

WEEKLY MEMO

Date: December 2, 2011

To: Mayor Lynn Stauss, Council President Craig Buckalew, Vice President Wayne Gregoire, Council Members Marc Demers, Ron Vonasek, Henry Tweten, Greg Leigh, and Mike Pokrzywinski.

From: Scott Huizenga

RE: Weekly Update

UPCOMING MEETINGS:

December 6, 2011 – 7:00 pm – Council Meeting – Council Chambers

December 13, 2011 – 5:00 pm – Work Session – Training Room

December 20, 2011 – 5:00 pm – Council Meeting – Council Chambers

WEEKLY UPDATE:

Council Committee Reports

Council President Buckalew has asked that City Council devote time at each work session for one council member to provide an update on his appointed commission and board activities. One member will report at each work session. I have attached a tentative schedule that would begin in January.

Sherlock Forest Playground

The City recently received an insurance reimbursement of nearly \$260,000 to cover most the reconstruction expenses for Sherlock Forest Playground. The long-awaited activity panels have finally shipped. After the final reconciliation, the City treasury will have little or no direct investment in the reconstruction largely as a result of the tireless efforts of our community volunteers.

Utility Rates

The Water and Light Commission is finalizing its rate proposals for 2012 as the City finalizes its 2012 budget next week. For the electric utility, the Commission has adopted electric rates that include modest adjustments to most rate categories. The “average” household will see increases of approximately \$2.00 per month. The largest adjustment will occur to city-owned facilities. The overall electricity cost increase to the City will be approximately \$10,000 across all funding sources. I have attached the Water and Light Department analysis of the rate change impacts.

The Water and Light Commission also commissioned a water rate study to examine proposed rate structures that would comply with Minnesota conservation laws. Generally, Minnesota Statutes require utilities to adopt progressive rate structures that charge higher rates for greater use. Traditionally, many water utilities incorporated rate structures that provided discounts for higher rates of use. These historical price breaks arguably encouraged greater water use rather than conservation. The Water and Light Commission will review the rate study at its next meeting on December 15.

125th Anniversary packages available

The City's 125th Anniversary book, *Everyone Has a Story...Everyone is a Story* is currently on sale at the Library and at the Administration Office at City Hall. Additionally, purchasers can save money on the entire 125th Anniversary celebration (next August) by purchasing event tickets and the book as a package (the package deals are only available in the Administration Office).

State Budget surplus

As most are aware, the state released its November forecast yesterday with a surprising projected surplus of \$876 million for the current biennium. Therefore, the City should be able to expect stable revenue for the next few years – even if that “stability” is at lower levels than the previous decade. Several qualifiers somewhat mute the good news, however. First, the projection is just that – a prediction, not a guarantee, of how the state's books will appear approximately 18 months from now. There are many assumed variables in the projection, not the least of which being a stable economy. Also, state reserves essentially are at zero. Therefore, many expect that the surplus will simply be used to restore fund balance at the state level. Finally, the next 2014-2015 projected budget still shows a deficit of \$1.3 billion. That figure *does not* include repayment of school funding shifts from the previous two biennia. In other words, we are not out of the woods yet.

DEPARTMENT REPORTS:

Public Works, John Wachter

A friendly reminder of the local ordinance as we head into the winter.

Ice and Snow on Public Sidewalks

Every owner, occupant, or agent of any lot or parcel of land in the City of East Grand Forks to follow the City's ordinance on § 96.05 ICE AND SNOW ON PUBLIC SIDEWALKS.

All snow and ice remaining upon public sidewalks is declared to constitute a public nuisance and shall be abated by the owner or tenant of the abutting private property within 12 hours after such snow or ice has ceased to be deposited.

Placing snow or ice in the roadway.

It is a misdemeanor for any person, not acting under a specific contract with the city or Without special permission from the City Superintendent of Streets, to remove snow or ice from private property and place the same in any roadway. § 96.09 OBSTRUCTIONS IN STREET

Northland Technical College is providing Boiler Certification training to staff this week. Certification is needed for compliance with the state of Minnesota rules governing boiler operations.

WASTEWATER

Smoke testing and follow up televising of the wastewater and storm water system in the area around sanitary lift #7 and storm lift K4 has been completed. The area shows deterioration of the sanitary manholes and some separation in the storm lines. These items are contributing factors to the inflow and infiltration (I&I) in that area. Temporary repairs were made to the manholes and total replacement will need to be completed in 2012.

STORM WATER

Repairs have been made to the isolation valve at the Kennedy Bridge. By repairing this valve the 4th Street NW underpass should be able to remain open longer. Although, there are still some repairs to be made next summer, I am confident that this repair will allow for the road to remain open until approximately 40'. The storm water team will close the valve before flooding next spring and monitor the situation. I will discuss this item at the December 13th work session.

MARK YOUR CALENDAR

Holiday Fiesta (Potluck) is December 16, 2011 beginning at noon at the city shop. We are also collecting for the "Code 3" (Toys for Tots) program.

Library, Charlotte Helgeson

Remember that Santa will be at the Library on December 8 at 5:30. Bring your camera for a snapshot. A mobile running train model from the Casey Holt Junction at the Heritage Center will be on display and our front lobby case will be decorated by the Doll Club.

"Art on the Prairie" Exhibit will be up until January 7.

Braun, McFarlane and Kraus Anderson are putting a list together of options with prices to consider in our roof investigation.

I held a Contractor's meeting on Thursday, Dec 1st at 7:00 in the training room in City Hall to explain our energy programs to the local contractors, so they in turn could forward that information on to their customers. I had 11 attendees. I presented a slide show explaining all of the Water and Light rebates and energy conservation programs.

Our home energy auditor, Henry Borysewicz gave a presentation on his energy audit process. Jessica Burdette, our commercial energy auditor spoke on her role in assisting us with assessing our commercial customers' facilities to help them uncover projects that would help them save energy and money. Tom Spoor spoke on the new building codes that are coming in 2012.

Water and Light Customer Service and Energy Management, Bonnie Abel

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AGENDA ITEMS:

Reminder: The Council meeting will start at **7:00 PM** due to state law governing Truth in Taxation proceedings.

The Consent agenda includes the following:

- Declaring as surplus two used police squad cars
- Approving new rubber tile surface for the Civic Center and the VFW Arena

- Waiving the statutory general liability limits for the City. This allows the City to enact a small clause in the City's insurance policy that caps liability at \$1.5 million, rather than \$500,000. The City historically has elected to purchase this small addition to total coverage
- Approving the new fund balance and investment policies for the City
- Approving the land sale agreement with the Minnesota Municipal Power Agency (MMPA) to purchase the land site of the wind turbine just east of city limits
- Approving a gambling license

Item 3 is a scheduled public hearing to take comment on the proposed development ordinance. The new ordinance would require all infrastructure, including paving, to be installed within three years of final plat approval. Developers could either install the infrastructure with private financing or could request a special assessment through the City. The advantage of the proposed policy is that the City Council would no longer find itself in the middle of disputes between developers and housing lot owners regarding the timing of special assessments or infrastructure improvements.

Item 12 is revised Assessment Policy for the City. The policy includes the City's current policy on the calculation of front and end benefits. The revision includes the provision that State Aid road projects shall be assessed at 30 percent of total front benefits and end benefits.

Items 13-16 all pertain the final 2012 Budget. The City Council will take public comments on the budget and levy. The final budget contains a no levy increase, although property taxes will increase for most property owners due to state changes to the Market Value Homestead Credit (MVHC) program. The budget also includes a two utility fee increases. The street lighting fee will increase \$0.75 to \$4.50 per month under the proposal. The base storm water fee will increase \$1.00 per month to the adjusted rate of \$4.50 per month.



City of East Grand Forks

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Board/Commission: _____ **Council Rep** _____

Date of Last Meeting: _____ **Date of Next Meeting:** _____

Action Items Completed:

Action Items In-Progress/Pending:

Announcements:

Questions for the City Council/Board/Commission:

Other Notes:

Date	Board/Commission	Representative
January 10th	Cemetery Commission	Wayne Gregoire
January 24th	W&L Commission	Henry Tweten
February 14th	Library Board	Mike Pokrzywinski
February 28th	Planning Commission	Marc DeMers
March 13th	EDHA Board	Craig Buckalew/Wayne Gregoire
March 27th	Senior Citizens Board	Henry Tweten
April 10th	MPO	Greg Leigh/Mike Pokrzywinski
April 24th	Cemetery Commission	Wayne Gregoire
May 8th	W&L Commission	Henry Tweten
May 22nd	Library Board	Mike Pokrzywinski
June 12th	Planning Commission	Marc DeMers
June 26th	EDHA Board	Craig Buckalew/Wayne Gregoire
July 10th	Senior Citizens Board	Henry Tweten
July 24th	MPO	Greg Leigh/Mike Pokrzywinski

Revenue Category	Meter Code(s)	Number of accounts	Number of Months	kWh or kW per month	kWh or kW per year	Avg \$ increase per mo	Avg \$ increase per yr	Total \$ increase per yr
Residential regular	10	3,141	12	804	30,304,368	\$1.22	\$14.66	\$46,062.64
<i>4plexes by Liberty Lanes are new here</i>	11	276	12	945	3,129,840	\$1.44	\$17.24	\$4,757.36
	16	83	12	462	182,952	\$0.70	\$8.43	\$278.09
	16EH	9	12	758	81,864	\$1.15	\$13.83	\$124.43
	16C	1	12	12	144	\$0.02	\$0.22	\$0.22
Residential all electric	12	218	12	1,358	3,552,528	\$2.06	\$24.77	\$5,399.84
Residential off peak	13	83	12	735	732,060	\$1.12	\$13.41	\$1,112.73
Residential seasonal	14	4	12	926	44,448	\$1.41	\$16.89	\$67.56
Commercial regular	20	440	12	5,192	27,413,760	\$16.61	\$199.37	\$87,724.03
Xcel - was 40, now 20-2	20-2	1	12	372	4,464	\$1.19	\$14.28	\$14.28
Commercial large	21		12	85,215	10,225,800			
		10	12					
		10	12		13,600			
		10	12		7,100			
Commercial industrial standby	26		3	3,500	11,076			
Eliminated		1	1	7,500	7,912			
					40,000			
Commercial off peak	23	22	12	1,790	472,560	\$2.72	\$32.65	\$718.29
Commercial seasonal	24	2	12	643	15,432	\$0.98	\$11.73	\$23.46
Industrial	27		12					
		1	12					
		1	12					
		1	12					
		1	12					
Net total				119,879				
KVAR	22	12	12	312,841	45,049,104			
City Electric - all other accounts	30	79	12	5,700	5,403,600	\$10.26	\$123.12	\$9,726.48
Street lights	35	1	12	153,209	1,838,508	\$275.78	\$3,309.31	\$3,309.31
Cemetery street lights		1	12	871	10,452	\$1.57	\$18.81	\$18.81
City Special - off peak	36	6	12	4,036	290,592	\$6.13	\$73.62	\$441.70
								\$13,496.31
								\$159,779.24