738.72*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
P & Z / BUILDING OFF	JIM KARTES	EXPENSE	8.54
		Total for Department 106	8.54*
FIRE DEPARTMENT	CARQUEST AUTO PARTS	MAINTENANCE	138.77
FIRE DEPARTMENT	NEPM - ASI #279381	SUPPLIES	232.50
		Total for Department 125	371.27*
STREET	CARQUEST AUTO PARTS	MAINTENANCE	21.36
		Total for Department 140	21.36*
PARKS	SEH	WINDOM DAM PROJECT	23,353.49
PARKS	CARQUEST AUTO PARTS	MAINTENANCE	26.33
		Total for Department 165	23,379.82*
GENERAL	REINBOWS, INC	REFUND - BLEACHER RENT	35.00
		Total for Department 201	35.00*
		Total for Fund 01	23,815.99*
		CLARK EQUIPMENT CO D EQUIPMENT	2,515.28
		Total for Department	2,515.28*
		Total for Fund 04	2,515.28*
AMBULANCE	CARQUEST AUTO PARTS	MAINTENANCE	63.07
		Total for Department 176	63.07*
		Total for Fund 13	63.07*
		CLARK EQUIPMENT CO D EQUIPMENT	1,257.64
		Total for Department	1,257.64*
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.33
WATER	MN ENERGY RESOURCES	HEATING	324.79
WATER	CARQUEST AUTO PARTS	MAINTENANCE	3.97
		Total for Department 181	487.09*
		Total for Fund 61	1,744.73*
	H & R BLOCK	REFUND- UTILITY PREPAYME	125.00
	REBECCA KIRCHBERG	REFUND - UTILITY PREPAYM	125.00
	ERICA PASCHE	REFUND - UTILITY PREPAYM	125.00
	RAYMOND WILLARD	REFUND - UTILITY PREPAYM	125.00
		Total for Department	500.00*
ELECTRIC	AMOCO OIL COMPANY	GAS	374.70
ELECTRIC	CENTRAL MINNESOTA MU	CIP SERVICE ASSESSMENT	4,083.00
ELECTRIC	CENTRAL MINNESOTA MU	ECO @ HOME SUBSCRIPTION	100.00
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.35
ELECTRIC	CARQUEST AUTO PARTS	MAINTENANCE	292.82
ELECTRIC	BANK MIDWEST	NSF CHECK	300.44

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
ELECTRIC	PHILIP CHRISTENSEN	ENERGY REBATE	35.00
ELECTRIC	RICHARD ELNESS	ENERGY REBATE	50.00
ELECTRIC	JOEL LACANNE	ENERGY REBATE	250.00
ELECTRIC	MIKE RIVERA SR	ENERGY REBATE	50.00
ELECTRIC	JACK ROGERS	ENERGY REBATE	50.00
	Total for Department 182		5,744.31*
	Total for Fund 62		6,244.31*
	CLARK EQUIPMENT CO D	EQUIPMENT	1,257.64
	MARLYN VOEHL	LAND PURCHASE	14,999.00
	Total for Department		16,256.64*
SEWER	AMOCO OIL COMPANY	GAS	330.45
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	158.33
	Total for Department 183		488.78*
	Total for Fund 63		16,745.42*
	WINDOM YOUTH HOCKEY	HOCKEY BOARDS WYHA WILL	12,000.00
	Total for Department		12,000.00*
ARENA	MN ENERGY RESOURCES	HEATING	162.29
ARENA	CARQUEST AUTO PARTS	MAINTENANCE	24.65
ARENA	AUCTION MASTERS	WOOD FRAME INFO BOARD	99.34
	Total for Department 184		286.28*
	Total for Fund 64		12,286.28*
	ELECTRIC FUND	LOAN PAYABLE FROM EDA SP	727.64
	FULDA AREA CREDIT UN	SPEC BLDG LOAN	1,787.97
	Total for Department		2,515.61*
ECONOMIC DEVELOPMENT	COMMUNITY CENTER	BLDG RENT	102.50
ECONOMIC DEVELOPMENT	ELECTRIC FUND	LOAN PAYABLE FROM EDA SP	221.85
ECONOMIC DEVELOPMENT	FULDA AREA CREDIT UN	SPEC BLDG LOAN	1,572.03
	Total for Department 187		1,896.38*
	Total for Fund 67		4,411.99*
TELECOMMUNICATIONS	BLUEHIGHWAYS	SUBSCRIBERS	41.05
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	474.99
TELECOMMUNICATIONS	CENTURY LINK	LEXIS BILLING SERVICE	245.39
TELECOMMUNICATIONS	MN ENERGY RESOURCES	HEATING	11.05
	Total for Department 199		772.48*
	Total for Fund 69		772.48*
	JOHNSON COUNTY COURT	PAYROLL DED CDDMO13726	1,202.00
	LAW ENFORCMENT	LABOR UNION DUES	210.00

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
	LOCAL UNION #949	UNION DUES	1,460.76
		Total for Department	2,872.76*
		Total for Fund 70	2,872.76*
		Grand Total	71,472.31*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
MAYOR & COUNCIL	LEAGUE OF MN. CITIES	REGISTRATION	80.00
	Total for Department 101		80.00*
CITY OFFICE	STEVE NASBY	EXPENSE	47.81
CITY OFFICE	NCPERS MINNESOTA	INSURANCE	80.00
CITY OFFICE	BRIGITTE OLSON	EXPENSE	117.32
CITY OFFICE	SECR REV FUND/CITY O	POSTAGE	1.69
CITY OFFICE	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.40
	Total for Department 103		267.22*
P & Z / BUILDING OFF	Verizon Wireless	TELEPHONE	34.04
P & Z / BUILDING OFF	NCPERS MINNESOTA	INSURANCE	24.00
	Total for Department 106		58.04*
CITY HALL	JOE'S LAWN CARE	MOW LAWN	15.00
	Total for Department 115		15.00*
POLICE	NCPERS MINNESOTA	INSURANCE	144.00
POLICE	SECR REV FUND/CITY O	POSTAGE	4.78
POLICE	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	10.18
	Total for Department 120		158.96*
FIRE DEPARTMENT	FIRE RELIEF ASSOC.	CITY OF WINDOM FIRE RELI	5,000.00
FIRE DEPARTMENT	FIRE RELIEF ASSOC.	STATE OF MN FIRE RELIEF	25,849.00
FIRE DEPARTMENT	Verizon Wireless	TELEPHONE	34.04
	Total for Department 125		30,883.04*
STREET	ELECTRIC FUND	MAINTENANCE3	31.02
STREET	JOHNSON HARDWARE	MAINTENANCE	53.83
STREET	Verizon Wireless	TELEPHONE	40.18
STREET	NCPERS MINNESOTA	INSURANCE	80.00
	Total for Department 140		205.03*
HEALTH & SANITATION	NEAL GRUNEWALD	COMPOST SITE MANAGER	128.00
	Total for Department 145		128.00*
RECREATION	MN RECREATION & PARK	REGISTRATION	110.00
RECREATION	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	10.18
	Total for Department 150		120.18*
PARKS	ELECTRIC FUND	MAINTENANCE3	47.70
PARKS	NCPERS MINNESOTA	INSURANCE	32.00
	Total for Department 165		79.70*
	Total for Fund 01		31,995.17*
LIBRARY	JOE'S LAWN CARE	MOW LAWN	15.00
LIBRARY	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	5.09
	Total for Department 171		20.09*
	Total for Fund 03		20.09*

CITY OF WINDOM
 FM Entry - Invoice Payment - Department Report

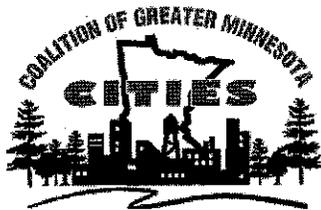
Department	Vendor Name	Description	Amount
AIRPORT	ERECT-A-TUBE INC	HANGAR MAINTENANCE	1,741.85
		Total for Department 174	1,741.85*
		Total for Fund 11	1,741.85*
POOL	MN RECREATION & PARK REGISTRATION		110.00
POOL	TOSHIBA FINANCIAL SE LEASE/MAINTENANCE CONTRA		5.09
		Total for Department 175	115.09*
		Total for Fund 12	115.09*
MULTI-PURPOSE BUILDI	Verizon Wireless	TELEPHONE	34.04
MULTI-PURPOSE BUILDI	NCPERS MINNESOTA	INSURANCE	32.00
MULTI-PURPOSE BUILDI	TOSHIBA FINANCIAL SE LEASE/MAINTENANCE CONTRA		10.18
		Total for Department 177	76.22*
		Total for Fund 14	76.22*
	BARC	LOAN	19,500.00
		Total for Department	19,500.00*
		Total for Fund 16	19,500.00*
LIQUOR	BEVERAGE WHOLESALERS	MERCHANDISE	11,028.30
LIQUOR	COCA-COLA BOTTLING C	MERCHANDISE	391.64
LIQUOR	EXTREME BEVERAGE, LL	MERCHANDISE	335.00
LIQUOR	WIRTZ BEVERAGE MN WI	MERCHANDISE	2,479.01
LIQUOR	HAGEN DISTRIBUTING	MERCHANDISE	17,898.10
LIQUOR	A H HERMEL CANDY & T	MERCHANDISE	309.96
LIQUOR	JOHNSON BROS.	MERCHANDISE	2,664.04
LIQUOR	NCPERS MINNESOTA	INSURANCE	32.00
LIQUOR	PHILLIPS WINE & SPIR	MERCHANDISE	4,388.80
LIQUOR	QUALITY WINE SPIRITS	MERCHANDISE	8,945.72
LIQUOR	SOUTHERN WINE & SPIR	MERCHANDISE	76.76
LIQUOR	THE AMERICAN BOTTLIN	MERCHANDISE	117.80
LIQUOR	TOSHIBA FINANCIAL SE LEASE/MAINTENANCE CONTRA		20.36
LIQUOR	VINOCCOPIA, INC	MERCHANDISE	232.00
LIQUOR	WINE MERCHANTS	MERCHANDISE	800.50
LIQUOR	HEUN ENTERPRISES, IN	MERCHANDISE	184.50
		Total for Department 180	49,904.49*
		Total for Fund 60	49,904.49*
WATER	ELECTRIC FUND	MAINTENANCE	26.28
WATER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
WATER	Verizon Wireless	TELEPHONE	57.21
WATER	NCPERS MINNESOTA	INSURANCE	24.00
WATER	TOSHIBA FINANCIAL SE LEASE/MAINTENANCE CONTRA		20.36
		Total for Department 181	294.52*

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Fund 61			294.52*
	ELECTRIC FUND	REFUND -UT PREPAY-D COME	93.47
	ELECTRIC FUND	REFUND-UT PREPAY-N ADAMS	300.00
	SECR REV FUND/CITY O	REFUND- UT PREPAYMENT	375.00
	DAPHNE COMEAU	REFUND - UTILITY PREPAYM	206.53
	BRYAN JOYCE	REFUND - UTILITY PREPAYM	125.00
	OCTAVIO LOPEZ	REFUND - UTILITY PREPAYM	125.00
	ESTHER SHELLEY	REFUND - UTILITY PREPAYM	125.00
Total for Department			1,350.00*
ELECTRIC	MARV GRUNIG	EXPENSE	77.70
ELECTRIC	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
ELECTRIC	CHERYL LILLEGAARD	MILEAGE	307.55
ELECTRIC	Verizon Wireless	TELEPHONE	39.38
ELECTRIC	MN DEPT OF COMMERCE	ASSESSMENT	774.99
ELECTRIC	NCPERS MINNESOTA	INSURANCE	96.00
ELECTRIC	SECR REV FUND/CITY O	POSTAGE	9.00
ELECTRIC	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	20.36
ELECTRIC	UTILITIES PLUS ENERG	MAINTENANCE	4,465.71
Total for Department 182			5,957.36*
Total for Fund 62			7,307.36*
	BOLTON & MENK, INC.	MAIN LIFT STATION PROJEC	95,000.00
	SECR REV FUND/CITY O	ERNEST MONEY FOR SEWER P	1.00
Total for Department			95,001.00*
SEWER	ELECTRIC FUND	MAINTENANCE	61.81
SEWER	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	166.67
SEWER	Verizon Wireless	TELEPHONE	57.20
SEWER	MN VALLEY TESTING	TESTING	115.20
SEWER	NCPERS MINNESOTA	INSURANCE	56.00
SEWER	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	32.56
SEWER	USA BLUE BOOK	TESTING EXPENSE	218.54
SEWER	ERIC WARD	REIMB-SAFETY TOE BOOTS	50.00
Total for Department 183			757.98*
Total for Fund 63			95,758.98*
ARENA	Verizon Wireless	TELEPHONE	71.71
ARENA	MN RECREATION & PARK	REGISTRATION	110.00
ARENA	NCPERS MINNESOTA	INSURANCE	32.00
ARENA	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	18.32
Total for Department 184			232.03*
Total for Fund 64			232.03*
ECONOMIC DEVELOPMENT	NCPERS MINNESOTA	INSURANCE	24.00
ECONOMIC DEVELOPMENT	SECR REV FUND/CITY O	SUPPLIES	4.50

CITY OF WINDOM
FM Entry - Invoice Payment - Department Report

Department	Vendor Name	Description	Amount
Total for Department 187			28.50*
Total for Fund 67			28.50*
TELECOMMUNICATIONS	H P SUDS CLUB, LLC.	BILLING CONTRACT SERVICE	499.99
TELECOMMUNICATIONS	Verizon Wireless	TELEPHONE	239.42
TELECOMMUNICATIONS	NCPERS MINNESOTA	INSURANCE	64.00
TELECOMMUNICATIONS	NEW STAR SALES & SER	COPIER MAINTENANCE	35.00
TELECOMMUNICATIONS	TOSHIBA FINANCIAL SE	LEASE/MAINTENANCE CONTRA	30.54
Total for Department 199			868.95*
Total for Fund 69			868.95*
	NCPERS MINNESOTA	INSURANCE	32.00
Total for Department			32.00*
Total for Fund 70			32.00*
Grand Total			207,875.25*



Coalition of Greater Minnesota Cities

CGMC in Brief

September 29, 2011

Contact: Tim Flaherty
651-225-8840

Are you using recently expanded TIF powers? Tell us!

During the 2011 session, the legislature passed and the governor enacted a temporary expansion of TIF provisions to any type of project (excluding housing) if there was a finding of job creation, the construction began by 7/1/12 and there was a request for certification by 6/30/12. The measure also extended the deadline for a temporary suspension of various rules limiting use of tax increment revenues under certain conditions.

The House Tax Committee has asked city organizations to poll their members to learn which cities have utilized, or plan on utilizing, these expanded TIF provisions in the next year for economic development projects in their communities. The Committee intends to hold a hearing next session to examine the TIF provisions and their usage.

If your community has utilized these expanded provisions over the past 2 years, or plans to utilize these provisions, please contact J.D. Burton with Flaherty & Hood, P.A.

Save the Date for CGMC Fall Conference

CGMC's Fall Conference is coming up! The event will be held in Fergus Falls from **November 16-18, 2011**. Registration material will be forthcoming in the next couple of days. In addition to finalizing our legislative positions for 2012 we will be discussing CGMC's economic development proposals for the legislature. There will also be a panel discussion on setting state policy via constitutional amendments. Stay tuned for more details.

Park and Trail Applications due Oct. 31.

The Minnesota Department of Natural Resources moved the deadline for applications for FY2012 Parks & Trails grants, Local Trail Connections Grants and the Regional Trail Program up to October 31, 2011 rather than in the spring as in the previous cycle.

Find more details on these programs on the DNR website at <http://bit.ly/hkrBR0>, <http://bit.ly/qEd4Xk>, and <http://bit.ly/r3QK0V>.



Reminder: Judicial Panel Seeking Input on Redistricting Plan

The Minnesota Judicial Redistricting Panel has issued an order scheduling the dates for public hearings regarding how Minnesota's new legislative and congressional districts should be drawn. You can read the complete order at the judicial panel's website here:

http://www.mncourts.gov/Documents/0/Public/Court_Information_Office/2011Redistricting/A110152Order9.9.11.pdf

The dates for greater Minnesota hearings are as follows:

October 10, 2011, 6:30 – 8:30 p.m. in **Cloquet** at the Fond du Lac Tribal and Community College Amphitheater (2101 Fourteenth Street, Cloquet, MN 55720)

October 11, 2011, 6:30 – 8:30 p.m. in **Bemidji** at the Beltrami County Administrative Building, County Board Room (701 Minnesota Ave. Northwest, Bemidji, MN 56601)

October 12, 2011, 6:30 – 8:30 p.m. in **Moorhead** at Moorhead City Hall, City Council Chambers (500 Center Ave., Moorhead, MN 56561)

October 13, 2011, 6:30 – 8:30 p.m. in **St. Cloud** at Stearns County Administrative Center, County Board Room A (705 Courthouse Square, St. Cloud, MN 56303)

October 14, 2011, 6:30 – 8:30 p.m. in **Mankato** at Blue Earth County Justice Center, Jury Assembly Room (401 Carver Rd, Mankato, MN 56001)

CGMC Strongly encourages its members to participate in the redistricting process. Though the deadline for signing up to present at one of the public hearings is passed, cities can still provide input to the judicial panel in writing through Oct. 21, 2011 via StateRedistrictingPanel@courts.state.mn.us .

If you have further questions regarding the process, please feel free to contact CGMC lobbyists Elizabeth Wefel or Bradley Peterson.





Published September 23, 2011, 12:00 AM

Commentary – Homestead Market Value Credit change marks end of shell game

In the past few weeks, there has been extensive media coverage concerning the state Legislature's discontinuation of the Market Value Homestead Credit program in favor of the new Homestead Market Value Exclusion. Not surprisingly there has been, and remains, a great deal of confusion about what this change will really mean – and finger pointing over who supported the change.

By Jim Miller, executive director of League of Minnesota Cities, St. Paul, MN

In the past few weeks, there has been extensive media coverage concerning the state Legislature's discontinuation of the Market Value Homestead Credit program in favor of the new Homestead Market Value Exclusion. Not surprisingly there has been, and remains, a great deal of confusion about what this change will really mean – and finger pointing over who supported the change.

The Market Value Homestead Credit program was created by the 2001 state Legislature to reduce the property tax burden on owners of homes up to a certain value. In concept, the program is simple. Your property tax bill is your share of the sum of the levies by the city, county, school district and possibly other taxing jurisdictions. If your total tax bill was, for example, \$800, the state would give you a credit – for illustrative purposes, we'll say \$100. You would pay \$700 to be distributed to the taxing jurisdictions and the state would reimburse those governments the remaining \$100. You received a break on your property taxes and the city and others received every dollar they levied making their budgets whole.

That was the concept. The reality in recent years has been quite different. Yes, property tax payers still received the credit, but the state failed to make good on its promise to reimburse local governments for the property taxes you didn't have to pay. Some local governments have not received any reimbursement for the past several years; others have only received a portion of the amount needed to make them whole. To make matters worse, the amount reimbursed changed from year to year, making financial planning very difficult. This year, only about 15 percent of the reimbursement scheduled to be paid by the state to cities will actually be paid, meaning that cities are left with a significant budget shortfall if they budgeted to receive their entire reimbursement. Some cities, anticipating they would not receive what they were promised, raised their levies to compensate.

As part of the ultimate agreement to balance the state's \$5 billion deficit, the credit to homeowners and all funding to reimburse local governments under the Market Value Homestead Credit program was eliminated. That's more than \$260 million per year that cities, counties and schools will no longer receive.

In response, the League of Minnesota Cities and other local government groups, including the Association of Minnesota Counties, decided it was time to eliminate the recurring shell game and support elimination of the Market Value Homestead Credit program. This position was driven by a desire for more transparency and fiscal certainty. Under the new Homestead Market Value Exclusion law, these local governments will no longer be dependent on the state paying – or more accurately, not paying – for part of its levy each year. Now, local officials will be assured of receiving the amount they levy and many homeowners will see their part of the market value of their home excluded from taxation.

The conversion to this new system will have two immediate impacts. First, the state has eliminated more than \$260 million a year from credits to homeowners and associated reimbursements to local governments. For that reason, even if there were no other changes, property tax bills will rise in almost every community. Second, because the new exclusion system exempts part of the value on lower valued homes from taxation, the tax rate will increase to generate the same number of dollars, meaning those properties which do not receive an exclusion such as apartments, high value homes and commercial property will pay proportionately more than under the old system. It's also likely that some homeowners who qualify for the exclusion will see a higher tax bill simply because the tax rate has increased.

Had the state consistently honored its obligation to reimburse local governments dollar for dollar for the credit it gave to homeowners on property bills, this change would not have made as much sense. While conversion to the new system may cause temporary confusion and shift the property tax burden to some extent, local governments will be better able to make budget and property tax decisions and will be clearly accountable to their taxpayers for those decisions.

Tags: opinion, commentaries



CITIES BULLETIN

Issue 37

September 22, 2011

Print a Copy



Download/print a pdf of all articles in this issue

Analysis: MVHC Elimination Supported by LMC Marks the End of a Recurring Shell Game

While conversion to the new market value exclusion system may cause confusion and a shift in the property tax burden, the new system will ultimately be better for cities and taxpayers. [Read more.](#)

In Other News

U.S. House and Senate Pass FAA/Surface Transportation Extension

SAFETEA-LU will now be extended until March 31 of next year; the FAA extension will last through Jan. 31, 2012. [Read more.](#)

Cities Urged to Offer Comments on Impact of Redistricting

A series of public hearings will be held throughout the state in October. [Read more.](#)

League Seeks Officials for International Residential Code 1309 Advisory Committee Appointment

Qualified city staff and/or elected officials are eligible for one League-appointed spot. [Read more.](#)

President and Governor Focus on Job Creation

As President Obama outlined his new jobs bill, Gov. Dayton announced an Oct. 25 Job Summit. [Read more.](#)

Retirees Drop Pension Reform Suit

Six retired public employees will not appeal the June 29 district court decision upholding the 2010 legislation limiting future pension increases for retirees. [Read more.](#)

Focus on New Laws: Uncased Guns in Small Cities

A policy change allows uncased guns to be transported in vehicles under certain circumstances during hunting seasons. [Read more.](#)

State Economic Update: Fiscal Year 2011 Ends with Higher Revenues than Expected

The bad news is fiscal year 2012 revenues are currently \$93 million below projections. [Read more.](#)

Featured Events

**2011 LMC Regional Meetings
September-November**
Various dates and locations throughout the state

Fireground Safety—10 Frequent Mistakes, 10 Best Practices
October—4 dates and locations

Police & Our Changing Communities
October—2 dates and locations

Quick Links

- [Archive of Previous Issues](#)
- [City Jobs](#)
- [Jobs with LMC](#)
- [Wanted/For Sale/RFP Announcements in the LMC Marketplace](#)
- [Weekly 4M Fund Rates \(Minnesota Municipal Money Market Fund\)](#)

Our Sponsors

League Business Partners and Business Associates provide valuable financial support to the League and help support our mission to serve Minnesota cities. [View LMC Sponsors](#)

Contact Us / Subscribe

The Cities Bulletin is published weekly during the legislative session and bi-weekly during the interim.

For a free subscription:
Contact Laurie Elmstrand
Administrative Assistant
lilmstrand@lmc.org
(include name, title, city, and e-mail address for each Cities Bulletin subscriber).

For legislative questions:
Contact IGR Staff

For editorial or other Bulletin questions:
Contact Claudia Hoffacker
Editor
(651) 215-4032 or (800) 925-1122
choffacker@lmc.org

More Information and Resources

- [Final LMC Budget Guide Now Available](#)
- [CERTs Offers Discount on Energy-Saving Faucet Valves](#)
- [Red Lake Falls Regional Meeting is Cancelled: Please Join us in Bemidji or Henning](#)
- [DEED Offers Workshops on Redevelopment Grants](#)
- [MN-APWA Accepting Award Nominations Until Sept. 30](#)
- [Free Fall Symposium: Law Enforcement & Distracted Driving](#)
- [MN Municipal Beverage Association Holds Fall Regional Meetings](#)
- [Join the New and Improved Facebook Page for the Latest Updates from the League](#)
- [Current Grant Opportunities](#)

Training, Conferences, Events

- [Upcoming League Events](#)
- [Online Training/E-Learning](#)
- [Co-Sponsored Events](#)
- [Events Sponsored by Other Organizations](#)

Analysis: MVHC Elimination Supported by LMC Marks the End of a Recurring Shell Game



While conversion to the new market value exclusion system may cause confusion and a shift in the property tax burden, the new system will ultimately be better for cities and taxpayers.

Over the past few weeks, there has been extensive media coverage concerning the state Legislature's discontinuation of the market value homestead credit (MVHC) program in favor of the new homestead market value exclusion. Moreover, reports about partisan arguments at the state level over who is responsible for the change have tended to overshadow the more important news about why the program was discontinued, and what this change will really mean for cities and for local property taxpayers.

When MVHC was created by the Legislature more than 10 years ago, the program seemed to provide a win-win situation for both local property taxpayers and for city governments. While property taxpayers did indeed receive a credit, the state consistently failed to make good on its promise to reimburse cities. Some cities have not received any reimbursement for the past several years; others have only received a portion of the amount needed to make them whole. This year, only about 15 percent of the reimbursement scheduled to be paid by the state to cities will actually be paid, meaning that cities are left with a significant budget shortfall if they budgeted to receive their entire reimbursement.

Given this history of unreliability, the League and other local government groups decided enough was enough. In order to stop the recurring shell game, the League took a position to support elimination of the MVHC program. This position was driven by a desire for more transparency and fiscal certainty. Had the state consistently honored its obligation to reimburse local governments dollar for dollar for the credit it gave to homeowners on property bills, this change may not have been necessary.

Under the new homestead market value exclusion law, these local governments will no longer be dependent on the state paying (or, more accurately, not paying) for part of its levy each year. Now local officials will be assured of receiving the amount they levy, and many homeowners will see part of the market value of their home excluded from taxation. The downside for city residents, of course, is that many of them will see increases in their next property tax bill.

While conversion to the new system may cause temporary confusion and shift the property tax burden to some extent, local governments will be better able to make budget and property tax decisions going forward and will be clearly accountable to their taxpayers for those decisions. Ultimately, that's better for our cities and for local property taxpayers.

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

U.S. House and Senate Pass FAA/Surface Transportation



Extension

SAFETEA-LU will now be extended until March 31 of next year; the FAA extension will last through Jan. 31, 2012.

(Published Sep 22, 2011)

With little time to spare, Congress has passed yet another extension of the Safe, Accountable, Flexible, Efficient Transportation Equity Act, A Legacy for Users (SAFETEA-LU). The last extension of SAFETEA-LU, the federal transportation infrastructure funding package, was set to expire on Sept. 30.

Congress approved an extension through March 31, 2012. The bill is awaiting the president's signature. SAFETEA-LU has now been extended eight times over the last two-plus years.

First signed into law in 2005, SAFETEA-LU provides billions of dollars each year for highway, transit, pedestrian, bicycle, and other transportation improvements, including almost \$620 million annually to Minnesota. The 2005 law expired on Sept. 30, 2009, and has been operating on a series of short-term extensions since.

If Congress and the administration had not acted, the federal gas tax of 18.4 cents per gallon would have terminated, and funding for many transportation projects would have come to an immediate halt. The extension, although temporary, will keep current funding streams and programming in place without interruption.

Cities have called upon Congress to enact a new six-year transportation bill to provide adequate and reliable funding. However, SAFETEA-LU reauthorization has been the subject of significant differences of opinion. The Obama administration originally called for an almost doubling of funding under the act as an infrastructure investment and jobs action. The Senate advocated for renewal with at least a modest expansion in funding, while the House has called for a reduction of up to 34 percent in order to eliminate the need for use of any federal funds other than the gas tax receipts.

Some anti-tax groups have even suggested that the law be allowed to expire permanently, the federal gas tax be eliminated, and the full responsibility for transportation funding be transferred to the states. Members of Congress have also suggested numerous policy changes to the act, including giving more of the dollars directly to state highway departments (and less directly to cities and metropolitan agencies) to be used at their discretion.

Because of the urgent need to keep transportation dollars intact for current projects, the National League of Cities, U.S. Conference of Mayors, U.S. Chamber of Commerce, and AFL-CIO had called for the "clean" extension of the act with no policy changes. Congress and the administration must now work further toward passage of a new six-year transportation act.

- **Access the SAFETEA-LU legislation** (*Link to: <http://www.ftwa.dot.gov/safeteahu>*)

Access information on SAFETEA-LU programs in Minnesota *(Link to:*

http://www.dot.state.mn.us/safetea-lu)

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

Your LMC Resource

Contact Anne Finn

Assistant IGR Director

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

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

Cities Urged to Offer Comments on Impact of Redistricting

A series of public hearings will be held throughout the state in October.

(Published Sep 22, 2011)



Now that both the Minnesota Special Judicial Redistricting Panel and the Citizens' Redistricting Commission have begun the process of gathering information to guide legislative and congressional redistricting, it is important for cities to submit comments and concerns about how the panel will draw new election boundaries for state legislative and congressional districts.

In October, cities have the opportunity to provide important insights to identify communities of interest that should be maintained within the new legislative or congressional districts that the panel is responsible for creating.

The five-judge Special Redistricting Panel appointed by Minnesota State Supreme Court Justice Laurie Gildea has announced a series of public hearings to be held throughout the state during the month of October. Members of the public interested in testifying will have up to five minutes to address the panel at one of the eight locations listed below.

Hearing schedule

The public hearings are to be conducted from 6:30-8:30 p.m. The dates and locations are:

Oct. 4—Bloomington
Bloomington Civic Plaza
1800 W. Old Shakopee Road

Oct. 5—St. Paul
Minnesota Judicial Center
Courtroom #300
25 Rev. Dr. Martin Luther King Jr. Blvd.

Oct. 6—Minneapolis
John B. Davis Educational Service Center
807 Broadway Street Northeast

Oct. 10—Cloquet
Fond du Lac Tribal Community College Amphitheater
2101 Fourteenth Street

Oct. 11— Bemidji
Beltrami County Administration Building
County Board Meeting Room
701 Minnesota Ave. NW

Oct. 12—Moorhead
City Hall Council Chambers
500 Center Ave.

Oct. 13—St. Cloud
Stearns County Admin. Center
Board Room A
705 Courthouse Square

Oct. 14—Mankato
Blue Earth County Justice Center
Jury Assembly Room
401 Carver Road

Important points about redistricting

This is an opportunity for cities to make the members of the special redistricting panel aware of the geography and changes that have occurred in the community since the 2002 redistricting, including neighborhoods, matters of historical importance, and significant features that distinguish the city. In addition, testimony, whether oral or written, can inform judicial panel members about the key social and economic circumstances that help define the community as well as any regional matters of significance to the city.

The demographics of the city are also important to emphasize, including the age range of the city population, languages spoken, education, and employment. In addition, point out any major employers in the area and school district boundaries as well as traffic patterns that influence the flow of commerce and access to other locations beyond the city limits.

Finally, comments on redistricting can emphasize important local interests and circumstances that either distinguish the city from other locations in the immediate area or are similar to those of other nearby cities.

To inquire about opportunities to testify, call (855) 245-0849.

- **Learn more about the public hearings from the Judicial Branch website** *(Link to:*

Other ways to give your testimony

If the city does not have an opportunity to provide oral testimony, it is possible to submit written comments by Oct. 21. Deliver one original and one copy of the written statement at one of the public hearings or send one original and one copy of the statement by U.S. mail to:

Minnesota Special Redistricting Panel
c/o Bridget Gernander, Clerk of Appellate Courts
305 Minnesota Judicial Center
25 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Statements may also be transmitted by e-mail to: **StateRedistrictingPanel@courts.state.mn.us**

(Link to: <mailto:StateRedistrictingPanel@courts.state.mn.us>)

Once public hearings have concluded, opportunity remains for interested parties to provide additional proposed redistricting criteria. Following the public hearings, the special redistricting panel will establish its redistricting principles and announce the scheduling for submissions of redistricting plans to be submitted by interested parties.

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

Your LMC Resource

Contact Ann Higgins

IGR Representative

(651) 281-1257 or (800) 925-1122

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

League Seeks Officials for International Residential Code 1309 Advisory Committee Appointment



Qualified city staff and/or elected officials are eligible for one League-appointed spot.

(Published)

Nominations are being sought for individuals interested in serving on the International Residential Code 1309 Advisory Committee. The IRC-1309 Advisory Committee is charged with assisting in the adoption of the 2012 International Residential Code.

The Department of Labor and Industry's Construction Code and Licensing Division will be the staffing agency for this advisory committee. Appointees will contribute knowledge and expertise

toward the code adoption process. Appointees will be responsible for presenting code change proposals to the committee on behalf of the League of Minnesota Cities and for communicating committee action back to the League. The committee aims to begin meeting by December; the committee is expected to complete its work by March 2012.

The League is seeking applicants from both elected and appointed city officials for this committee. Applicants should have a background and expertise in building code issues and should have the desire to represent Minnesota cities from a statewide perspective. Please note: the Association for Minnesota Building Officials will also appoint some members for this committee.

To be considered for the League appointment, complete the brief questionnaire at the link below and submit it with a resume to Heather Cederholm at hcederholm@lmc.org or by mail to 145 University Avenue West, St. Paul, MN 55103. Applications are due at noon on **Sept. 30**.

View the appointment questionnaire (pdf) (*Link to: <http://www.lmc.org/media/document/1/apptapplication.doc>*)

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

Your LMC Resource

Contact Heather Cederholm

Member Outreach Coordinator

(651) 281-1256 or (800) 925-1122

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

President and Governor Focus on Job Creation

As President Obama outlined his new jobs bill, Gov. Dayton announced an Oct. 25 Job Summit.

(Published Sep 22, 2011)



Job creation continues to be a focus for policymakers at all levels of government. President Obama, of course, unveiled his job creation plan earlier this month. And here in Minnesota, Gov. Dayton held regional meetings on the economy over the summer, and in October he will host the Governor's Job Summit in St. Paul.

Presidential efforts

President Obama and top White House staff convened a conference call on Sept. 9 to talk details on the president's \$447 billion job creation proposal. League staff participated in the call, and invited members via the legislative listserv to listen in on the conversation.

The majority of the questions during the call came from city and county elected officials from

across the country—some of them urging the White House to make sure that smaller cities, not just large cities, would benefit from infrastructure grants.

Highlights presented were:

- Payroll tax cuts for 98 percent of businesses on the first \$5 million in payroll.
- Reforms and regulatory reductions to assist entrepreneurs and small businesses.
- School modernization monies—\$30 billion to help 35,000 schools, with 60 percent going to states and 40 percent targeted to cities with the largest poverty populations.
- First responders and teachers—\$35 billion, with most of that targeted to teachers. \$5 billion would go out in competitive funding requests—\$4 billion to police and \$1 billion to fire.
- Project Rebuild (redevelopment).
- National Infrastructure Bank—a bipartisan effort for investments in infrastructure such as roads, rail airports, and waterways.
- Pathways back to work—\$5 billion.

The president proposed paying for this with a variety of revenue raisers—the biggest being a cap at 28 percent for itemized deductions and some exclusions for individuals earning more than \$200,000 a year, and couples earning more than \$250,000. The estimate on that alone was around \$400 billion. Also included in the cap would be municipal bond income, which could hurt the demand for state and local government bonds.

While Republicans have been cool to the president's proposal, White House Press Secretary Jay Carney has reported that the president would be interested in signing a smaller bill into law should Congress move forward with pieces of what the White House is calling the American Jobs Act. More is sure to come in the weeks and months ahead.

Access the White House's details of the proposal and fact sheets (*Link to: <http://www.whitehouse.gov/jobsact>*)

State efforts

Closer to home, the Department of Employment and Economic Development (DEED) announced the Governor's Job Summit, to be held Oct. 25 at the Crowne Plaza Riverfront Hotel in St. Paul. The event is the capstone to Gov. Dayton's statewide tour of regional forums on Minnesota's economy.

The one-day Job Summit will run from 8 a.m. to 5 p.m., with a networking reception immediately following from 5 to 7 p.m. Attendees can look forward to:

- Hearing Gov. Dayton's remarks on the priorities for Minnesota's economy.
- Panel discussion on what is needed to make Minnesota more globally competitive.
- Breakout working sessions covering timely issues/topics.
- Keynote presentation from Michael Mandelbaum, co-author of Thomas Friedman's new book, *That Used to Be Us: How America Fell Behind in the World It Invented and How We Can Come Back*.

Learn more and register for the Governor's Job Summit on the DEED website (*Link to:*

http://www.positivelyminnesota.com/Calendar_of_Events/Governors_Job_Summit_2011/index.aspx

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

Your LMC Resource

Contact Jennifer O'Rourke

IGR Representative

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

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

Retirees Drop Pension Reform Suit

Six retired public employees will not appeal the June 29 district court decision upholding the 2010 legislation limiting future pension increases for retirees.

(Published Sep 22, 2011)



Six retirees participating in the Public Employees Retirement Association, the Minnesota State Retirement System, and the Teachers Retirement Association have decided not to appeal the June 29 decision of District Court Judge Gregg Johnson. That summary judgment upheld last year's legislation limiting future pension increases for retirees. The deadline for an appeal was Sept. 6.

In his decision, Judge Johnson stated that last year's sustainability legislation was a "reasonable response to a fiscal threat that jeopardized the long-term interests of plan members, the state, and the state's taxpayers." He said the Legislature sought to balance the interests of all plan members with statute changes affecting all parties involved, not just retirees.

The three statewide systems all advanced financial sustainability legislation designed to address their long-term funding deficiencies following the recession of 2008-2009. Limits on future retiree increases were just one part of the bill, but it was the only component challenged in the lawsuit.

In Colorado, plaintiffs in a similar case with the same outcome have decided to appeal that court's ruling.

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

Your LMC Resource

Contact Anne Finn

Assistant IGR Director
(651) 281-1263 or (800) 925-1122
afinn@lmc.org (Link to: <mailto:afinn@lmc.org>)

Focus on New Laws: Uncased Guns in Small Cities



A policy change allows uncased guns to be transported in vehicles under certain circumstances during hunting seasons.

(Published Sep 22, 2011)

When the final deal was made on the environment and natural resources budget during the 2011 special session, a number of policy changes were attached to that budget legislation. One of those provisions, which became effective in law retroactively back to July 1, modifies when an unloaded gun can be uncased in a vehicle in a small city.

The change, which can be found in **First Special Session Chapter 2, article 5, section 41** (Link to: <https://www.revisor.mn.gov/laws/?id=2&doctype=Chapter&year=2011&type=1>), amends *Minnesota Statutes*, section 97B.045, subdivision 3 to allow unloaded long guns (not pistols) to be carried "to or from a site [where] the person intends to hunt lawfully that day or has hunted lawfully that day." This is not allowed, however, in the following places:

- A school zone or other restricted zone.
- Anoka, Ramsey, or Washington Counties.
- Cities with populations over 2,500.

Under previous law, all guns had to be cased in cities with populations under 2,500 if the city had adopted a "no discharge" ordinance for firearms.

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

Your LMC Resource

Contact Craig Johnson

IGR Representative
(651) 281-1259 or (800) 925-1122
cjohnson@lmc.org (Link to: <mailto:cjohnson@lmc.org>)

State Economic Update: Fiscal Year 2011 Ends with Higher Revenues than Expected



The bad news is fiscal year 2012 revenues are currently \$93 million below projections.

(Published Sep 22, 2011)

The state's latest economic update contains the good news that fiscal year (FY) 2011 actually ended on a high note. Net general fund revenues for 2011 totaled \$15.7 billion, which was \$355 million (or 2.3 percent) more than the February forecast projected.

Minnesota Management and Budget released the July/August Economic Update earlier this month. The report provides a preliminary update for the state's fiscal status for the end of the previous 2010-2011 biennium, which ended June 30. It also provides the first report on state revenue collections for the months of July and August, which are the first two months of the state's new fiscal biennium.

View the July/August 2011 Economic Update (pdf) (*Link to: <http://www.mmb.state.mn.us/doc/fu/11/update-sept.pdf>*)

FY 2011 update

The majority of the increase in FY 2011 collections was due to higher-than-expected collections of individual income taxes from payments associated with 2010 tax returns. In addition, the state received an early settlement with the state of Wisconsin for the final income tax reciprocity payment, which added nearly \$60 million to the positive variance for FY 2011. However, because the reciprocity payment was expected after July 1, the FY 2012 revenues were reduced by almost the same amount.

The table below provides a comparison of the forecasted collections and the actual collections for the end of FY 2011.

FY 2011 State Revenues Compared to February Budget Forecast (\$ in millions)

	Estimate	Actual	Variance	Percent
Individual income tax	\$7,252	\$7,529	+\$277	+3.8%
Sales tax	4,433	4,403	-30	-0.7
Corporate income tax	914	925	+11	+1.2
Motor vehicle sales tax	31	31	+0	+0.0
Other taxes/revenues	2,678	2,715	+37	+1.4
Income tax reciprocity	0	60	+60	N/A
Total	\$15,308	\$15,663	+\$355	+2.3%

FY 2012 update

In contrast to the relatively good news for the end of the previous biennium, the net general fund revenues for the first two months of fiscal 2012 were \$93 million, or 4.4 percent, below forecast. However, as noted above, the bulk of that \$93 million reduction in revenues for FY 2012 is due to the early FY 2011 receipt of nearly \$60 million in the Wisconsin income tax reciprocity settlement that had originally been expected in FY 2012.

The table below shows that net receipts from the individual income tax, the corporate income tax, and the sales tax all slightly exceeded forecast in July and August. As of July 1, 2011, 100 percent of the motor vehicle sales tax (MVST) is now dedicated to the highway user tax distribution fund and, therefore, no MVST receipts are deposited in the state's general fund.

According to the report, the majority of the negative variance in other taxes/revenues appears to be attributable to timing differences in processing and posting of receipts caused by July's state government shutdown and the start-up of a new state accounting system.

**FY 2012 State Revenues Compared to February Budget Forecast
(\$ in millions)**

	Estimate	Actual	Variance	Percent
Individual income tax	\$1,060	\$1,065	+5	+0.4%
Sales tax	693	695	+2	+0.4
Corporate income tax	65	79	+14	+21.5
Motor vehicle sales tax	N/A	N/A	N/A	N/A
Other taxes/revenues	223	168	-55	-24.7
Income tax reciprocity	59	0	-59	-100.0
Total	\$2,100	\$2,007	-93	-4.4%

The next economic update will be released around mid-October and the next full state budget forecast will be released around the end of November.

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

Your LMC Resource

Contact Gary Carlson

IGR Director

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

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



Final LMC Budget Guide Now Available

The League's final 2011 *Budget Guide for Cities* is now available on the League's website. This version includes the changes to law made in the special legislative session.

Special session material is highlighted in gray to more easily show the changes that may affect city budgets. The biggest changes made during the special session include:

- The elimination of the market value homestead credit program and its replacement with the homestead market value exclusion.
- Changes to local government aid.
- Expiration of levy limits.

The League is not publishing a print version of the 2011 *Budget Guide*, but if your city needs a printed copy, contact the League's Research Service using the **online form** ([Link to: http://www.lmc.org/page/1/submit-research-inquiry.jsp](http://www.lmc.org/page/1/submit-research-inquiry.jsp)) or at (800) 925-1122.

- **View the final Budget Guide for Cities (pdf)** ([Link to: http://www.lmc.org/media/document/1/budget_guide_for_cities.pdf](http://www.lmc.org/media/document/1/budget_guide_for_cities.pdf))

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

Your LMC Resource

Contact the League's Research Service with any questions about the *2011 Budget Guide for Cities*.

Access online form to submit a question ([Link to: http://www.lmc.org/page/1/submit-research-inquiry.jsp](http://www.lmc.org/page/1/submit-research-inquiry.jsp))
(651) 281-1200 or (800) 925-1122

Copyright ©2011 League of Minnesota Cities, 145 University Ave. W, Saint Paul, MN 55103-2044 | Phone: (651) 281-1200 | Toll-Free: (800) 925-1122



CERTs Offers Discount on Energy-Saving Faucet Valves

Minnesota cities, businesses, and organizations have an opportunity to dramatically cut their water and energy use with simple, inexpensive upgrades. The Minnesota Clean Energy Resource Teams (CERTs) and Niagara Conservation are offering a special Minnesota bulk rate through Oct. 1 for commercial kitchen pre-rinse spray valves and faucet aerators for kitchen and bathroom washing stations.

To date, nearly 150 spray valves have been ordered as part of the bulk-buy program, as well as almost 2,000 faucet aerators. This means that Minnesota restaurants, churches, cities, schools, and others are set to collectively save 13.4 million gallons of water and save nearly \$175,000 in heating and water costs in the next year.

Pre-rinse spray valves are used to remove food before placing the dish in the dishwasher or sanitizer. This pre-rinsing process can consume half of the water used in the entire restaurant. Upgrading to a new energy and water efficient model can cut the costs of this process by 57 percent, saving more than \$400 a year. Some restaurants that use their spray valve frequently have been found to save more than \$700 a year. The potential payback time is one to two months.

Pre-rinse spray valves (typically \$68) cost \$28 with the CERTs bulk buy, and the price is brought down even further to an average of \$13 in areas where a utility rebate is offered. Currently rebates are provided by CenterPoint Energy, Minnesota Energy Resources, Austin Utilities, Owatonna Public Utilities, and Rochester Public Utilities.

- **Learn more about the bulk buy program from the CERTs website** (*Link to:*

<http://www.cleanenergyresourceteams.org/community-projects/campaigns/sprayvalve>)

- **Learn more about the utility rebates from the CERTs website** (*Link to:*

<http://www.cleanenergyresourceteams.org/community-projects/campaigns/sprayvalve/rebates>)

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



DEED Offers Workshops on Redevelopment Grants

The Minnesota Department of Employment and Economic Development (DEED) will be awarding \$2 million in general fund dollars as well as additional bond dollars for grants through the Redevelopment Grant Program. The agency will hold a series of workshops about the grants in October.

Under the program, your project can receive up to 50 percent of costs to pay for land acquisition, demolition, infrastructure and other project-related improvements related to redeveloping the property. The deadline for applications is 4 p.m. on **Jan. 3, 2012**.

- **Learn more about the grant program** *(Link to:*

http://www.positivelyminnesota.com/Government/Financial_Assistance/Site_Cleanup_Redevelopment_Funding/Redevelopment_Grant_Program.aspx

- **Access an application for the grant** *(Link to:*

http://www.positivelyminnesota.com/Government/Financial_Assistance/Site_Cleanup_Redevelopment_Funding/Redevelopment_Grant_Program_2.aspx

DEED will hold workshops to provide more details about this grant round and the application process. Workshop dates and locations are:

Oct. 11—Metro Area

9-10 a.m.

Bloomington City Hall

Council Chambers

1800 W. Old Shakopee Rd.

Bloomington, MN 55431

Oct. 12—Walker

11:30 a.m.-12:30 p.m.

Walker Area Community Center Rotary Room

105 Tower Ave.

Walker, MN 56484

Oct. 13—Mankato

10-11 a.m.

Greater Mankato Business Development Center

1961 Premier Dr.

Mankato, MN 56001

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

For More Information

Contact Irene Dassier

DEED

(651) 259-7449

Irene.Dassier@state.mn.us *(Link to: <mailto:Irene.Dassier@state.mn.us>)*

Copyright ©2011 League of Minnesota Cities, 145 University Ave. W, Saint Paul, MN 55103-2044 | Phone: (651) 281-1200 | Toll-Free: (800) 925-1122



MN-APWA Accepting Award Nominations Until Sept. 30

Does your community know of an outstanding public works project or staff person? The Minnesota Chapter—American Public Works Association (MN-APWA) is accepting nominations for its annual awards in a variety of categories.

The purpose of the MN-APWA awards program is to recognize public works individuals from all management levels who have made significant contributions to the profession, and also to recognize outstanding public works projects. The submission deadline is **Sept. 30**.

Elected and appointed city officials are encouraged to nominate their colleagues for the following awards:

- **Hugo G. Erickson Award.** This award is presented to an individual who has provided superior and outstanding service to further the continued successful operation and goals of the MN-APWA.
- **Personnel Awards.** This award is given to recipients in four management levels:
 - Director or manager
 - Superintendent
 - Supervisor
 - Maintenance
- **Project Awards (large and small).** The Project of the Year Award is intended to recognize outstanding projects, both large and small, that highlight the many diverse facets of public works projects.
- **Environmental Stewardship Award.** This award recognizes the efforts of groups or individuals who exhibit a passion for conserving and protecting the environment. This may include efforts related to water supply, sewer treatment, waste disposal and recycling, stormwater management, use of alternative energy or green technology, or other issues related to public works systems and management. Nominees may include a group (such as a team within a public works department, or multi-department team, or a group that includes public works staff and agency staff or consultants), an individual, a public works agency, or a private entity.
- **Learn more and access nomination forms** (*Link to: <http://minnesota.apwa.net/c/awards/>*)

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

Your LMC Resource

Contact Heather Cederholm
Member Outreach Coordinator

(651) 281-1256 or (800) 925-1122

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

For More Information

Contact Mark Hansen

Awards Committee Chair

(763) 249-6782

mchansen@srfconsulting.com *(Link to: <mailto:mchansen@srfconsulting.com>)*

Copyright ©2011 League of Minnesota Cities, 145 University Ave. W, Saint Paul, MN 55103-2044 | Phone: (651) 281-1200 | Toll-Free: (800) 925-1122



MN Municipal Beverage Association Holds Fall Regional Meetings

The Minnesota Municipal Beverage Association's (MMBA) fall regional meetings kick off this week in Fergus Falls and will be in a different city each week through the end of October. Paul Kaspszak, MMBA executive director, invites local mayors, city councilmembers, and city administrators to attend the meetings.

To register, contact Kaspszak at kaspszak@visi.com (*Link to: <mailto:kaspszak@visi.com>*).

The meetings will feature a session on computerized inventory control. Steve Grausam of Edina Liquor will address common questions concerning Total Register System (TRS) operations. The session will cover a variety of issues, including how to print different reports, make accurate inventory adjustments, obtain certain data, and generally how to use your TRS system to benefit your liquor facility. Even those without a TRS system will find useful concepts to apply.

The TRS session will run from 9:30 to 11 a.m., followed by lunch at 11:30 a.m. and the membership meeting from 12:30 to 2:30 p.m. There is a \$15 lunch fee (\$25 for non-members).

Meeting dates and locations

Sept. 21—Fergus Falls
Bigwood Event Center
925 Western Ave.
(218) 739-2211

Sept. 28—Bemidji
Hampton Inn Conference Center
1019 Paul Bunyan Drive S.
(218) 751-3600

Oct. 5—Roseville
Radisson Hotel Roseville
2540 N. Cleveland Ave.
(651) 636-4567

Oct. 12—Marshall
Ramada (Formerly Best Western) Marshall Inn
1500 E. College Drive
(507) 532-3221

Oct. 19—Duluth
The Inn on Lake Superior
350 Canal Park Drive
(218) 726-1111

Oct. 26—Austin
Austin Holiday Inn
1701 Fourth St. NW
(507) 433-1000

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

For More Information

Contact Paul Kaspszak
MMBA Executive Director
kaspszak@visi.com (*Link to: <mailto:kaspszak@visi.com>*)

Copyright ©2011 League of Minnesota Cities, 145 University Ave. W, Saint Paul, MN 55103-2044 | Phone: (651) 281-1200 | Toll-Free: (800) 925-1122