AGENDA
OF THE CITY
COUNCIL WORK SESSION
CITY OF EAST GRAND FORKS
TUESDAY, JANUARY 15, 2013 - 5:00 P.M.

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF A QUORUM:

1. **Rollin on the River Friday Night Event – Melaine Parvey**
2. **2013 City Project No. 2 – Greg Boppre**
3. **Gatewell L-16 Repair – Jason Stordahl**
4. **Waste Water Inspection Response – Jason Stordahl**
5. **2013 Legislative Priorities – Scott Huizenga**
6. **Drinking Fountains in Civic Center – Henry Tweten**
7. **Special Assessment Interest Rates – Henry Tweten**
8. **Safer Grant Award – Chief Larson**
9. **Radar Speed Signs – Chief Hedlund**
10. **In-Car Video Systems – Chief Hedlund**
11. **Retiree Health Insurance – Scott Huizenga**
12. **Civic Center Private Event – Dave Aker**

ADJOURN:

<u>Upcoming Meetings</u>

Regular Council Meeting – January 22, 2013 – 5:00 PM – Council Chambers
Work Session – January 29, 2013 – 5:00 PM – Training Room
Regular Council Meeting – February 5, 2013 – 5:00 PM – Council Chambers
Work Session – February 12, 2013 – 5:00 PM – Training Room
Regular Council Meeting – February 19, 2013 – 5:00 PM – Council Chambers
Work Session – February 26, 2013 – 5:00 PM – Training Room

Rollin' on the River Inline Skating Marathon – August 24, 2013 @7:00am

December 3, 2012

Scott Huizenga, City Administrator
City of East Grand Forks
600 DeMers Ave.
East Grand Forks, MN 56721

Dear Scott:

The Rollin on the River Inline Marathon is being planned for August 24, 2013. This event will be held on the streets of Grand Forks, ND at 7 am on Saturday Aug. 24, 2013. The race will start and end at the Alerus Center. This will be the third consecutive year for this event. Last year the event had 270 skaters and these skaters were from all over the nation, coming from as far as Toronto, Ontario. We also had skaters from California, Kansas, and Montana. This year the event is hoping to draw 300 skaters and continue to grow each year. This event is already one of the top 4 largest for inline marathons in our nation.

As our name suggests, we would like to offer some "Rollin on the River" and in order to do this we want to bring the skaters and their friends and family down to the greenway trails the day/evening before the event therefore are requesting that the City of East Grand Forks, MN consider allowing us to host our Friday Night event in the parking lot near the Red River. The Planning Committee is requesting to utilize the parking lot in particular on the riverside of the Blue Moose, Druken Noodle, Mike's Pizza, Whitey's, etc. The Planning Committee consists of myself, Stephanie Bernstrom, Matt Fisher, Lisa Schuster, Erin Dickson, and Cathy Westerhausen.

The Inline marathon planners will need to bring 300 skaters down to this area of East Grand Forks for packet pickup and the intent would be to keep them downtown to visit our restaurants, trails, and shopping as well as to bring the community down to support the efforts of the Rollin on the River non-profit organization. Right now Matt Fisher will work on the promotions/partnerships for that evenings events and Lisa Schuster will work on the entertainment. We have ideas of what we would like to do this Friday evening downtown but would like to secure a location before approaching potential partners and forming plans.

We are asking your help in guiding us through a process to discuss this feasibility with the appropriate individuals including yourself, the Chief of Police, Fire Chief, Public Works Director, Park Director as well as others that would have concerns, questions, and approval authority regarding this request.

Please feel free to contact me at 701-330-0427 or email me at mparvey@hotmail.com to discuss this further.

With kind regards,

Melanie Parvey

Melanie Parvey,Rollin' on the River Course Director/Friday Night Planning Comm. Member
Att. East Grand Forks, MN business and public parking map

Grand Forks - East Grand Forks Metropolitan Planning Organization

Business and public parking

- Businesses
- Parking
- Off Street
- On Street
- On Street 2hr
- On Street 1hr

Public Buildings

G. EGF Library
J. Post Office

Businesses List

A. Blue Moose
B. Applebees/Mike's Pizza/Altru Rehab/Boardwalk Bar & Grill/ Rivers Edge Lounge &Deck Bar
C. Whitey's
D.Mamma Marias/River Cinema/ D'laj Salon
E. Cabela's
F. Reruns/Exponent
H. Little Bangkok
I. VFW
K. Flashbacks/Signature Jewelers/ Knick-Knack Paddywhacks/ TnT Outfitters/Quilters Eden
L. Plaza Motel

5th Ave NW
4th St NW
DeMers Ave
3rd St NW
2nd St NW
3rd Ave NW
N
W
E

0 162.5 325 650

Map Created 5/12/11

AGENDA ITEM # 2

Request for Council Action

Date: January 9, 2013

To: East Grand Forks City Council, Mayor Lynn Stauss, President Craig Buckalew, Council Vice President Greg Leigh, Council Members: Clarence Vetter, Henry Tweten, Chad Grassel, Mark Olstad and Ron Vonasek.

Cc: File

From: Greg Boppre, P.E.

RE: File Plans/Specifications – 2013 City Project No. 2 – Watermain and Forcemain Improvements

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Background:
I would like to file the plans and specifications for the above referenced project, get authorization to advertise and set bid date.

Steve Emery will present the draft plans and specifications at the Tuesday, January 15, 2013, Work Session.

This project originally started out as a Water & Light watermain project, however the City wanted to add the forcemain to this project (see attached map). This section of forcemain was in the 2010 watermain replacement project, however due to funding, was eliminated. This forcemain will help correct the odor issue the City has from lift stations No.'s 2, 3, 4 and 5, by eliminating the sewage from being exposed to the admosphere and hydrogen sulfide from building up.

PROPOSED BUDGET

	CITY	WATER & LIGHT
CONSTRUCTION	$210,000.00	$280,000.00
PLANS/SPEC'S	$20,400.00	$26,700.00
STAKE/INSPEC	$10,500.00	$14,000.00
CONTINGENCIES	$21,000.00	$28,000.00
ADMIN/LEGAL	$6,300.00	$8,400.00
TOTAL	$268,200.00	$357,100.00

Recommendation:
File plans/specifications, advertise and set bid date

Enclosures:
Plans/Specifications will be filed at the Tuesday, January 22, 2013, City Council meeting

WSN LIFT STATION 5

WSN LIFT STATION 6

WSN LIFT STATION NO. 3

WSN LIFT STATION 2

WSN LIFT STATION

WIDSETH SMITH NOLTING

WWW.WSNLS.COM

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WATER RESOURCES

ALEXANDRIA, MN
BAXTER, MN
BEMIDJI, MN
CROOKSTON, MN
EAST GRAND FORKS, MN
GRAND FORKS, ND
HILLSBORO, MN
ROCHESTER, MN

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION, OR REPORT WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF

DATE: LIC. NO.

DATE	REV#	REVISIONS DESCRIPTION	BY

6

DATE: 01/07/13
SCALE: AS SHOWN
DRAWN BY: MBA
CHECKED BY: SRE
JOB NUMBER: 0706G0016

2013 CITY PROJECT NO. 2
WATERMAIN & FORCEMAIN REPLACEMENT
EAST GRAND FORKS, MINNESOTA

FORCEMAIN PLAN

SHEET NO.
EX-1
SHEET OF

© 2012 WIDSETH SMITH NOLTING

1/7/2013 JN:0706G-City of East Grand For... J16-SCP2 WM and FM Replacement - EGF\0706G0016.000-SCP2 WM and FM Replacement - EGF\CADD\Civil\Sep2_wm-fm_replacement_exhibits.dgn

WWW.WSN.US.COM

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ARCHITECTS ALEXANDRIA, MN
ENGINEERS BAXTER, MN
ENVIRONMENTAL SERVICES BEMIDJI, MN
LAND SURVEYORS CROOKSTON, MN
WATER RESOURCES EAST GRAND FORKS, MN
GRAND FORKS, ND
HILDWING, MN
ROCHESTER, MN

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		7	

DATE: 01/07/13
SCALE: AS SHOWN
DRAWN BY: MBA
CHECKED BY: SRE
JOB NUMBER: 0706G0016

2013 CITY PROJECT NO. 2
WATERMAIN & FORCEMAIN REPLACEMENT
EAST GRAND FORKS, MINNESOTA
WATERMAIN PLAN

SHEET NO. EX-2
SHEET OF

© 2012 WIDSETH SMITH NOLTING

1/7/2013 J:\0706G-City of East Grand Fo...16-13CP2 WM and FM Replacement - EGF\0706G0016.000-13CP2 WM and FM Replacement - EGF\CADD\Civil\13cp2_wm-fm_replacement_exhibits.dgn

Request for Council Action

Date: 1/10/2013

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel

Cc: File

From: Jason Stordahl, Public Work Director

RE: Gatewell repair

Consider approving the request to approve :

During routine maintenance at Gatewell L-16 one of the shafts was damaged. The damaged shaft must be removed and replaced. Below you will find the two quotes that I received to remove the damaged shaft and replace with new shaft.

ICS General Contractor $24,325

RWI General Contractor $13,900

Recommendation: Award repair/replace job to RWI General Contractor for $13,900.

C:\Documents and Settings\mnelson\Local Settings\Temporary Internet Files\Content.Outlook\OCTG9LAG\L-16 gatewell shaft repair (2).doc

ICSI
GENERAL CONTRACTOR

P.O. Box 13158 • Grand Forks, ND 58208-3158
(P) 701.775.8480 (F) 701.775.8479
www.icsgf.com

Proposal

PROPOSAL SUBMITTED TO City of East Grand Forks		PHONE (218) 773-1313 FAX (218) 773-5615	DATE 3-Jan-13
STREET 1001 2nd. St. NE		JOB NAME Repair L-16 Gate Stem and Guides	
CITY, STATE AND ZIP CODE East Grand Forks, MN 56721		JOB LOCATION East Grand Forks, MN	
ARCHITECT N/A	DATE OF PLANS N/A	ATTN: Terry Vonasek	Email tvonasek@eastgrandforks.net

We hereby submit specifications and estimates for:

1. *Remove existing operator, upper stem and upper 2 stem guides (1 gate only).*
2. *Install upper 2 new stem guides, upper stem (171.75" long) and re-install operator (1 gate only).*
3. *Inspect and adjust existing gate (1 gate only).*
4. *Test and operate gate and operator (1 gate only).*
5. *Owner to provide portable electric or hydraulic operator to lift and raise the gate.*

Excludes:

1. *Performance and Payment Bond. Builders Risk Insurance.*
2. *Removal of ice to repair the gate.* ***Add $2,000.00 to the price below to remove up to 4 foot thick ice if required. If the ice is over 4 feet thick additional charges would apply.***
3. *Dewatering the gatewell, working in a flooded condition, or installation/removal of stoplogs. Minor dewatering with a 2" electric pump is included.*
4. *Replacement of the lower 214.00" long stem, thrust nut or lower stem guide. It appears that these are in good condition but this can't be confirmed until the gate can be operated. If these need to be replaced additional charges and significant material lead time may be required.*
5. *As the gate is currently under approximately 3 feet of ice and the stem and guides are damaged we are unable to determine if there is any damage to the gate or operator. If any damage is discovered after replacing the stems and guides additional charges and significant material lead time may be required.*

MINIMUM 8-10 WEEK DELIVERY OF MATERIALS AFTER RECEIPT OF PURCHASE ORDER

We Propose hereby to furnish material and labor - complete in accordance with above specifications,

for the sum of: ***Twenty Two Thousand Three Hundred and Twenty Five Dollars*** **($ 22,325.00)**

Payment to be made as follows:

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accident or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Authorized Signature Kirk Langer

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work specified. Payment will be made as outlined above.

Signature

Date of Acceptance:

Signature

3102 North Washington Street, Grand Forks, ND 58203

QUOTE

Date: **1/10/2013 12:45 PM**

RWI General Contractors
1011 11th Ave. NE Suite E
PO Box 587
East Grand Forks, MN 56721
Phone: 1-218-773-0886 Fax: 1-218-773-0887

Submitted To: City of East Grand Forks
Attn: Terry Vonasek

Bid Title: Lift Station Repair
Bid Number: 661
Project Location: East Grand Forks, MN

This quote is to remove and replace a shaft and bracket on a lift station south of East Grand Forks, MN. The number is a time and materials, cost not to exceed, quote.

Grand Total: $13,900.00

Quote is to be reviewed and accepted or declined within seven days. By signing below you agree that the prices, specifications, and conditions are satisfactory.

Payment terms: Upon receipt of the invoice.

ACCEPTED:

Printed Name_____

Signature_____

Date of acceptance_____

CONFIRMED:

Printed Name_____

Authorized Signature_____

Date of signature_____

Memorandum

Date: 1/10/2013

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel

Cc: File

From: Jason Stordahl, Public Work Director

RE: Wastewater Inspection Response

On September 4th 2012 MPCA conducted a Compliance Evaluation Inspection (CEI) on the City's Wastewater Ponds. The CEI consisted of a visual inspection of the Pond Facility and a discussion with East Grand Forks Wastewater staff. The results of the inspection were noted, and MPCA sent the City an Alleged Violation Letter (AVL). The letter summarized the findings of the inspection, and noted a number of alleged violations. MPCA made a list of corrective actions that the City must take in order to avoid being penalized.

Public Works Wastewater staff implemented many of the corrective actions suggested. However there was one action that will require council action to address, action number four. You may read action number for in the attached Alleged Violation Letter.

After implementing corrective actions the City responded to MPCA letting them know what actions were taken, and what our plans were to deal with other issues in the future. We asked MPCA for an extension on our response time in regards to corrective action number 4. There was correspondence between MPCA and the City through two more letters, and multiple phone calls. In the letters various corrective actions were discussed, and MPCA granted our request for an extension on our response time, but requested that we send them three progress reports to track our progress in completion of actions number 1 and 4.

In regards to action number four, the Mayor is proposing that we do a voluntary Water Balance test this summer to find out if we are in fact leaking more than our allowable limit. If we find that we are leaking more than our allowable limit, we would then contact MPCA and start discussions of how to move forward. In the mean time the Mayor would like to assemble a wastewater committee. The committee would explore all options for a new wastewater facility, and make recommendations to the council on their findings.

Please review and consider the above material and attached letters, and prepare for some discussion at the next Work Session. We appreciate your time.

Minnesota Pollution Control Agency

Brainerd Office | 7678 College Road | Suite 105 | Baxter, MN 56425 | 218-828-2492

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

September 28, 2012

The Honorable Lynn Stauss
Mayor, City of East Grand Forks
1001 2nd Street Northeast
East Grand Forks, MN 56721

RE: East Grand Forks Wastewater Treatment Plant
NPDES/SDS Permit No. MN0021814
Compliance Evaluation Inspection/Alleged Violation Letter

Dear Mayor Stauss:

Enclosed is the Compliance Evaluation Inspection (CEI) report/Alleged Violations Letter (AVL) that resulted from an inspection of the East Grand Forks Wastewater Treatment Plant (Facility) on September 4, 2012, by Nicole Blasing and Sarah Thomson of the Minnesota Pollution Control Agency (MPCA).

The CEI consisted of a visual inspection of the Facility and a discussion with Bert Roberts and Dillon Nelson, wastewater operators and Jason Stordahl, public works director. In addition, there was a review of the monthly Discharge Monitoring Reports (DMRs) for the time period from August 1, 2008, to July 31, 2012. Based on the results of the CEI, violations of the terms and conditions set forth in the National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) permit were noted. Please see the attached CEI report for further detail.

Please respond in writing within 30 days of the date of this CEI/AVL. If you believe that any of the violations alleged below are incorrect, provide a detailed response to support this position. Finally, please indicate whether you have taken or will undertake the corrective actions listed in this letter.

Responding to this letter and taking the corrective actions outlined below may not resolve the alleged violations cited. The MPCA reserves the right to pursue any and all remedies available under Minn. Stat. §§ 115.071, 116.072, 116.073, and 609.671, and all applicable rules or permits for any violation cited in this letter.

It is important that you give this matter your full attention. The MPCA will consider your response in determining whether and what level of enforcement action is appropriate. Please again note that such enforcement action may require payment of a monetary penalty.

If you would like to meet with the MPCA staff to discuss the alleged violations, or if you have any questions, please contact me at 218-316-3890.

Sincerely,

Nicole Blasing

Nicole Blasing
Pollution Control Specialist Senior
Municipal Wastewater Section
Municipal Division

NB:cas

Enclosure

cc: Jason Stordahl, Public Works Director, City of East Grand Forks
Bert Roberts, Wastewater Operator, City of East Grand Forks
Dillon Nelson, Wastewater Operator, City of East Grand Forks

MINNESOTA POLLUTION CONTROL AGENCY
WATER QUALITY POINT SOURCE PROGRAM
Compliance Evaluation Inspection Report

FACILITY INFORMATION:
Facility Name: East Grand Forks WWTP
Permit Number: MN0021814
Address: 140th Street Southwest and 460th Avenue Southwest
East Grand Forks, MN 56721
Permit Expiration Date: May 31, 2016
Facility Design Flow: 1.4 mgd (AWW)
Major Minor Classification: Major
Type of Flow: Domestic
Plant Class: D
Land Application Type: N/A

24 Hour Contact: Mr. Jason Stordahl
Phone: 218-773-1313

GEOGRAPHIC INFORMATION:
MPCA Region: Northwest
County: Polk
Basin: Red River of the North
Major Watershed: Red River of the North - Grand Marais Creek
Receiving Water: Red River of the North (2B, 3C, 4A, 4B, 5, 6, water)

THOSE PRESENT DURING THE INSPECTION:

Facility Representatives	Title
Bert Roberts	Wastewater Operator
Dillon Nelson	Wastewater Operator

MPCA Representatives	Title
Nicole Blasing	Pollution Control Specialist Senior
Sarah Thomson	Pollution Control Specialist

INSPECTION INFORMATION:
Inspection Date: September 4, 2012
Inspection Type: CEI, Domestic Municipal without Sampling
Inspection Category: State

FACILITY COMPONENTS:
1 Primary Stabilization Pond (240 acres)
1 Secondary Stabilization Pond (95 acres)

WASTE CONTRIBUTORS:

No waste contributors are listed for this permit.

TREATMENT PLANT OPERATORS:

Name	Phone	Class	Expiration
Johnson, Brian A	218-299-5470	Class D	7/1/2013
Nelson, Dillon M	218-207-8229	Class D	9/1/2015
Roberts, Bert W	701-739-1901	Class D	6/1/2015
Vonasek, Terry J	218-773-1313	Class D	6/1/2013
Wachter, John P	218-773-1313	Class C	11/1/2013

INSPECTION SUMMARY

A Compliance Evaluation Inspection (CEI) was conducted on September 4, 2012, by Nicole Blasing and Sarah Thomson of the Minnesota Pollution Control Agency (MPCA) to determine the Facility's compliance with the terms and conditions of its National Pollutant Discharge Elimination System/State Disposal System (NPDES/SDS) Permit. The following is a summary of the findings and comments resulting from that inspection.

Areas of Concern or General Comments:

- Overall Physical Condition of the Pond Facility: The pond Facility was built in 1959. The overall condition of the Facility seems to be in fair condition considering the age of the ponds. The dikes were recently mowed and the weeds in the riprap were recently sprayed. The operators have been doing a good job keeping up with the regular mowing and weed removal maintenance around the ponds and they also repair any dike erosion when it occurs.

  There was a large amount of duckweed and algae observed in the primary and secondary ponds. This could be due to the low water level in the ponds and the hot dry summer. The duckweed and algae mats should be broken up to aid in the dispersal and removal. The removal of such mats can magnify the amount of sunlight penetration into the wastewater, which may further guarantee water quality compliance with the MPCA.

- Regionalization/Upgrade Project: the MPCA staff is aware of the city of East Grand Forks' (Regulated Party) plans and discussions related to regionalization with Grand Forks, North Dakota or upgrading its existing Facility. The pond Facility is an old system that doesn't meet the MPCA's current design requirements. The ponds were originally designed at a total depth of 6 feet with no depth for sludge storage. The operator estimated that there is now about 12-14 inches of sludge in the primary pond. It is also possible that the ponds leak above the allowable leakage rate of 3,500 gallon per day (gpd)/acre. It is important for the Regulated Party to actively move the decision forward either to connect to the Grand Forks, North Dakota wastewater facility, or to upgrade the existing Facility. *The solids and leakage rate are addressed below in the Alleged Violations/Corrective Actions sections.*

- Sampling Methods/Lab Certification: The Regulated Party sends all of their samples to a certified lab and does not maintain a certified lab on-site. The operators grab their influent samples from the last main lift station at a location where all of the influent flow is combined. The effluent samples are grabbed from the final outlet control structure during discharge events.

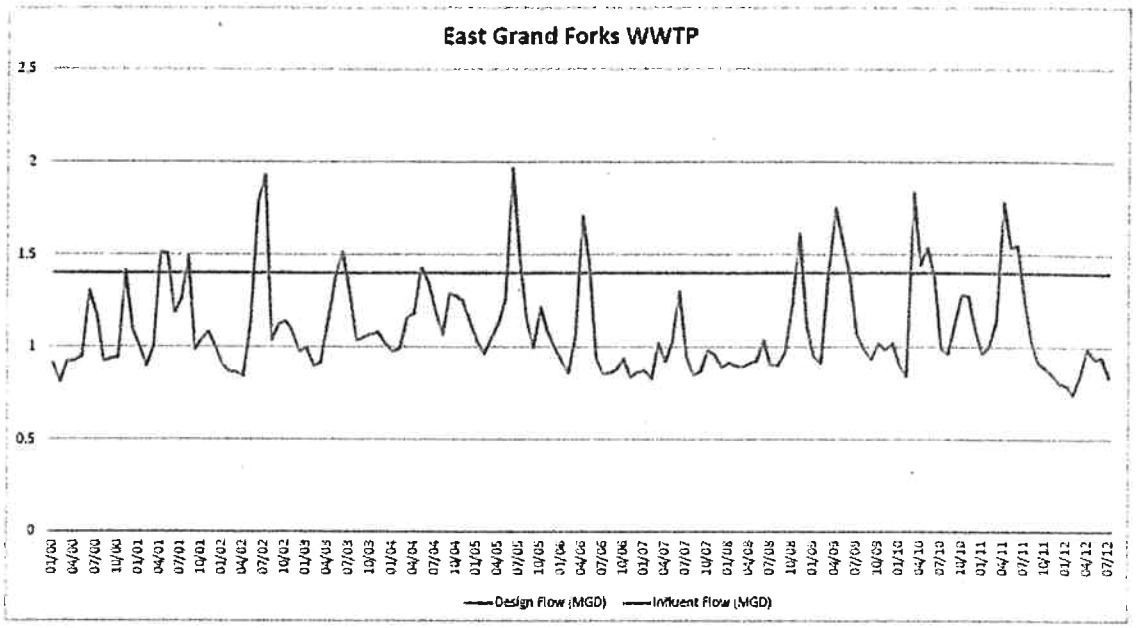
- DMRs/Annual Reports: One DMR was submitted late during the review period. The August 2009 DMR that was due on September 21, 2009, was received by the MPCA on September 30, 2009. The Regulated Party has signed up and is currently submitting electronic DMRs (e-DMRs). The Regulated Party has not had any recent problems submitting DMRs on time.

  A Mercury Minimization Plan (MMP) was due to the MPCA on December 17, 2011. At the time of the inspection, the MPCA staff had no record of receiving the MMP from the Regulated Party. The MPCA staff was informed by the operators that the MMP was submitted to the MPCA and a copy of the MMP was given to the MPCA staff during the inspection. The MMP is dated December 2011. The MMP will be reviewed by the MPCA staff. An additional response letter will be sent to the Regulated Party for your records once the MMP is reviewed.

- Analytical Data: A table is included below outlining the effluent violations that were reported during the review period. *The effluent violations are addressed below in the Alleged Violations section.*

Parameter	Limit	Reported Value	Units	Limit Type	DMR Date
BOD, Carbonaceous 05 Day	1,462	1,597	kg/day	Calendar Month Average	5/31/2009
pH	9	9.77	SU	Calendar Month Max	10/31/2008
pH	9	9.23	SU	Calendar Month Max	11/30/2008
pH	9	9.46	SU	Calendar Month Max	4/30/2009
pH	9	9.61	SU	Calendar Month Max	5/31/2009
pH	9	9.5	SU	Calendar Month Max	6/30/2009
pH	9	9.61	SU	Calendar Month Max	9/30/2010
pH	9	9.47	SU	Calendar Month Max	11/30/2010
pH	9	9.2	SU	Calendar Month Max	10/31/2011
Solids, Total Suspended, Percent Removal	85	79	%	Minimum Calendar Month Average	4/30/2009
Solids, Total Suspended, Percent Removal	85	79	%	Minimum Calendar Month Average	5/31/2009
Solids, Total Suspended	45	72.34	mg/L	Calendar Month Average	11/30/2010
Solids, Total Suspended	65	98.64	mg/L	Maximum Calendar Week Average	11/30/2010
Solids, Total Suspended	45	1,050	mg/L	Calendar Month Average	6/30/2011

- Flow data: Prior to the inspection, the MPCA staff reviewed the influent flow data for the Facility back to January 2000 and compared the influent flow to the design flow. A graph of this data and comparison is included below. The flows at the Facility are nearing the capacity design flow of 1.4 million gallon per day (mgd). The year to date average influent flow is 1.24 mgd or 89 percent of the design flow. Nearing the design flow can lead to the MPCA placing a restriction on future sewer extensions to the Regulated Party's facility. This should be addressed during the Regulated Party's current and future Facility upgrade/regionalization discussions.



- I&I/ Collection System issues: It is evident by the sharp peaks on the graph above that the Regulated Party's collection system receives some amount of inflow and infiltration (I&I). The Regulated Party should be continually working to identify, reduce, and remove any sources of I&I into the collection system.

  There are 13 lift stations total throughout the collection system. All of the pumps throughout the collection system are calibrated 2 times per year and are in good condition.

- Enforcement Actions over the review period: There was no enforcement actions issued to the Regulated Party over the review period.

- Compliance Schedule progress: N/A

- Biosolids/Land Application Sites: N/A

- General Maintenance Schedule Reviewed – Daily, Weekly & Monthly O&M: The MPCA Staff did not inspect any formal maintenance schedule but discussed the Regulated Party's general maintenance schedule with the operators. It seems that the maintenance completed by the operators on the collection system and the pond Facility is adequate.

- Record Keeping: The MPCA staff reviewed and confirmed that the Regulated Party maintains at least 3 years of records as required by their NPDES/SDS permit.

- Other:

  - The pond Facility is required to have an adequate fence, signs, and a locked vehicle access gate to discourage trespassing. During the inspection it was found that the fence was in disrepair in various locations. It was also brought to our attention that snowmobilers have entered the pond Facility during the winter. It is extremely important for the Regulated Party to ensure that the fence is adequately repaired and maintained so that trespassing is minimized to the extent possible. The Regulated Party is required to have a suitable fence around the Pond Facility and appropriate notification signs for every 500 feet of fence. *This is addressed below in the Alleged Violations/Corrective Actions sections.*
  - The MPCA staff observed that the control structure between the primary and secondary ponds and the effluent control structure from the secondary pond to the receiving water are left open and unlocked. Both control structures should be covered and locked to control access at all times. *This is addressed below in the Alleged Violations/Corrective Actions sections.*
  - The MPCA staff could hear a constant trickle of water from the discharge pipe. This could indicate that the final control structure is leaking. The operator indicated to the MPCA staff that the water coming out of the discharge pipe is groundwater that is getting into the discharge pipe. The MPCA is requesting; 1) that a sample be taken of the water coming out of the discharge pipe, 2) that the final control structure is evaluated, and 3) a formal water balance be completed on the ponds in the spring of 2013. *This is addressed below in the Alleged Violations/Corrective Actions sections.*
  - The MPCA staff observed a large amount of septage that has been dumped over a long period of time in the southwest corner of the primary pond. The septage is piled up so high that it is now above the water level in the primary pond. The Regulated Party should be aware that septage excessively increases the loading to a pond system. The addition of septage has the potential to cause violations of NPDES/SDS permit requirements. The hauler has been allowed uncontrolled access into the pond Facility. It is the Regulated Party's decision to allow septage into the ponds, but it is required by your NPDES/SDS permit that the Regulated Party controls its users and not allow uncontrolled access into the pond Facility. If the Regulated Party decides to continue accepting septage, a system should be developed so that the septage added into the system at the last main lift station in the collection system in a controlled manner. By incorporating the septage into the waste stream the solids will be more evenly spread throughout the primary pond instead of piled up in one location along the side of the pond. *This is addressed below in the Alleged Violations/Corrective Actions sections.*

The following section is a description of the actions or failures to act that were documented by the MPCA staff that is alleged to be in violation of the cited statute, rule or permit condition:

ALLEGED VIOLATIONS

1. **Water Quality: NPDES/SDS Permit No. MN0021814, Chapter 10 Total Facility Requirements, Section 1 General Requirements, Subsection 1.13.** States: "Control Users. The Permittee shall regulate the users of its wastewater treatment facility so as to prevent the introduction of pollutants or materials that may result in the inhibition or disruption of the conveyance system, treatment facility or processes, or disposal system that would contribute to the violation of the conditions of this permit or any federal, state or local law or regulation."

The MPCA staff observed a large amount of septage that has been dumped over a long period of time in the southwest corner of the primary pond. The septage is piled up so high that it is now above the water level in the primary pond. The hauler has been allowed uncontrolled access into the pond Facility. It is the Regulated Party's decision to allow septage into the ponds, but it is required that the Regulated Party control its users and not allow uncontrolled access into the pond Facility. If the Regulated Party decides to continue accepting septage, a system is required to be developed so that septage is added into the last main lift station in the collection system in a controlled manner.

2. **Water Quality: NPDES/SDS Permit No. MN0021814, Chapter 10 Total Facility Requirements, Section 1 General Requirements, Subsection 1.34.** States in part: "The Permittee shall at all times properly operate and maintain the facilities and systems of treatment and control, and the appurtenances related to them which are installed or used by the Permittee to achieve compliance with the conditions of the permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures."

    a. The pond Facility is required to have an adequate fence, signs, and a locked vehicle access gate to discourage trespassing. During the inspection it was noted that the fence is in disrepair in various locations. It was also brought to our attention that snowmobilers have been getting into the pond Facility during the winter. It is required by the Regulated Party to ensure that the fence around the pond Facility is adequately repaired and maintained so that trespassing is minimized to the extent possible. The Regulated Party is required to have a suitable fence around the pond Facility and appropriate notification signs for every 500 feet of fence.

    b. MPCA staff observed that the covers on the control structure between the primary and secondary ponds and the effluent control structure from the secondary pond to the receiving water are left open and unlocked. Both control structures should be covered and locked to control access at all times.

c. MPCA staff could hear a constant trickle of water from the discharge pipe. This could indicate that the final control structure is leaking.

d. A large amount of solids were observed to be built up in the corners of the ponds. The operator also estimated that the solids could be 12-14" deep. Due to the age of the ponds it is likely that the solids need to be reduced or removed to provide adequate capacity for proper treatment.

3. **Water Quality: NPDES/SDS Permit No. MN0021814, Limits and Monitoring Requirements.** This Section states in part:

"The Permittee shall comply with the limits and monitoring requirements as specified below."

Parameter	Limit	Reported Value	Units	Limit Type	DMR Date
BOD, Carbonaceous 05 Day	1,462	1,597	kg/day	Calendar Month Average	5/31/2009
pH	9	9.77	SU	Calendar Month Max	10/31/2008
pH	9	9.23	SU	Calendar Month Max	11/30/2008
pH	9	9.46	SU	Calendar Month Max	4/30/2009
pH	9	9.61	SU	Calendar Month Max	5/31/2009
pH	9	9.5	SU	Calendar Month Max	6/30/2009
pH	9	9.61	SU	Calendar Month Max	9/30/2010
pH	9	9.47	SU	Calendar Month Max	11/30/2010
pH	9	9.2	SU	Calendar Month Max	10/31/2011
Solids, Total Suspended, Percent Removal	85	79	%	Minimum Calendar Month Average	4/30/2009
Solids, Total Suspended, Percent Removal	85	79	%	Minimum Calendar Month Average	5/31/2009
Solids, Total Suspended	45	72.34	mg/L	Calendar Month Average	11/30/2010
Solids, Total Suspended	65	96.64	mg/L	Maximum Calendar Week Average	11/30/2010
Solids, Total Suspended	45	1,050	mg/L	Calendar Month Average	6/30/2011

The review period for this inspection is August 1, 2008 – July 31, 2012. The effluent violations that were reported during the review period are outlined in the table above.

The CBOD and TSS violations were found to be reporting errors and at the time of the inspection it was discussed with the operators that those DMRs needed to be amended. There are no corrective actions required at this time for the pH and TSS % removal violations.

CORRECTIVE ACTIONS

In calculating any penalty that might be imposed for the violations alleged above, the MPCA will take into consideration the duration of the violations and whether you promptly addressed the violations.

1. Within 30 days of the date of this CEI/AVL, submit a plan to repair the fence around the pond Facility and to adequately cover and lock both the transfer and effluent control structures. The plan shall include a schedule for completion.

2. Within 30 days of the date of this CEI/AVL, submit the Regulated Party's plan to address the acceptance of septage. The plan must include the Regulated Party's decision on if it will

continue to accept septage. If the Regulated Party continues to accept septage the plan must outline a system that will be used to ensure that septage is getting incorporated into the Facility at the correct location and in a controlled manner.

3. Within 30 days of the date of this CEI/AVL, submit the results of a solids sludge test from the primary and secondary ponds to the MPCA. The sludge solids test is required to determine the sludge depth in each pond. If there is 12" or more of sludge in the ponds the Regulated Party will be required to reduce or remove the solids.

4. Within 30 days of the date of this CEI/AVL, submit the Regulated Party's plan for a Facility upgrade. This plan must include a schedule with dates outlining when the upgrade will occur. If the Regulated Party does not move forward with a Facility upgrade within an acceptable timeframe the Regulated Party will be required to complete a formal water balance on the existing primary and secondary ponds in the spring of 2013 to determine the leakage rate of the existing ponds. If a water balance is required, the Regulated Party will be required to submit a plan outlining how the water balance will be completed. If it is found that the ponds are leaking above 3,500 gallons/acre/day the MPCA will require the Regulated Party to complete a Facility upgrade within a specific timeframe.

5. Within 30 days of the date of this CEI/AVL, submit information to the MPCA outlining how the Regulated Party has been and will continue to have adequate funding to provide proper operation and maintenance to the Facility to ensure NPDES/SDS Permit compliance. An example of this would be incremental increases in user fees.

6. Within 30 days of the date of this CEI/AVL, submit fecal coliform analytical results for a sample collected of the water coming out of the discharge pipe. If it is found that there is fecal coliform in the sample, submit a plan to evaluate and fix the effluent control structure.

Signature of Inspector Nicole Blasing	Date 9/28/12

Comments, questions, and submittals should be addressed to:

Nicole Blasing
Pollution Control Specialist Senior
7678 College Road, Suite 105
Baxter, MN 56425
Ph. 218-316-3890

City of East Grand Forks

600 DeMers Ave · P.O. Box 373 · East Grand Forks, MN 56721
218-773-2483 · 218-773-9728 fax www.eastgrandforks.net

Public Works Department · 1001 2nd St NE · East Grand Forks, MN 56721

October 23, 2012

Nicole Blasing
Pollution Control Specialist Senior
7678 College Road, Suite 105
Baxter, MN 56425

Dear Ms Blasing

This letter is in response to the Alleged Violations Letter (AVL) that the City of East Grand Forks received from MPCA dated September 28th 2012. Below we have listed (by number corresponding to MPCA's AVL letter under Corrective Actions) corrective measures the City will take or has taken to resolve any facility issues.

1. We received quotes (prior to the compliance Evaluation Inspection (CEI)) and continue to seek quotes to repair the fence surrounding our pond facility. Once all estimates are in and council approves, we will have the fence repaired. The schedule for completion will be as soon as possible, contingent on the weather and contractors schedule.

The transfer and effluent control structures have been adequately covered and locked.

2. The City will no longer accept septage at our pond facility, starting December 1st 2012.

3. We have submitted along with this letter, results of a solid sludge test that was conducted by FS Engineering 9/27/2011. You will find that the average sludge depth does not exceed 12", and we are in compliance.

4. The subject of updating our pond facility has been discussed by our Staff, City Council, and Mayor numerous times in past months. We looked at options of rebuilding our pond facility, sending waste to a neighboring city, and building a treatment facility. The Council and Mayor have not yet come to an agreement on which option to proceed with.

City of East Grand Forks

600 DeMers Ave · P.O. Box 373 · East Grand Forks, MN 56721
218-773-2483 · 218-773-9728 fax www.eastgrandforks.net

Public Works Department · 1001 2nd St NE · East Grand Forks, MN 56721

Being that this is an election year, we may see several new faces on our City Council and possibly a new Mayor, come January. In light of this, we have asked you (Ms. Blasing) for an extension on our response time, in the matter of facility upgrade. We will continue to address and discuss the issue.

The City welcomes ongoing dialog with MPCA in future months, and would be willing to send progress reports as the pond facility issue is addressed.

5. East Grand Forks sewer user fees have increased incrementally throughout the years. Money from sewer user fees is divided out appropriately within the wastewater budget. Our pond facility (not including lift, pipe, and other wastewater budgeted items) budget for repairs and maintenance increased in 2012 by 1/3 from the previous year's budgeted amount.

Wastewater user fees are based on drinking water rates. For example: 65% of whatever the resident's metered water charge is, plus a metered capacity fee. This percentage, as well as the metered capacity fee has been increased throughout the years to ensure that we (City of East Grand Forks) may continue to obtain adequate funding, so that we can provide proper operation and maintenance to the facility.

6. Wastewater staff took a sample from water coming out of the discharge pipe on 10/3/2012. The sample was processed by RMB labs on10/4/2012, and found fecal coliforms to be 172 FC/100mL.

Staff also died the water in control structure 10/10/2012, and monitored discharge pipe for color. It was monitored daily for one week and found no color coming from the pipe. So our conclusion at this time is that the control structure is not leaking, and any water observed coming out of discharge pipe is ground seepage.

If you have any questions, comments, or concerns after reading this response letter please contact our office.

Sincerely,

Jason Stordahl
Public Works Director
1001 2nd St. NE
East Grand Forks, MN 56721
218-773-1313

Minnesota Pollution Control Agency

Brainerd Office | 7678 College Road | Suite 105 | Baxter, MN 56425 | 218-828-2492

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

November 15, 2012

The Honorable Lynn Stauss
Mayor, City of East Grand Forks
1001 2nd Street Northeast
East Grand Forks, MN 56721

RE: East Grand Forks Wastewater Treatment Plant
NPDES/SDS Permit No. MN0021814
October 23, 2012, Response Letter/September 28, 2012, Alleged Violation Letter

Dear Mayor Stauss:

The Minnesota Pollution Control Agency (MPCA) received the city of East Grand Forks (City) October 23, 2012, letter in response to the September 28, 2012, Alleged Violation Letter (AVL) that the MPCA issued to the City. The MPCA requests the information outlined below to further address the corrective actions outlined in the September 28, 2012, AVL:

Corrective Actions 1 & 4: The completion of corrective actions number 1 and 4 shall be tracked in the form of three Progress Reports. The Progress Reports are required to be submitted to the MPCA on January 18, 2013, February 8, 2013, and February 22, 2013. The Progress Reports shall include:

1. An update on the status of the fence repair (council approval and the schedule for the repair). Once the fence repair is complete photo documentation should be submitted to the MPCA.

2. An update on the progress the City Council, Mayor, and City staff has made towards developing a plan for a Facility upgrade and addressing corrective action number 4 of the September 28, 2012 AVL that was issued to the City.

The January 18, 2013, Progress Report should include picture documentation of the covered and locked control structures at the Pond Facility.

The February 22, 2013, Progress Report should include a final response to the September 28, 2012, AVL corrective action number 4.

Corrective Action 2: This corrective action has been completed. Stopping the acceptance of septage into the Pond Facility should be a permanent decision for the City.

Corrective Action 3: Thank you for the submittal of the results of the September 27, 2011, sludge solids test. The MPCA staff has one additional question:

1. Was the sludge solids test completed before or after the City started accepting septage?

Corrective Action 5: This corrective action has been completed.

Corrective Action 6: The October 3, 2012, sample that the City collected of the water from the discharge pipe found fecal coliform to be in the sample. The City indicated that that control structure is not leaking and that the water coming out of the discharge pipe could be from seepage. Within 15 days of the date of this letter, submit the following information to the MPCA:

1. Sample the water coming out of the discharge pipe for all of the parameters required at SD006 as outlined in your National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Permit. The sample does not have to be analyzed for total mercury, Nitrite Plus Nitrate, Ammonia Nitrogen, and Kjeldahl Nitrogen. Submit a copy of the lab results.

2. Submit a copy of the lab results of the October 3, 2012, fecal coliform sample.

3. The rate of flow of the water coming out of the discharge pipe.

If you have any questions, please contact me at 218-316-3890.

Sincerely,

Nicole Blasing

Nicole Blasing
Pollution Control Specialist Senior
Municipal Wastewater Section
Municipal Division

NB:cas

cc: Jason Stordahl, Public Works Director, City of East Grand Forks
Scott Huizenga, City Administrator, City of East Grand Forks

Submittals should be mailed to the location below:

Minnesota Pollution Control Agency
7678 College Road, Suite 105
Baxter, MN 56425

nicole.blasing@state.mn.us

City of East Grand Forks

600 DeMers Ave · P.O. Box 373 · East Grand Forks, MN 56721
218-773-2483 · 218-773-9728 fax www.eastgrandforks.net

Public Works Department · 1001 2nd St NE · East Grand Forks, MN 56721

November 30, 2012

Nicole Blasing
Pollution Control Specialist Senior
7678 College Road, Suite 105
Baxter, MN 56425

Dear Ms Blasing

This letter is in response to some of the questions that you had regarding the City's response to the AVL letter.

The question was asked for Corrective Action 3: Was the sludge solids test completed before or after the City started accepting septage? Answer: The sludge solids test was completed after the city started accepting septage.

Corrective action 6: We have sampled the water coming out of the discharge pipe for all of the parameters required at SD006 as outlined in our National Pollutant Discharge Elimination System (NPDES)/State Disposal System (SDS) Permit. I have attached the lab results for samples taken 11-20-2012, as well as the results from 10-3-2012.

We observed that the flowing coming out of the discharge pipe can be as little as nothing to as high as 10 gallons per minute (last sample 11-20-2012), and seems to fluctuate with precipitation. The last flow rate sample was calculated by placing a 5 gallon pail at the end of our discharge pipe and timing how long it took to fill the pail. Also as stated in our previous letter, staff died the water in control structure 10/10/2012, and monitored discharge pipe for color. It was monitored daily for one week and found no color coming from the pipe. So our conclusion at that time was that the control structure was not leaking, and any water observed coming out of discharge pipe was ground seepage.

If you have any other questions please call our office at 218-773-1313.

Sincerely,

Jason Stordahl
Public Works Director
1001 2nd St. NE
East Grand Forks, MN 5672

The City of East Grand Forks is an Affirmative Action Equal Opportunity Employer.

Request for Council Action

Date: 1/09/13

To: East Grand Forks City Council, Mayor Lynn Stauss, President Craig Buckalew, Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel

Cc: File

From: Scott Huizenga, City Administrator

RE: 2013 Legislative Priorities

The 2013 Minnesota Legislative convened last Tuesday. The Coalition of Greater Minnesota Cities is sponsoring its annual Greater Minnesota at the Capitol Day on Wednesday, February 6. Therefore, I request that the City establish its formal legislative priorities for presentation to state officials. The City Council may also have additional items to consider or change. Following discussion at the work session, staff will draft the final priorities into a resolution to be adopted at the next regular City Council session.

The following represents the top issues as identified by Mayor Stauss. In the recent past, the City has had as many as six distinct priorities. The proposed list contains four primaries. Three top priorities would be ideal for 2013.

1. **Expand Red River State Recreational Area (RRSRA) campground** – The campground experienced record attendance and revenues in 2012 with nearly $240,000 in gross revenue. This welcome rush highlighted an issue to state officials that we have known locally. Specifically, the campground needs more spaces. The campground contains 25 "rustic" spaces, or those without utilities, in addition to the 100+ spaces that have utilities. Recreational Vehicle (RV) travelers are the primary demographic in the RRSRA. RVs require utility connections. The City paid for the previous campground expansion – which totaled over $400,000 – exclusively with local funds. Both the state and the City have benefited from that expansion. Therefore, the City can promote strongly the assertion that the state should pay for most or all of the newly-proposed expansion. We anticipate a payback period of 4-5 years based on a cost of $8000-10,000 per lot.

2. **Northwest Regional Wellness and Recreational Center –** The City has discussed several community improvement projects in recent years including a Civic Center expansion, a swimming pool, and/or an indoor wellness facility. Mayor Stauss proposes a project that encapsulates the highlights of these proposals into a regional facility. A Northwest Regional Wellness and Recreational Center would expand the Civic Center, construct a new swimming pool, construct a walk/run track, develop a modest fitness center, and reconstruct the Civic Center parking lot. As proposed, Northland College, the East Grand Forks School District, and Polk County, at minimum, would be included in the partnership to create truly regional facility. We do not know at this time whether or not the legislature will sponsor a bonding bill in 2013, nor

do we know the potential size or scope of a bonding bill. Nonetheless, the City should begin this conversation as soon as possible should the City Council choose to prioritize this project.

3. **Local Government Aid (LGA)** – The state has cut the City's LGA by over **$2 million** since 2008. The projected deficit is projected is at least $1.3 billion for the next biennium. LGA funding has been cut over **$1 billion** at the state level since 2003. The 2013 Certified LGA is identical to to that of the past three years, which was already cut nearly 20 percent from previous levels. Overall, state funding is roughly half of its 2003 levels when accounting for inflation. This has led to increased service and tax pressures, as levies are a greater proportion of local budgets relative to LGA funding. The Coalition of Greater Minnesota Cities (CGMC) has adopted an LGA stance that recommends no further cuts to LGA.

4. **Waste Water Improvements** – The City continues to discuss options for a potential Waste Water Phase II project, which primarily addresses improvements to the City's waste water treatment facility. Current estimates range from $7-13 million depending upon project scope and alternatives. Project funding options include low-interest borrowing from the Minnesota Public Facilities Authority (PFA); and potential state bonding. Currently, the City is in the PFA's Intended Use Plan (IUP). The City used PFA loan funding for Phase I improvements, which totaled approximately $4.2 million. Financing for Phase I necessitated an increase in single-family base meter charges from $2 per month to $10 per month over a year and a half period. The City Council also approved greater increases to multi-family and commercial rates. The City Council last year adopted an additional increase of approximately $5 per month for the average residential user with corresponding increases for commercial and multi-family users. Using similar assumptions, rates would have to increase again by $10-15 per month on single-family homes in order to finance Phase II improvements without supplemental funding. Finally, the City is currently updating the Minnesota Pollution Control Agency (MPCA) on routine maintenance issues resulting from an annual inspection last fall. The City should be allowed adequate time and adequate funding to analyze all waste water issues before embarking on an ultimate treatment solution.

Recommendation:
Adopt by resolution an official City Legislative platform to present in the City's 2013 Legislative outreach efforts.

Attachments:
Proposed City of East Grand Forks Legislative Priorities
Coalition of Greater Minnesota Cities 2013 Legislative Packet
LGA charts

City of East Grand Forks

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City of East Grand Forks Legislative Priorities:

I. Expand Red River State Recreational Area (RRSRA) Campground

a. Demand continues to grow – 2012 generated record gross receipts of $240,000
b. 25 campground lots remain undeveloped
c. Great Return for City and State; Lot expansion payback period is 4-5 years

II. Northwest regional wellness and recreational center

a. Project could include an indoor swimming pool, walk/run tracks, Civic Center Arena expansion, and fitness center
b. Recognizes and expands East Grand Forks presence as a regional hub of Northwest Minnesota
c. Potential community partnerships including East Grand Forks School District, Northland College

III. Protect and Restore Local Government Aid (LGA) and Other Local Revenue Sources

a. East Grand Forks has been cut by over **$2 million** since 2008 in LGA and MVHC funding
b. LGA is nearly one-third of the City's budget – cuts to LGA translate directly to property tax increases
c. Sales tax on city purchases should be eliminated as duplicative, redundant, and representative of a broken promise to cities when the state cut LGA and MVHC funding
d. Any formula changes should minimize impacts, restore stability, and eliminate earmarks

IV. Fund Waste Water Treatment Improvements

a. Phase II is projected to cost **between $7-14 million**
b. City-only financing would add **$250 annually** (over $20 per month) to local taxpayer burdens
c. The project will significantly reduced environmental impacts to the surrounding area and the Red River
d. The City should be granted adequate time to fully analyze alleged issues and any viable alternatives

League of Minnesota Cities Priorities (listed alphabetically):

- Allied Radio Matrix for Emergency Management (ARMER) funding
- Broadband issue priorities
- City revenue diversification
- Clean Water Fund distribution
- Data practices
- Data requests for citizen email addresses
- Election issues
- Expanding economic development options for cities
- Foreclosure prevention and neighborhood recovery
- Funding local government aid
- Local government aid reform
- Modernizing bid publication requirements
- Organized solid waste collection
- Procurement/contracting
- Right-of-way management
- State restrictions on local budgets
- Street improvement district authority
- Water permit fees and agency budgets

Dedicated to a Strong Greater Minnesota

Don't Ignore Greater Minnesota in 2013

What Happened in 2012…

- State action caused property taxes to increase much faster in Greater Minnesota than the metro area (8% compared to 2.6%)
- Economic Development projects funded in 2012 focused on metro projects:
    - Vikings Stadium in Minneapolis
    - $2.7 million for 20 years for St. Paul River Centre Convention Center
    - $25 million for Saint Paul Saints Stadium

What Should Happen in 2013…

- Priority should be given to property tax relief and economic development programs and projects that help Greater Minnesota
    - Restore funding for LGA and reform LGA distribution formula
    - Bond for event centers in Mankato, Rochester, and St. Cloud
    - Bond for parks, transportation, and wastewater projects in Greater Minnesota
    - Pass the Greater Minnesota Economic Development Partnership Program:
        - Internship Tax Credit or Grant Program
        - Enhancement of Angel Investment Tax Credit for Greater Minnesota
        - New Employee Training Tax Credit

Greater Minnesota Economic Development Partnership

Chambers of Commerce EDAs Businesses Cities Non-Profits

2013 Coalition of Greater Minnesota Cities Economic Development Partnership Program

Difficult economic times demand new, innovative partnerships between cities, businesses, nonprofits and business groups. The CGMC Economic Development Partnership Program operates with the goal of stimulating job growth and prosperity in Greater Minnesota. Cities, local chambers of commerce, economic development authorities and independent businesses have all agreed that there are three important pieces of legislation that must be addressed in the 2013 Legislative Session:

Internship Tax Credit/Grant Program - When an employer in Greater Minnesota hires a college student as an intern, this program would offer a tax credit or grant intended to help pay that intern's wages. The intern gets valuable on-the-job experience, the business trains an employee to eventually take a full time position, and the city expands the number of hire-ready employees within its borders.

New Employee Job Training Program Tax Credit – One of the top complaints amongst Greater Minnesota businesses is the difficulty in finding employees with the necessary skill sets for 21st century jobs. The New Employee Job Training Tax Credit provides employers with money for training programs. The program is self-sufficient in that it is funded through the payroll withholdings of the newly hired and trained employees. This provides the employee with a job that would not have otherwise existed, allows the employer to hire employees that can make an immediate impact, and grows businesses in Greater Minnesota.

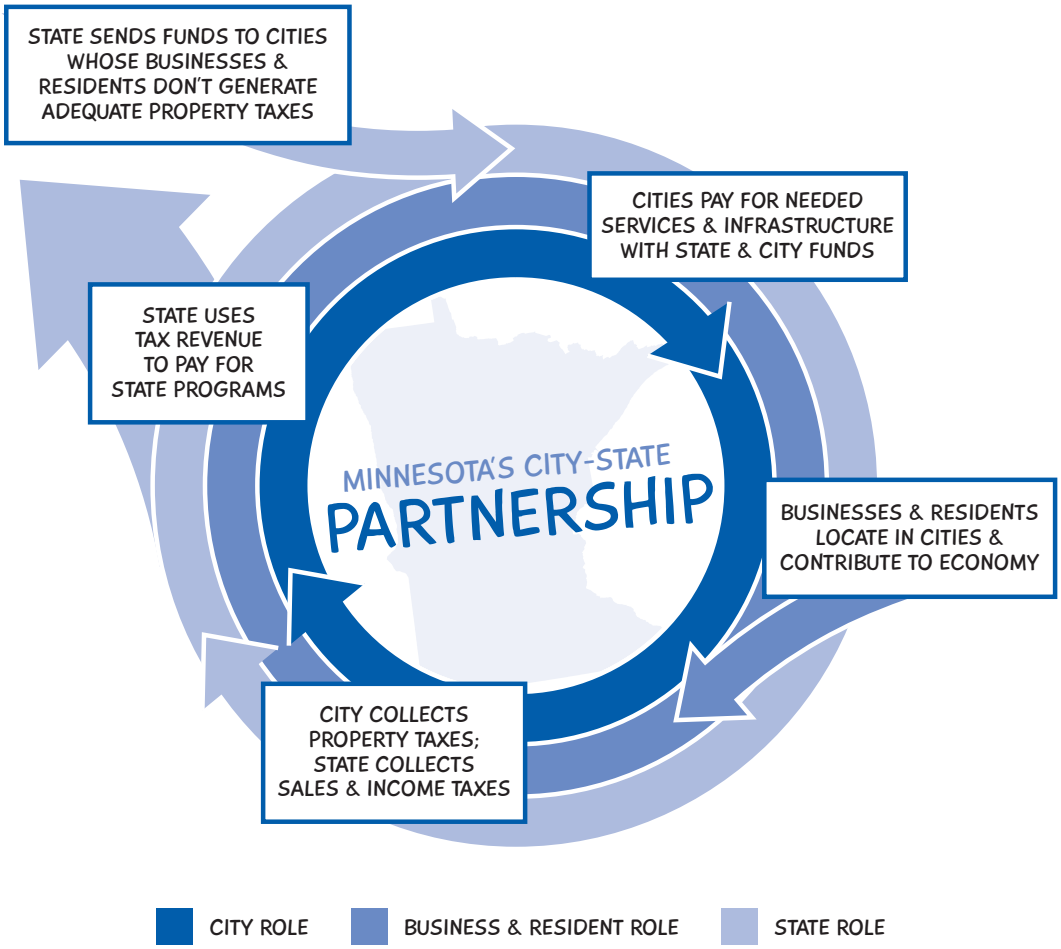
Expansion of the Greater Minnesota Angel Investment Credit – In 2010, the legislature created a program that provides a 25% tax credit to capital investors who help get a business off the ground. These investments have strongly leaned metro. By increasing the credit to 50% to qualifying Greater Minnesota businesses, investors will seek out investment opportunities in Greater Minnesota, supplying these businesses with much needed capital. Under this plan, Greater Minnesota businesses get a critical boost, citizens have greater employment options, and cities experience new business growth.

All three of these important bills were introduced in 2012 and had wide bipartisan support at the legislature. Both Democrats and Republicans realize that crucial, targeted investments in Minnesota businesses will need to be made for the economy to grow again.

Boosting job creation is a priority across the board, and by supporting this agenda, CGMC Economic Development Partnership members are putting the greater good of the state and its citizens first. Please join in working to pass these three initiatives in the 2013 Legislative Session.

MINNESOTA'S CITY-STATE PARTNERSHIP

Cities provide infrastructure and needed services to businesses and residents who in turn generate taxes to the state. The state uses this revenue to fund state programs. To ensure this cycle stays strong, the state provides aid to cities if the city's property tax base is not adequate to provide infrastructure and needed city services at a reasonable property tax rate.



Examples of economic activity that benefits the state, but not always the city:

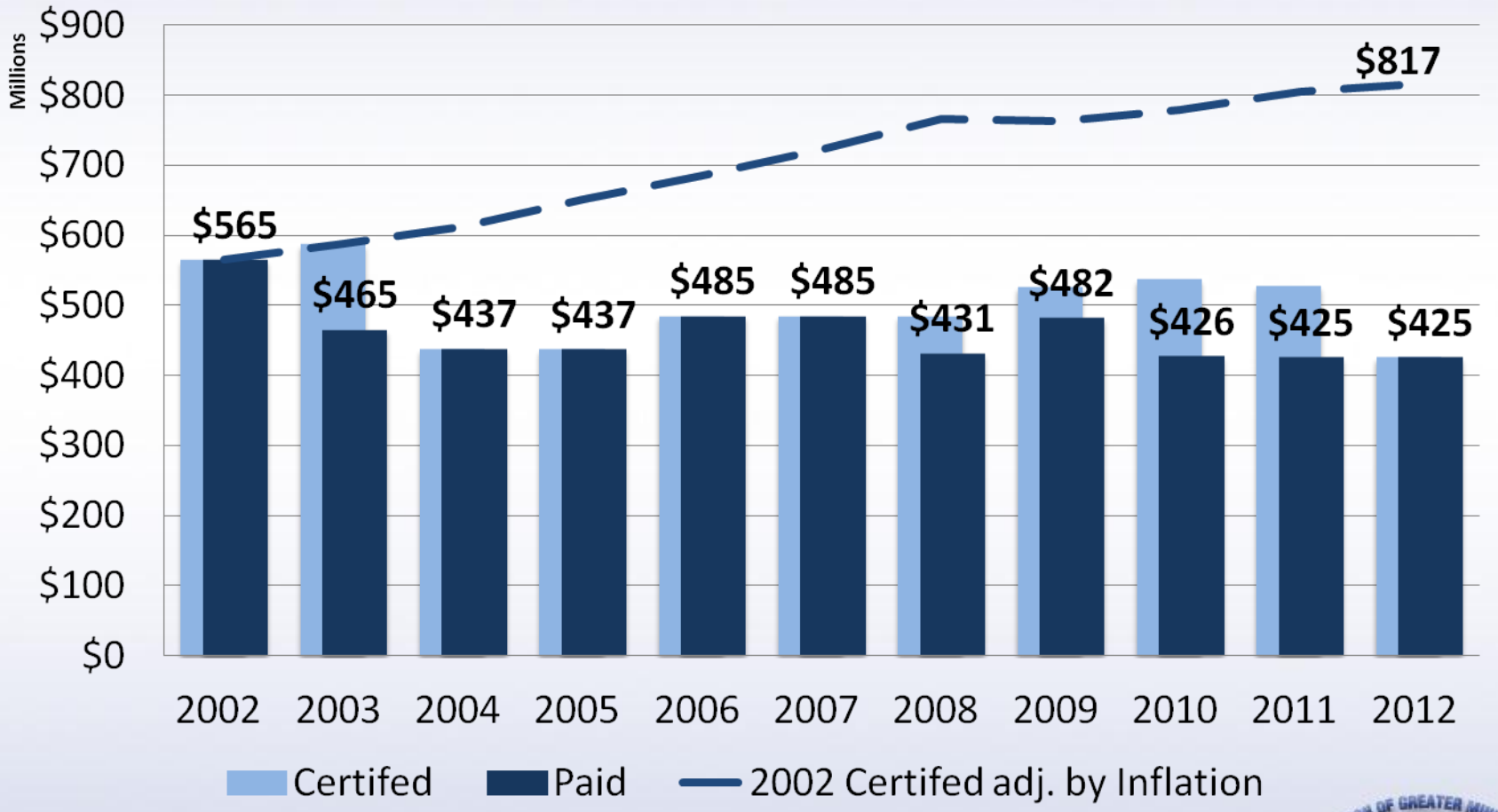
- A low-valued industrial property lowers values around it but generates significant sales and income taxes to the state.
- College graduates will pay more income taxes to the state than non-graduates, while college institutions pay no property taxes to their cities.
- Non-profits help lower costs of some state services, but pay no property taxes to their cities.
- Government buildings pay no property taxes, but workers and visitors use city services.
- A high-paid employee pays significant income and sales taxes to the state. He or she works at a low-valued property in one city, but resides in a high-valued home and does most shopping in another city. The work city sees little economic impact, while the state does.

Local Government Aid is how the state returns revenue to cities with low property tax wealth and/or high needs. This partnership keeps property tax rates reasonable and helps cities provide needed services that spur state economic growth and strong communities.

STRONG CITIES = HEALTHY STATE

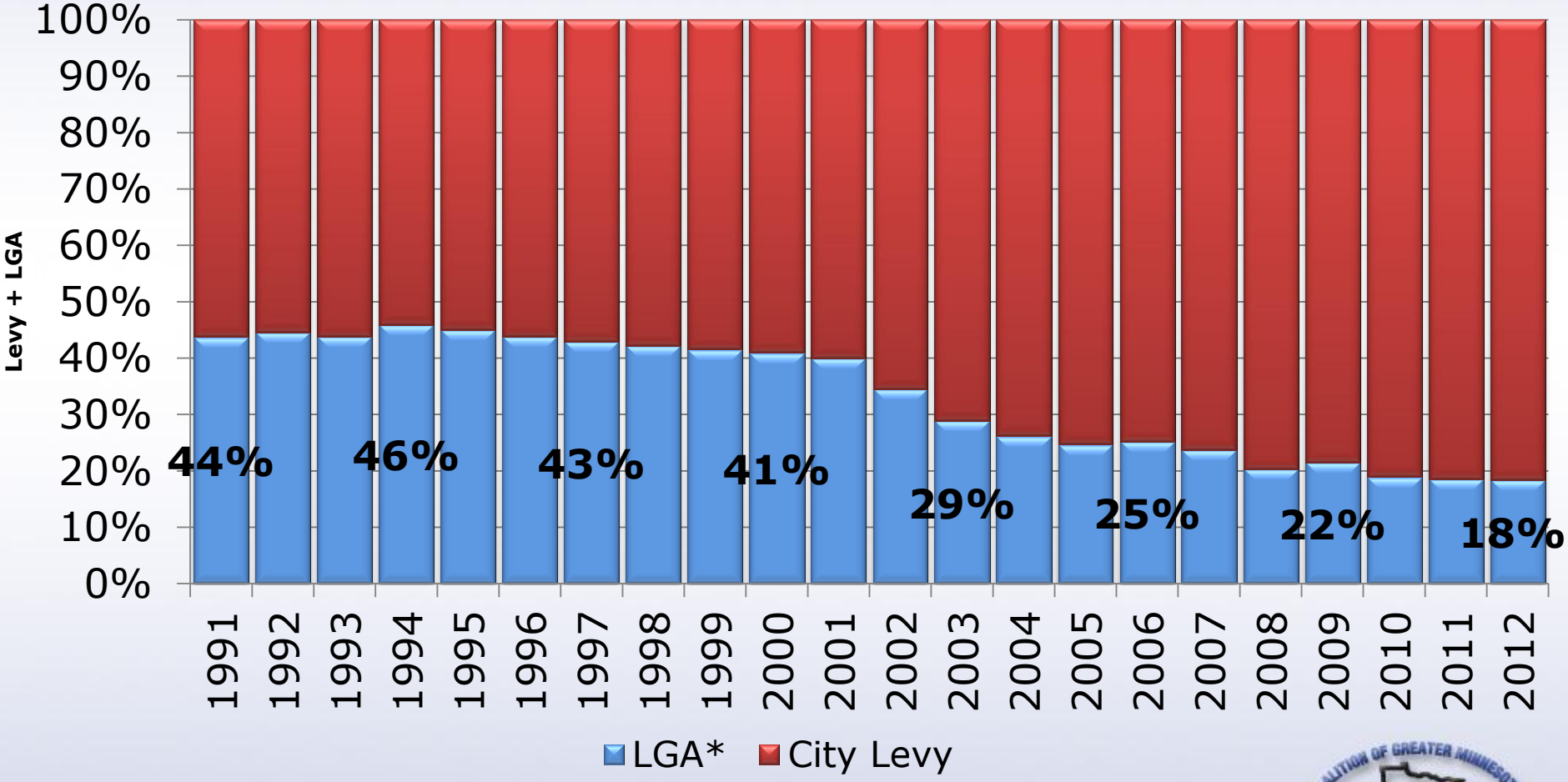
Prepared by Flaherty & Hood, P.A. for the Coalition of Greater Minnesota Cities, 11/5/2012

LGA Payment History

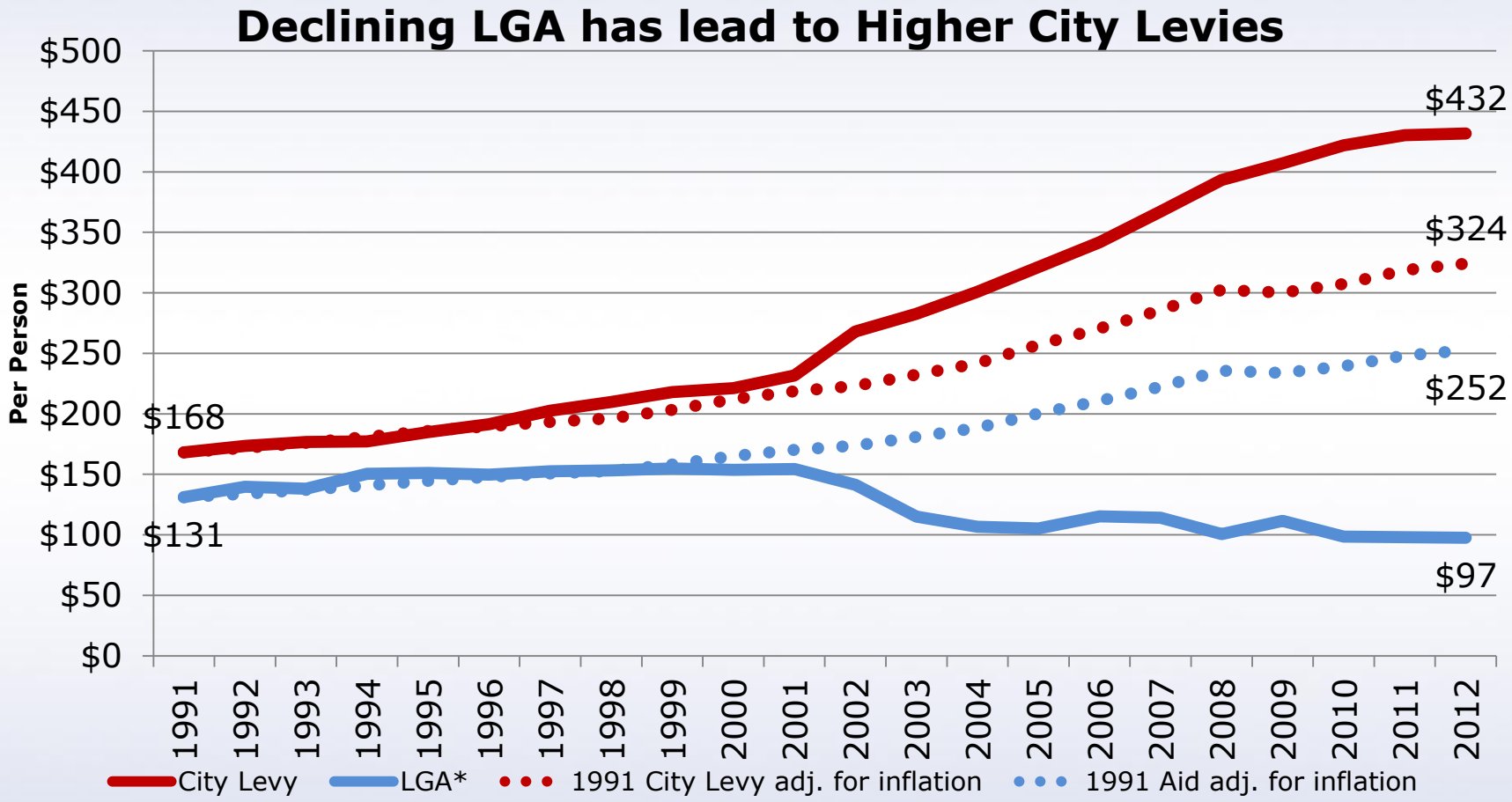


Restoring Funding

LGA has decreased as a Percentage of Levy + LGA



Restore Funding



Request for Council Action

Date: 1/9/13

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad and Chad Grassel

Cc: File

From: Scott Huizenga, City Administrator

RE: Civic Center locker room drinking fountain

Council Member Tweten requests a water cooler in the high school boys hockey team locker room at the Civic Center Arena. The Parks and Recreation Superintendent received a quotation from Vilandre Heating, Air Conditioning, and Plumbing, Inc. to install the water cooler for a total of $1788. The quotation does not include possible electrical installation.

The water cooler is different from traditional drinking fountains because the cooler contains a filtration system and an embedded water bottle filler. The same type of drinking fountain/bottle filler has been installed in the concession area of the Civic Center, which is accessible to the public, and at Northland College. The Water and Light Department participated in installing the fountains at these two locations.

The fountain would provide drinking water access within the boys locker room, and the bottle-filling component reduces solid waste accumulated through repeated use of disposable bottles.

The East Grand Forks school district leases the facility, and the district is exclusively responsible for maintenance and leasehold improvements of the locker room portion of the arena. Therefore, Council Member Tweten seeks Council approval to proceed with the installation.

Vilandre

Heating // Air Conditioning // Plumbing // Seamless Gutter // Sheet Metal

701 NORTH 7th ST., P.O. BOX 5673, GRAND FORKS, ND 58206
TELEPHONE (701) 775-4675 FAX (701) 772-7307
TOLL FREE (888) 784-4675 www.govilandres.com

EGF Civivc 11-21-2012

East Grand Forks MN 56721

ATTN: Dave

RE: Drinking fountains/ arena

We will install a new water cooler with a bottle filler.

PER UNIT
Total installed price per unit is.....$1,788.00

The one you wanted located by the sink in the bathroom area we can just drain it right into the shower area.

\Electrical is not included in this bid.

All services provided by VILANDRE'S are backed by our exclusive "VILANDRE ADVANTAGE". 100% customer satisfaction guaranteed or your money back.

Thank you, Dave, for allowing us the opportunity to submit this proposal. If you have any questions, please do not hesitate to call.

Have A Nice Day!

Kurt Gamache
Master Plumber / Plumbing Manager
VILANDRE HEATING, AIR CONDITIONING & PLUMBING, INC.
ND# 0020 MN# 065520-PM

"We Baby Sit With Your Furnace and Air Conditioner"
"Services Backed by the Vilandre Advantage"

Request for Council Action

Date: 1/10/03

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel

Cc: File

From: Scott Huizenga, City Administrator

RE: Reducing interest rates on special assessments

Council Member Tweten proposes to reduce interest rates on special assessment projects. For several years through 2011, the special assessment interest rate was 6.5 percent. This was based on an unofficial city policy that special assessments would be approximately two percent above applicable interest rates for General Obligation Bonds. The rationale the additional two percent would cover the City's bonding finance costs overhead.

The Council reduced the interest rate in 2012 project to 4.5 percent. The City also increased the repayment term in recent years from 15 years to 20 years. In October 2012, the City issued a general obligation (GO) bond which received a very favorable interest rate bid of 1.92 percent. Since then, interest rates on municipal bonds have increased by approximately 0.25 percent (25 basis points), reflecting investor uncertainty over federal discussions of the "fiscal cliff." Therefore, an interest rate of 4.0-4.5 percent on special assessments is consistent with the current policy.

Council Member Tweten proposes a special interest rate of 0.25 percent above estimated GO bond rates. The result would be a rate of 2.5 percent on outstanding and future projects, based on current rates. The City's only outstanding project yet to be certified is 2012 Assessment Job No. 4 – Riverview 10th Addition. The estimated total cost for Riverview 10th Addition is $452.251, which spread across 30 lots. The total cost, with interest over a 20-year term, on that development is estimated to be $690,635. The average annual payment per lot is $1151. By reducing the interest rate to 2.5 percent, the total development cost would be $577,457 for a total savings of approximately $113,000 over 20 years. The annual per lot payment would be $962, saving an average of $189 per lot per year. A detailed assessment roll will be prepared when the project is completed for final certification. A summary of the *estimated* costs for the Riverview 10th Addition is attached.

If the Council approves the proposal, a reduced rate of 2.5 percent would apply to future projects, subject to fluctuations in the GO Bond market.

Attachments:
Comparison of Interest Rates and Payments
Riverview 10th Addition Plat

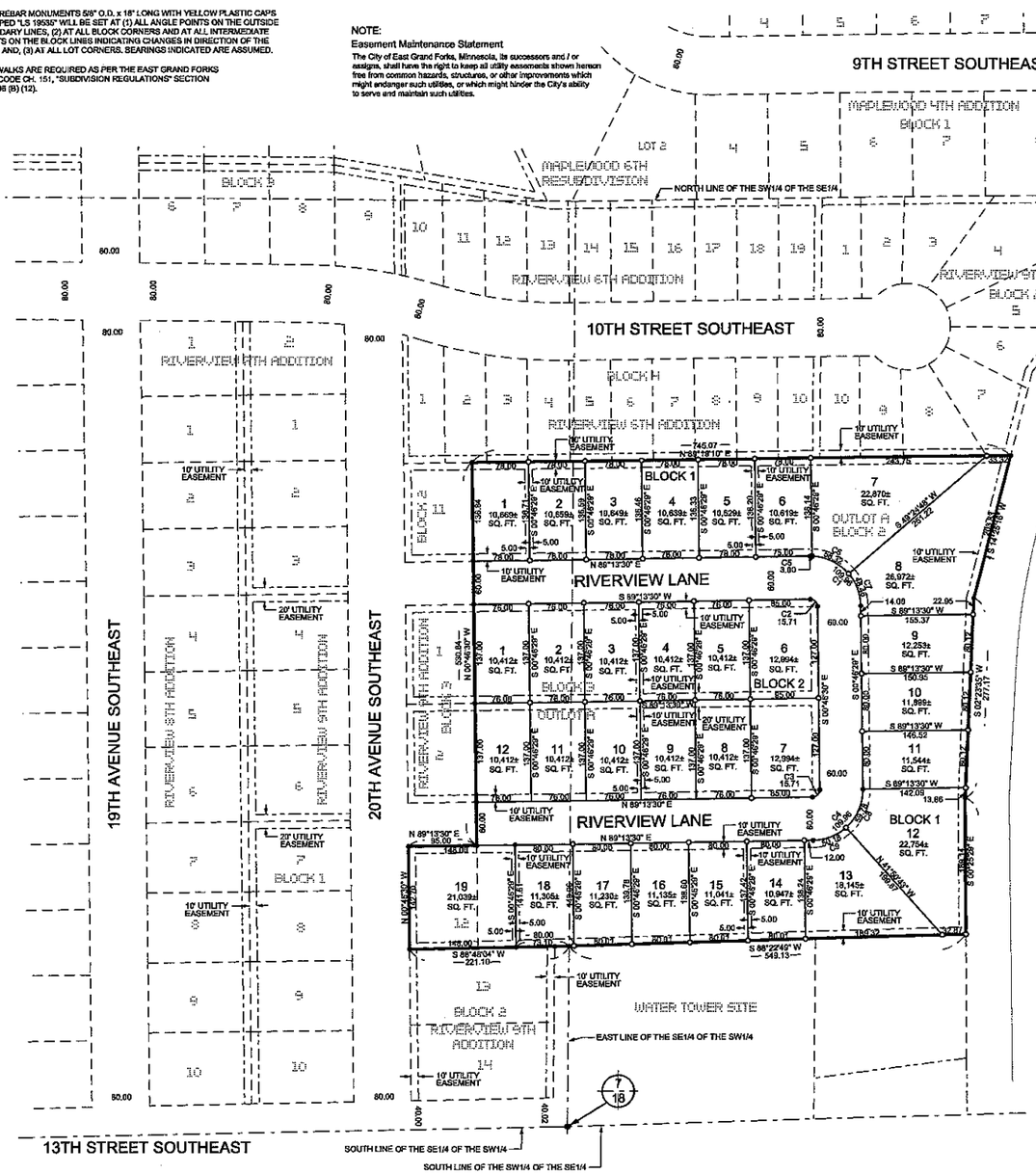
2012 Assessment Job No. 4 - Riverview 10th Addition
Comparison of Interest Rates and Payments

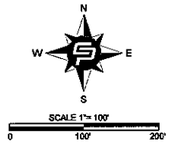
	Interest Rate	
	4.5	**2.5**
Principle (estimate)	452,251	452,251
Total interest (20 years)	238,379	125,203
Total development cost	**690,635**	**577,457**
Average principle per lot (30 lots)	15,075	15,075
Total average interest per lot (20 years)	7,946	4,173
Total average cost per lot (20 years)	**23,021**	**19,248**
Average per lot payment per year	**1,151**	**962**

NOTES:

1. IRON REBAR MONUMENTS 5/8" O.D. x 18" LONG WITH YELLOW PLASTIC CAPS STAMPED "LS 19535" WILL BE SET AT (1) ALL ANGLE POINTS ON THE OUTSIDE BOUNDARY LINES, (2) AT ALL BLOCK CORNERS AND AT ALL INTERMEDIATE POINTS ON THE BLOCK LINES INDICATING CHANGES IN DIRECTION OF THE LINES AND, (3) AT ALL LOT CORNERS. BEARINGS INDICATED ARE ASSUMED.
2. SIDEWALKS ARE REQUIRED AS PER THE EAST GRAND FORKS CITY CODE CH. 151, "SUBDIVISION REGULATIONS" SECTION 151.108 (B) (12).

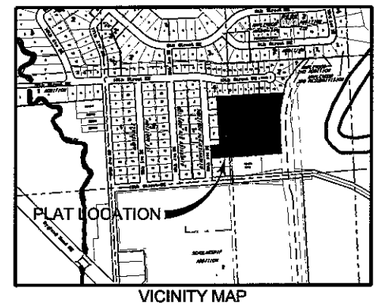
NOTE:
Easement Maintenance Statement
The City of East Grand Forks, Minnesota, its successors and / or assigns, shall have the right to keep all utility easements shown hereon free from common hazards, structures, or other improvements which might endanger such utilities, or which might hinder the City's ability to serve and maintain such utilities.





LEGEND

PLAT BOUNDARY	
PROPERTY LINE	
EXISTING LOT LINE	
EASEMENT LINE	
SECTION LINE	
MONUMENT FOUND	●
MONUMENT SET	O



VICINITY MAP

CURVE CHART

CURVE	DELTA ANGLE	ARC LENGTH	RADIUS	CHORD BEARING	CHORD LENGTH
C1	90°00'00"	109.96	70.00	S 45°46'29" E	98.99
C2	90°00'00"	15.71	10.00	S 45°46'29" E	14.14
C3	90°00'00"	15.71	10.00	S 44°13'31" W	14.14
C4	90°00'00"	109.96	70.00	S 44°13'31" W	98.99
C5	02°27'23"	3.00	70.00	S 89°32'48" E	3.00
C6	47°43'55"	58.32	70.00	S 64°27'10" E	56.64
C7	39°48'43"	48.64	70.00	S 20°40'51" E	47.67
C8	48°55'46"	59.76	70.00	S 23°41'24" W	57.98
C9	41°04'14"	50.18	70.00	S 68°41'24" W	49.11

CITY PLANNING COMMISSION APPROVAL:
I hereby certify that the within plat of "RIVERVIEW 10TH ADDITION" to the City of East Grand Forks, Minnesota, was approved by the City Planning Commission of the City of East Grand Forks, Minnesota, at a meeting of said City Planning Commission on the _____day of_____, 20___.

City Planning Commission of the City of East Grand Forks, Minnesota

By:_____, its Secretary
Brad Bail

SURVEYORS CERTIFICATE
I hereby certify that I have surveyed and platted the property described on this plat as "RIVERVIEW 10TH ADDITION", that this plat is a correct representation of the survey, that all distances are correctly shown on the plat in feet and hundredths of a foot, that all monuments will be correctly placed in the ground as designated, that the outside boundary lines are correctly designated on the plat and that there are no wet lands as defined in MS 505.02, Subd. 1 or public highways to be designated other than as shown.

_____
Michael S. Sansom, Land Surveyor
Minnesota Registration No. 48129

STATE OF MINNESOTA)
COUNTY OF POLK) SS

The foregoing Surveyor's Certificate was acknowledged before me this ___, day of_____ 20____by Michael S. Sansom, Minnesota Registration No. 48129.

_____
Notary Public,_____County
State of_____
My Commission Expires:_____

INSTRUMENT OF DEDICATION
"KNOW ALL MEN BY THESE PRESENTS": the owners and proprietors of the following described property:

"Riverview 10th Addition" Being a Replat of Outlot A, Block 2, Outlot A, Block 3 and Lot 12, Block 2, Riverview 9th Addition to the City of East Grand Forks, Minnesota.

CRARY DEVELOPMENT INC.

By _____ Its President
Tim Crary
Owner of Outlot A, Block 2, less the West 53' thereof adjacent to Lot 12, Block 2 and Outlot A, Block 3, Riverview 9th Addition

By _____
Greg Stortroen
Owner of Lot 12, Block 2, and the West 53' of Outlot A adjacent to Lot 12, Block 2, Riverview 9th Addition

STATE OF _____)
COUNTY OF _____) SS

On this____day of_____, 20____, before me, a Notary Public, personally appeared Tim Crary, President of Crary Development Inc. known to be the person described in and who executed the foregoing instrument, and acknowledged that he executed the same as his free act and deed.

_____
Notary Public,_____County
State of_____
My Commission Expires:_____

STATE OF _____)
COUNTY OF _____) SS

On this____day of_____, 20____, before me, a Notary Public, personally appeared Greg Stortroen known to be the person described in and who executed the foregoing instrument, and acknowledged that they executed the same as his free act and deed.

_____
Notary Public,_____County
State of_____
My Commission Expires:_____

CITY COUNCIL APPROVAL:
I hereby certify that the within plat of "RIVERVIEW 10TH ADDITION" to the City of East Grand Forks, Minnesota, was approved by Resolution of the City Council of the City of East Grand Forks, Minnesota, at a regular scheduled meeting of the City Council held on the____day of_____, 20___.

_____
Scott Huizenga, City Administrator / Clerk - Treasurer
City of East Grand Forks, Minnesota

COUNTY TREASURER TAX STATEMENT:
I hereby certify that all taxes for 20___ on the land described herein are paid.

_____
Polk County Treasurer, State of Minnesota

RECORDING CERTIFICATE
COUNTY RECORDER CERTIFICATE
DOCUMENT NUMBER

I hereby certify that this instrument was filed in the office of the Polk County Recorder for record on this ___day of _____, 20___, at _____ o'clock___M, and was duly recorded in Book ____ of_____ on page___.

_____
Polk County Recorder, State of Minnesota

TAX STATEMENT:
COUNTY AUDITOR TAX STATEMENT
No delinquent taxes due and transfer entered this _____ day of_____, 20___.

_____
Polk County Auditor, State of Minnesota

RIVERVIEW 10TH ADDITION
To The City Of
East Grand Forks, Minnesota

(Being a Replat of Outlot A, Block 2, Outlot A, Block 3 and Lot 12, Block 2, Riverview 9th Addition to the City of East Grand Forks, Minnesota.)

Request for Council Action

Date: 1/8/2013

To: East Grand Forks City Council, Mayor Lynn Stauss, Council Member Clarence Vetter, Ron Vonasek, Craig Buckalew, Henry Tweten, Mark Olstad, Chad Grassel, and Greg Leigh.

Cc: File

From: Fire Chief Gary Larson

RE: 2012 Safer Grant

Background and supporting documentation of request: In August we applied for the Staffing for Adequate Fire and Emergency Response (SAFER) grant. We received notification on Dec. 14, 2012 that we have received the award. This award will pay wages and benefits for a new firefighter for two years, at a value of $101758.00. If you decide to accept the grant we will have to maintain staffing for two years which are paid for by the grant. The third year has to be maintained by the City of East Grand Forks.

Recommendation: To accept the SAFER grant award.

Request: Council approval of the award, so I can do the proper paper work to accept the grant.

Enc. SAFER Award Letter

U.S. Department of Homeland Security
Washington, D.C. 20472

FEMA

Mr. Gary Larson
East Grand Forks Fire Department
415 4th St NW
East Grand Forks, Minnesota 56721-0313

Re: Grant No.EMW-2012-FH-00749

Dear Mr. Larson:

On behalf of the Federal Emergency Management Agency (FEMA) and the Department of Homeland Security (DHS), I am pleased to inform you that your grant application submitted under the FY 2012 Staffing for Adequate Fire and Emergency Response (SAFER) grants has been approved. FEMA's Grant Programs Directorate (GPD), in consultation with the U.S. Fire Administration (USFA), carries out the Federal responsibilities of administering your grant. The approved project costs total to $101,758.00. The Federal share is $101,758.00 of the approved amount and your share of the costs is $0.00.

As part of your award package, you will find Grant Agreement Articles. Please make sure you read and understand the articles as they outline the terms and conditions of your grant award. Maintain a copy of these documents for your official file. **You establish acceptance of the grant and Grant Agreement Articles when you formally receive the award through the AFG online system.** By accepting the grant, you agree not to deviate from the approved scope of work without prior written approval, via an amendment request, from FEMA.

Once your period of performance has begun, and if your SF 1199A has been reviewed and approved, you will be able to request payments online. Remember, you should request funds when you have an immediate cash need.

If you have any questions or concerns regarding the process to request your grant funds, please call 1-866-274-0960.

Sincerely,

Timothy W. Manning
Deputy Administrator for National Preparedness and Protection

AGENDA ITEM # 9

Request for Council Action

Date: December 6, 2012

To: East Grand Forks City Council, Mayor Lynn Stauss, President Craig Buckalew , Council Vice President Greg Leigh, Council Members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel.

Cc: File

From: Michael S. Hedlund – Chief of Police

RE: Polk County Radar Speed Sign Program

Background:

The City of East Grand Forks has been contacted by the Polk County Highway Department regarding a radar speed sign program that is designed to improve roadway safety. This program involves the installation of electronic signs that are installed on roadways around the county at locations that the county feels could be a traffic safety issue. The signs are electronic displays that indicate the speed of approaching vehicles. This is designed to get speeding drivers to slow down – much like our radar trailer does but in one permanent location. The County has suggested installing a sign on County Road 19 as traffic approaches MN Highway 220 North. I have spoken to Rich Sanders, Polk County Engineer and he said that was just a suggestion and East Grand Forks could select a different county road as it enters the community.

This program would involve Polk County paying for half of the cost of the sign (total cost is estimated to be $5,000.00) and completing the installation of the sign. The City of East Grand Forks would be responsible for the other half of the up-front cost, take care of any electrical costs for the operation of the sign and sign a hold harmless agreement on behalf of Polk County.

Recommendation:

This RCA is being brought forward for discussion by the city council. While I feel that this project has merit and would increase traffic safety I am not sure to what degree safety would be improved, especially at the suggested location. While the final cost is still to be determined the East Grand Forks share would initially be approximately $2,500.00 and we would also be responsible for the ongoing electrical costs. On a related note a basic version of a new radar trailer (like what we have now but a stripped down version) starts at approximately $5,000.00 and could be used at a variety of locations.

I have spoken with Nancy Ellis of the MPO and we agree a better location for this sign would be on County Highway 72 (Bygland Road) on the southern edge of town. This location would

serve to slow down traffic as it nears an area with two schools and in area that traffic is only controlled by speed limit signs rather than an already existing stop sign such as the area on County Road 19 at MN HWY 220N.

Nancy also pointed out that because of the location it may be cost prohibitive to run electrical lines for one sign and that the County may need to look at signs that are solar powered. Nancy has worked with the Public Works department in Grand Forks, ND and they have installed a number of these signs. They typically get solar powered signs that have battery powered back-ups for use in the winter. She recommends that this type of sign be installed if electrical lines are not easily available.

Attachments:

1. Letter from Polk County Highway Department reference the Radar Speed Sign Program.

2. Flyer from one company that provides the sign (provided to us by Polk County Highway Department.)

3. Maps of East Grand Forks showing both the Polk County recommended location and the location recommended by Chief Hedlund and Nancy Ellis.

TELEPHONE 218-281-3952

POLK COUNTY

HIGHWAY DEPARTMENT

820 OLD HIGHWAY 75 S
CROOKSTON, MN 56716

November 1, 2012

City of East Grand Forks
Scott Huizenga
Box 373
East Grand Forks, MN 56721

Dear Scott Huizenga:

The Polk County Board of Commissioners plans to initiate a new Radar Speed Sign program in Polk County to encourage speed limit compliance and to help improve roadway safety. The enclosed information outlines the general concept of the program. There are several companies that offer this service. The County will initiate "Quotes" and will accept the most cost effective and efficient package available.

Enclosed is a map which shows selected potential sites for installation of the Radar Speed signs in your area. Please review the sites selected, determine if they are in a locale that would be most beneficial to your City and surrounding roadways.

The Polk County Board has budgeted $20,000 for this program. They also indicated that each entity (city/town) would be responsible for 1/2 of the cost of each sign. The cost has been estimated at approximately $5,000.00 per sign.

Each entity (city/town) will be required to sign an agreement that will be on file in our County Highway Department office. The agreement will be comparable to agreements used for similar purposes by cities, townships and counties throughout the state. The agreement provides that the County will do the requested work and each entity will be pay the County for 1/2 the cost of the signs. It further provides that the city/township will pay for the electricity to operate the sign and a hold harmless clause in behalf of Polk County.

If you have questions or would like to discuss this program, please call my office at 218-281-3952.

Sincerely,

Richard C. Sanders, P.E.
Polk County Engineer

RCS:cmb
CC: Polk County Administrator, Sheriff's Department
Enclosures

Your Solution to Safer Roadways

Driver Feedback Signs

WSB & Associates, Inc.
in partnership with 3M™

WSB & Associates, Inc., in partnership with 3M™, is introducing an interactive driver feedback (DFB) sign to advise drivers of their speed and encourage speed limit compliance to help improve roadway safety.

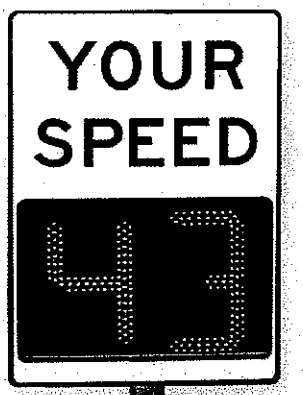
The DFB sign displays the speed of oncoming traffic detected by the integrated radar. The approaching car, exceeding the speed limit, is warned by the flashing display of LED lights. The display prompts the driver to slow down, creating a safer environment.

The driver feedback signs have been proven effective in transition zones, school zones, and other dangerous roadway areas.

Have a question or want to place an order?

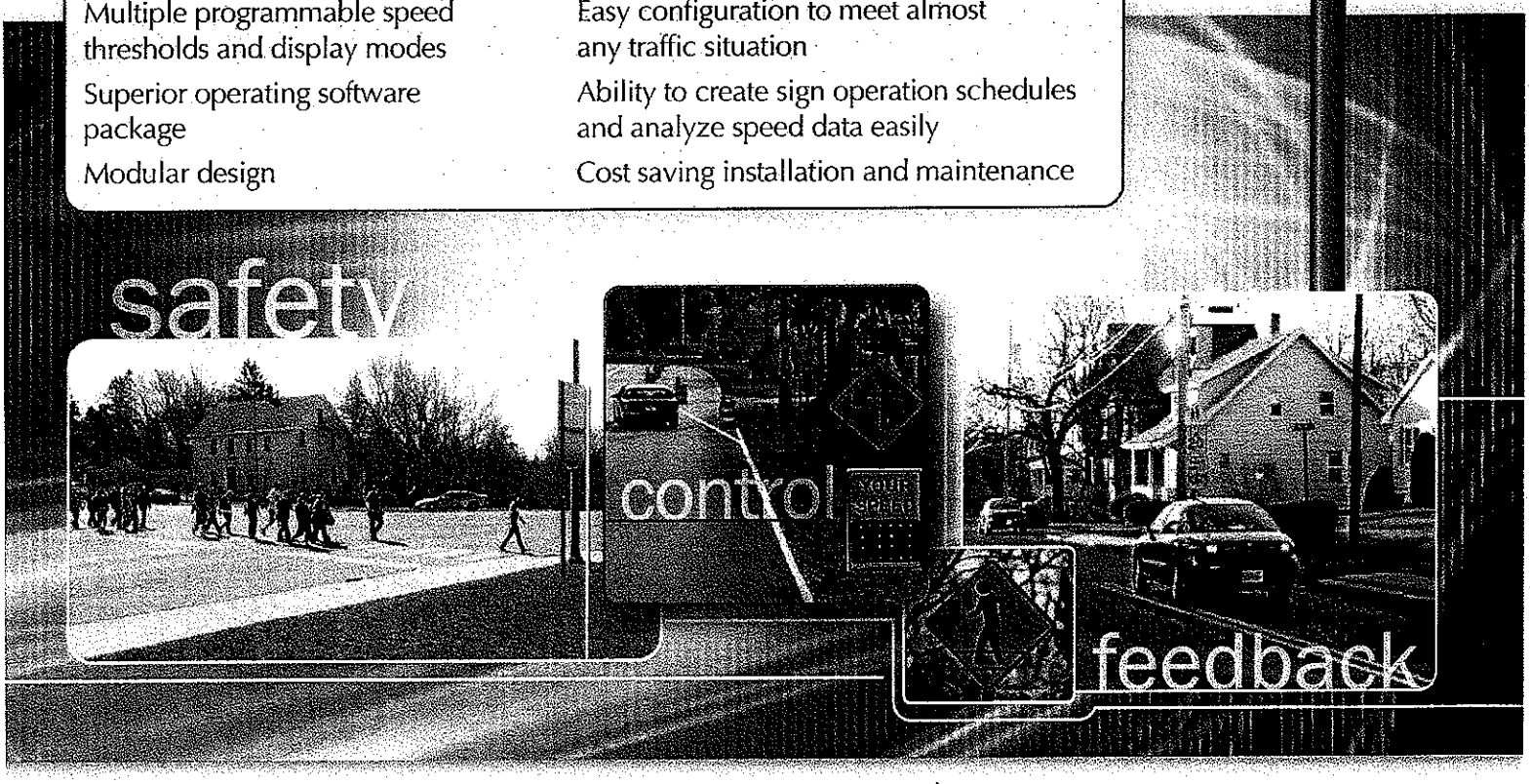
Sean Delmore
763.512.5248
sdelmore@wsbeng.com

For a comprehensive package to purchase, install, and maintain the signs, contact WSB & Associates, Inc. (www.wsbeng.com)



Along with the benefits of **reduced speed**, the sign provides:

Feature	Benefit
High output LEDs	Excellent sign visibility
Multiple programmable speed thresholds and display modes	Easy configuration to meet almost any traffic situation
Superior operating software package	Ability to create sign operation schedules and analyze speed data easily
Modular design	Cost saving installation and maintenance



150th St NW (Cou
23rd St NE
5th Ave NE
20th St NE
Venus Dr
College Dr NE
Central Ave Fron
Central Ave Fron
Central Ave
20th St NW
State Highway 22
N
W
E
S

Bygland Rd SE
County Highway 7
190th St SW
N
W
E
S

Request for Council Action

Date: January 2, 2013

To: East Grand Forks City Council, Mayor Lynn Stauss, President Craig Buckalew, Council Vice-President Greg Leigh, Council members Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel.

Cc: File

From: Michael S. Hedlund – Chief of Police

RE: Request to Purchase In-Car Video Systems

Background:
The East Grand Forks Police Department has used the Digital Ally DVM-500 In-Car Video system for several years. These systems are part of our long term capital improvements plan and were originally scheduled to be replaced in 2012. During the 2012 budget process (in 2011) the systems were still operating effectively and we pushed the replacement date to 2013. We have begun to have problems with these systems and we would like to replace them at this time. The Digital Ally systems have been a very good unit for our department and have proven to be a very valuable tool. The videos from these systems are often used in court – and in many instances the suspect chooses to plead guilty after viewing their actions on the video. Digital Ally offers several models of their systems at various price ranges. They currently have the MN State Bid for these systems for their DVM-750 but the cost for those units is $4,870.00 per the State Bid. Digital Ally also offers an improved version of our current system, the DVM-500+ which sells for $4,295.00 per unit but is not available as part of the State Bid. Digital Ally has provided a sole source letter reference the DVM-500+ (see attachments). The 2013 Budget includes $22,500.00 for the purchase of these units we need five (5) units. Digital Ally will give us a trade-in allowance for our current systems of $750.00 per unit if we purchase the DVM 750 and of $500.00 per unit if we purchase the DVM-500+. We have four units that could be traded in. (We are using an old videotape Mobile Vision system in our Expedition and this system has no trade-in value with Digital Ally.) The cost breakdown is as follows:

DVM-750 – Five (5) units @ $4,870.00 per unit = $24,350.00 less $3,000.00 trade-in allowance for a final price of $21,350.00 (plus tax and shipping)

DVM-500+ - Five (5) units @ $4,295.00 per unit = $21,475.00 less $2,000.00 trade-in allowance for a final price of $19,475.00 (plus tax and shipping)

Recommendation:
I am recommending that the EGF City Council approve the purchase of five (5) Digital Ally DVM-500+ In-Car Video Systems for use in the EGFPD marked squad cars. These systems are very similar to our existing systems meaning there will be no learning curve for the officers to use the systems. While we could purchase the DVM-750 systems and come in under budget I

believe the DVM-500+ systems will allow us to more effectively meet our overall needs. In-car video systems come with the inherent problem of how to store the images that are recorded. With the older VHS systems you need to save videotapes. With the digital systems you need to save digital copies which require additional computer storage space. With the digital systems we are using significantly more storage space than just a few years ago and this is likely to continue to increase. We are currently working with Corey Thompson and Kris Kovar of the Water & Light Department to try to enhance our storage capacity. The lower overall cost of the DVM-500+ systems will provide us with some funding to put towards the cost of this enhanced storage. The total cost of this project does exceed the threshold where the city typically requires competitive bids but I believe that the sole source letter, consistency of systems by staying with Digital Ally and the price of the systems (including trade-in) justify waiving the existing standard in the purchasing policy.

Attachments:
Sole Source Letter from Digital Ally reference the DVM-500+
Detailed Information on Digital Ally In-Car Video Systems
Digital Ally Quote on the DVM-500+
Digital Ally Quote on DVM-750

Quote	QUO-04713-Z5G7X9
Date	1/2/2013
Page	1

9705 Loiret Blvd.
Lenexa, KS 66219

End User:

East Grand Forks Police Department
Chief Michael Hendlund
PO Box 373
East Grand Forks, MN 56721

Customer ID	Salesperson	Shipping Method	Payment Terms	Created By	Quote Valid
EASMN0	CH2	UPS GROUND		Cody Swope	90 Days

Ordered	Item Number	Description	Discount	Price	Ext. Price
5	001-0550-30	DVM500Plus Mirror Kit w/ 915MHz Radio, V3	$2,000.00	$4,295.00	$19,475.00

Notes:

Total Discount	$2,000.00
Subtotal	$19,475.00
Misc	
Tax	$0.00
Freight	$150.00
Total	**$19,625.00**

Thank you for your interest!

If you would like to place an order, please contact Digital Ally or your local rep.

TERMS OF SALE

Your purchase of goods from Digital Ally, Inc., a Nevada corporation ("**Digital Ally**") will be governed by the following terms of sale ("**Terms**"). You will be referred to throughout these Terms as "**you**".

1. **Exclusion of Other Terms; Entire Agreement**. Additional or different terms or conditions proposed by you (including any additional or different terms provided in a purchase order) will be void and of no effect unless specifically accepted in writing by Digital Ally. Digital Ally's sales invoice, these Terms, the warranty and any special conditions executed by you and Digital Ally (collectively, the "**Order**") supersedes and cancels all prior communications between us, whether verbal or written, and constitutes the entire agreement between us unless modified in writing and signed by each of us.
2. **Payment**. Payment terms are cash on delivery, except where credit has been established and maintained to Digital Ally's satisfaction. If you have established credit, payment terms are net 30 days from date of shipment. Any invoice that you fail to pay when due will bear interest at the rate of 1-1/2% per month or the highest rate then permitted by law, whichever is less. You must also reimburse Digital Ally for its costs incurred (including internal administrative expenses and reasonable attorneys' fees) in the collection of your past due invoices.
3. **Security Interest**. Digital Ally retains a security interest in all goods delivered to you and all proceeds until paid in full. You agree, without further consideration, at any time to do or cause to be done, all acts, and to execute and deliver, all such documents as may reasonably requested in order to protect Digital Ally's security interest in the goods, including the filing of financing statements may deem necessary to perfect its security interest.
4. **Taxes**. In addition to the purchase price, you must pay any sales, excise or similar taxes applicable to the transaction, unless you provide Digital Ally with a valid tax exemption certificate. You must pay use taxes, if applicable to the transaction, directly to the appropriate taxing authority.
5. **Shipment**. Digital Ally will use commercially reasonable efforts to comply with your shipping instructions. You must prepay all transportation and insurance charges prior to shipment. Unless otherwise stated by Digital Ally, all shipments will be F.O.B. (free on board) Digital Ally's manufacturing facility in Grain Valley, Missouri.
6. **Force Majeure**. Digital Ally will not be liable to you for any loss, damage, delay, or failure of delivery resulting from causes that are beyond

Digital Ally's reasonable control. DIGITAL ALLY WILL NOT BE LIABLE FOR CONSEQUENTIAL DAMAGES FROM ANY DELAY WHATSOEVER.

7. **Limitation of Liability**. You assume all risk from your purchase and use of the goods. Neither you nor Digital Ally will be liable to the other for any consequential damages, punitive damages, special, incidental or exemplary damages suffered by the other in connection with its performance of its obligations under this Order. DIGITAL ALLY'S AGGREGATE LIABILITY UNDER THIS ORDER WILL NOT EXCEED AMOUNTS PAID BY YOU TO DIGITAL ALLY UNDER THIS ORDER.

8. **Warranty; Limitations on Remedies**. Digital Ally's warranty on the goods provided under the Order is set out in a separate statement, which sets forth the only warranty applicable to the goods sold under this Order. THAT WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES. THERE ARE NO WARRANTIES THAT EXTEND BEYOND DIGITAL ALLY'S WARRANTY STATEMENT. ALL IMPLIED WARRANTIES ARE DISCLAIMED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES IMPLIED FROM A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. YOUR SOLE AND EXCLUSIVE REMEDY FOR A WARRANTY CLAIM WILL BE THE REPAIR OR REPLACEMENT OF THE GOODS

9. **Indemnity**. You will defend Digital Ally, its managers, agents, employees, successors and assigns, and will pay all damages, losses, costs and expenses, including reasonable attorney's fees, incurred by the indemnified party arising out of, or incidental to, your selection, purchase and use of the goods under this Order. This indemnification will survive the expiration or termination of this Order.

10. **Risk of Loss**. Risk of loss to goods purchased will pass to you at the earlier of the time the goods are (a) duly delivered to the carrier, or (b) duly tendered to you for delivery.

11. **Acceptance; Claims for Shortage or Error**. Delivered goods will be deemed accepted upon the earlier of your formal acceptance of the goods or the expiration of 30 days from receipt. If you discover upon initial inspection that (a) some or all of the goods are defective or (b) do not conform to Digital Ally's warranty, may be returned to Digital Ally for replacement or a refund of the purchase price. Digital Ally is not responsible for goods lost or damaged in transit. You are solely responsible for filing claims against the carrier for any loss or damage. Digital Ally will furnish all available information and give any other reasonable assistance requested to assist you in filing a claim. Claims for shortages in shipment not chargeable against the carrier will not be considered unless notice is given within 10 days from date of receipt.

12. **Compliance with Laws**. You will comply with all laws and regulations applicable to you, including those dealing with the purchase and distribution of the products purchased under this Agreement. You will further keep Digital Ally informed of any laws, regulations, governmental orders, or requirements, which affect the ordering, shipment, importation, sale, marketing, or distribution of the Products within your jurisdiction and will, in all cases, refrain from engaging in any activities or conduct, which would cause Digital Ally to be in violation of the laws of any jurisdiction. You agree at all times to comply with all United States laws or regulations, as they may exist from time to time, regarding export licenses or the control or regulation of exportation or re-exportation of products or technical data sold or supplied to you. Without limiting the generality of the foregoing, you specifically agree not to resell any Products purchased under this Agreement to any party, if such a sale would constitute a violation of any laws or regulations of the United States. You represent and warrant that neither you, nor any of its directors or any of its members, managers, officers, employees, or agents is an official agent, or employee of any government or governmental agency or political party. You agree to promptly notify Digital Ally of the occurrence of any event, which would render the foregoing representation and warranty incorrect or misleading. In addition, you will at all times comply with all applicable laws of the United States concerning foreign corrupt practices or which in any manner prohibits the giving of anything of value to any official, agents or employee of any government, governmental agency, political party or any officer, employee, or agent thereof.

13. **Governing Law; Jurisdiction and Venue**. This Order and all disputes arising under this Order are exclusively subject to, governed by, and construed in accordance with the law of the State of Kansas, without regard to rules of conflicts of law. Any action relating to this Order must be brought in state or federal courts located in Johnson County, Kansas, and the parties hereby irrevocably consent to the exclusive jurisdiction of, and venue in such courts.

14. **Prevailing Party's Attorneys' Fees**. In the event of any litigation or arbitration related to this Order, the prevailing party will be entitled to recover from the non-prevailing party, the costs and expenses (including attorneys' fees) reasonably incurred by the prevailing party in connection therewith.

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9705 Loiret Blvd.
Lenexa, KS 66219

End User:

East Grand Forks Police Department
Chief Michael Hendlund
PO Box 373
East Grand Forks, MN 56721

Customer ID	Salesperson	Shipping Method	Payment Terms	Created By	Quote Valid
EASMN0	CH2	UPS GROUND		Cody Swope	90 Days

Ordered	Item Number	Description	Discount	Price	Ext. Price
5	001-0750-30	DVM750 Mirror Kit Complete V3	$3,000.00	$4,995.00	$21,975.00

Notes:

Total Discount	$3,000.00
Subtotal	$21,975.00
Misc	
Tax	$0.00
Freight	$150.00
Total	**$22,125.00**

Thank you for your interest!

If you would like to place an order, please contact Digital Ally or your local rep.

TERMS OF SALE

Your purchase of goods from Digital Ally, Inc., a Nevada corporation ("**Digital Ally**") will be governed by the following terms of sale ("**Terms**"). You will be referred to throughout these Terms as "**you**".

1. **Exclusion of Other Terms; Entire Agreement**. Additional or different terms or conditions proposed by you (including any additional or different terms provided in a purchase order) will be void and of no effect unless specifically accepted in writing by Digital Ally. Digital Ally's sales invoice, these Terms, the warranty and any special conditions executed by you and Digital Ally (collectively, the "**Order**") supersedes and cancels all prior communications between us, whether verbal or written, and constitutes the entire agreement between us unless modified in writing and signed by each of us.
2. **Payment**. Payment terms are cash on delivery, except where credit has been established and maintained to Digital Ally's satisfaction. If you have established credit, payment terms are net 30 days from date of shipment. Any invoice that you fail to pay when due will bear interest at the rate of 1-1/2% per month or the highest rate then permitted by law, whichever is less. You must also reimburse Digital Ally for its costs incurred (including internal administrative expenses and reasonable attorneys' fees) in the collection of your past due invoices.
3. **Security Interest**. Digital Ally retains a security interest in all goods delivered to you and all proceeds until paid in full. You agree, without further consideration, at any time to do or cause to be done, all acts, and to execute and deliver, all such documents as may reasonably requested in order to protect Digital Ally's security interest in the goods, including the filing of financing statements may deem necessary to perfect its security interest.
4. **Taxes**. In addition to the purchase price, you must pay any sales, excise or similar taxes applicable to the transaction, unless you provide Digital Ally with a valid tax exemption certificate. You must pay use taxes, if applicable to the transaction, directly to the appropriate taxing authority.
5. **Shipment**. Digital Ally will use commercially reasonable efforts to comply with your shipping instructions. You must prepay all transportation and insurance charges prior to shipment. Unless otherwise stated by Digital Ally, all shipments will be F.O.B. (free on board) Digital Ally's manufacturing facility in Grain Valley, Missouri.
6. **Force Majeure**. Digital Ally will not be liable to you for any loss, damage, delay, or failure of delivery resulting from causes that are beyond

Digital Ally's reasonable control. DIGITAL ALLY WILL NOT BE LIABLE FOR CONSEQUENTIAL DAMAGES FROM ANY DELAY WHATSOEVER.

7. **Limitation of Liability**. You assume all risk from your purchase and use of the goods. Neither you nor Digital Ally will be liable to the other for any consequential damages, punitive damages, special, incidental or exemplary damages suffered by the other in connection with its performance of its obligations under this Order. DIGITAL ALLY'S AGGREGATE LIABILITY UNDER THIS ORDER WILL NOT EXCEED AMOUNTS PAID BY YOU TO DIGITAL ALLY UNDER THIS ORDER.

8. **Warranty; Limitations on Remedies**. Digital Ally's warranty on the goods provided under the Order is set out in a separate statement, which sets forth the only warranty applicable to the goods sold under this Order. THAT WARRANTY IS GIVEN IN LIEU OF ALL OTHER WARRANTIES. THERE ARE NO WARRANTIES THAT EXTEND BEYOND DIGITAL ALLY'S WARRANTY STATEMENT. ALL IMPLIED WARRANTIES ARE DISCLAIMED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AND WARRANTIES IMPLIED FROM A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE. YOUR SOLE AND EXCLUSIVE REMEDY FOR A WARRANTY CLAIM WILL BE THE REPAIR OR REPLACEMENT OF THE GOODS

9. **Indemnity**. You will defend Digital Ally, its managers, agents, employees, successors and assigns, and will pay all damages, losses, costs and expenses, including reasonable attorney's fees, incurred by the indemnified party arising out of, or incidental to, your selection, purchase and use of the goods under this Order. This indemnification will survive the expiration or termination of this Order.

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Request for Council Action

Date: 1/9/13

To: East Grand Forks City Council, Mayor Lynn Stauss, Council President Craig Buckalew, Council Vice President Greg Leigh, Council members: Clarence Vetter, Ron Vonasek, Henry Tweten, Mark Olstad, and Chad Grassel

Cc: File

From: Scott Huizenga, City Administrator

RE: Retiree Health Insurance Premiums

Minnesota state law requires public employers to allow eligible retirees to retain health insurance with the employers until the employees are eligible for Medicare coverage. Employers are not required to contribute to retiree health insurance premiums.

The City has allowed retirees and their spouses to enroll in two single policies (spouses) rather than one family policy. For example, a retired couple that elects the City's zero-deductible plan (e.g. the "Cadillac plan") will pay the full cost of two single premiums at $626.45 each, or $1252.90, rather than the full family plan would cost of $2000.25. The result is a savings of $747.35 per month for the family.

The employee is responsible for the full cost of the plan(s). Therefore, the City is not directly subsidizing the plan, but the City is receiving less revenue toward the health care plan. Because a family plan is almost $750 higher, and because older persons tend to incur more health care costs, the City is implicitly subsidizing a zero-deductible retiree health insurance plan by $750. Similarly, the City's implicit subsidy for the $500-deductible plan is $626.03 per month. The subsidy for the $1500-deductible (single) plan is $572.32 per month. And, the subsidy for the $2500-deductible (single) plan is $505.89 per month.

There is a fairness principle in addition to the financial issue of implicit subsidy. An active employee who enrolls as an employee plus spouse (no dependents) must enroll as a family, not as two single policies. Therefore, there is little justification to provide a benefit to retired persons that is not available to active employees.

Currently, the use of this policy is not widespread. There are only two families (retiree + plus spouse) that are enrolled as single policies. The City Council may wish to allow a grace period before fully implementing a revised policy so that any employee considering retirement or resignation (for COBRA benefits) has the opportunity to adequately plan for a proposed change to retiree health insurance.

Recommendation:

Effective July 1, 2013, require that any employee who retires on or after July 1, 2013 and who chooses to enroll a spouse or dependent in the retiree health insurance policy to enroll in an eligible family health insurance policy. Employees plus spouses would no longer be eligible to enroll in two single policies.

Attachment:

2013 Health Insurance Renewal information

2013 Health Insurnace Renewal Information	Current	% Increase	Total Prem 2013	EGF Share 2013	EE Share 2013	2013 Medica Employee Monthly Share	Per Payroll Deduction	EGF Annual H.S.A.
100% -$25 - **Plan 80956**								
Single	$ 626.45	13.50%	$ 711.02	$ 472.57	**$ 238.46**	**$ 238.46**	$ 119.23	
Family	$ 2,000.25	13.50%	$ 2,270.28	$ 1,081.85	**$ 1,188.43**	**$ 1,188.43**	$ 594.22	
$500 -$25 **Plan 80957**								
Single	$ 524.74	13.50%	$ 595.58	$ 472.57	**$ 123.01**	**$ 123.01**	$ 61.51	
Family	$ 1,675.51	13.50%	$ 1,901.70	$ 1,081.85	**$ 819.85**	**$ 819.85**	$ 409.93	
$1,500/$3,000 100% HAS								
Single **(Plan 80958)**	$ 479.74	13.50%	$ 544.50	$ 472.57	**$ 71.94**	**$ 71.94**	$ 35.97	$ 327.16
Family **(Plan 80959)**	$ 1,531.80	13.50%	$ 1,738.59	$ 1,081.85	**$ 656.74**	**$ 656.74**	$ 328.37	$ 748.97
$2,500/$5,000 embedded - 100% HAS - **Plan 80960**								
Single	$ 424.04	13.50%	$ 481.29	$ 472.57	**$ 8.72**	**$ 8.72**	$ 4.36	$ 327.16
Family	$ 1,353.97	13.50%	$ 1,536.76	$ 1,081.85	**$ 454.91**	**$ 454.91**	$ 227.45	$ 748.97

4% Increase in Employer Contribution

H.S.A. Contribution