

# WEEKLY MEMO

**Date:** January 25, 2013

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

**From:** Scott Huizenga

**RE:** Weekly Update

## **UPCOMING MEETINGS:**

*Waste Water Public Forum – February 4, 2013 – 7:00 PM - Location TBD*

*Regular Council Meeting – February 7, 2013 – 4:00 PM – Council Chambers*

*Work Session – February 12, 2013 – 5:00 PM – Training Room*

*Regular Council Meeting – February 19, 2013 – 5:00 PM – Council Chambers*

*Intergovernmental Retreat put on by The Chamber – February 22, 2013 – 11:30 AM-4:00 PM – Boardwalk Bar & Grill*

*Work Session – February 26, 2013 – 5:00 PM – Training Room*

## **WEEKLY UPDATE:**

### **Legislative Update**

There was a flurry of activity this week in the media and among policy analysts in the wake of the Governor's budget proposal. Generally, the proposal purports to put an end to budget "gimmicks" such as funding shifts, borrowing, and unallotments. It does so by adding a 4<sup>th</sup> tier bracket to higher-income individuals and families, broadening the statewide sales base (while reducing the rate), increasing corporate franchise fees, and proposing other fee increases including gasoline and tobacco.

### **Local Government Aid**

As discussed earlier in week, the Minnesota Department of Revenue released its projected run of Local Government Aid (LGA) under the Governor's budget proposal. The Governor's budget adds \$80 million to the LGA program. County Program Aid (CPA) would receive an increase of \$40 million. The Governor's proposal *increases* LGA to EGF by \$257,750 in 2014. Then, East Grand Forks LGA would gradually increase under the new formula through at least 2018. LGA to East Grand Forks would decrease by approximately \$86,000 in 2014 under current law. Nonetheless, East Grand Forks will continue to see overall decreases to LGA relative to 2003 figures – the year LGA was first cut – even with the strong increase proposed by the Governor.

In addition to the funding increase, the Governor's plan includes major changes to the LGA funding formula. An oft-cited criticism of the current formula is that it is too complex and that it includes too many special provisions that favor selected areas. The Governor's plan focuses on three major factors: average street and public safety need, percentage of tax exempt parcels in the City (or County), and proportion of pre-1970's housing. Most agree that a simpler formula is a

welcome relief from the complex, sometimes arcane, formula under current law. The Coalition of Greater Minnesota Cities (CGMC) generally supports the Governor's increased funding proposal. CGMC has raised concerns regarding the formula changes. LGA, a part of the "Minnesota Miracle," was enacted to ensure relatively equal public services throughout Minnesota without respect to geography. If the focus is shifted solely to streets and public safety ("basic services"), many parks and recreation, library, economic development, and other livability programs could suffer. Also, inflationary adjustments are currently not part of the Governor's plan. Without annual or occasional adjustments, the LGA program could be right back in the same funding boat in a few years. Finally, while most cities benefit to some degree under the Governor's proposal, metropolitan areas, especially St. Paul, seem to benefit the most. A city-by-city run of the Governor's proposal is available at: [www.revenue.state.mn.us/local\\_gov/prop\\_tax\\_admin/aclb/gov-lgasummary-jan22.pdf](http://www.revenue.state.mn.us/local_gov/prop_tax_admin/aclb/gov-lgasummary-jan22.pdf).

### **Other updates**

The Governor's budget proposal as it relates to cities also includes a \$500 property tax credit to most homeowners and a reduction of the statewide general property tax that is applicable to commercial and industrial properties. The Governor's sales tax proposal has the potential to negatively impact cities due to the broadened base. The new sales tax would include several goods and services that cities purchase or use such as engineering and architectural services, accounting and auditing, management consulting, and clothing. The actual impact to cities is unclear because a reduction on the overall sales tax rate would reduce the cost of goods and services on which cities already must remit sales tax. Sen. Charles Wiger (DFL-Maplewood) and Sen. Susan Kent (DFL-Woodbury) introduced SF 104 that would exempt cities from all sales tax. Cities began paying sales taxes in 1992 during tense budget talks at the time. Cities understood at the time that LGA would be held harmless in exchange for including cities in sales tax remittance.

### **City Planner**

Nancy Ellis formally will assume her new duties as the City Planner this Monday, January 28. Nancy will lead the new Office of Community Development that consolidates Planning and Zoning, Building Inspections, Transit Administration, Facility Maintenance, and other functions. Nancy will transition to the 1<sup>st</sup> floor office beginning Monday.

### **Civil Service Update**

The Civil Service Commission has been busy lately. The Commission interviewed City Planner candidates last week and Accounting Technician candidates this week. The Commission will also screen fire fighter and patrol officer applicants soon in February. The Civil Service Commission currently has one vacancy on its three-member panel. Interested residents can contact the Administration Office for more information on how to serve on the Civil Service Commission.

### **Labor Negotiations**

The City met with Fire Fighters union this week. Next week, the City has four labor meetings scheduled with LELS (Police Officers), AFSCME (Department Heads), and Teamsters (Public Works and Water and Light). All of the City's labor contracts expired on December 31.

### **Police Headquarters**

Chief Hedlund, Lt. Hajicek, and I met with the City Engineer this week to discuss options and scope for proposed Police Headquarters rehabilitation. The proposals will appear before the City Council Work Session on February 12.

### **Waste Water Public Forum**

The Council President and Vice President have selected Monday, February 4 at 7:00 pm to hold its first public forum regarding waste water treatment improvements. The general scope of the first meeting will be to identify a project schedule and to review a brief history of the project along with cost and design alternatives. This is anticipated to be the first of multiple meetings. The public is encouraged to attend, to educate themselves on the project, and to provide input to the City Council regarding the direction of the project. We will provide location details early next week.

## **DEPARTMENT REPORTS:**

### **Library, Charlotte Helgeson**

Surveillance cameras are being installed in the library's lobby. The library has been vandalized four times in the last few years. The cost of repair and replacement rises each time. With the break-ins causing damage to locks, doors and windows, security becomes even more of a concern until repairs are completed.

The library has added an easier approach to our website for our patrons.

[egflibrary.org](http://egflibrary.org) [egflibrary.net](http://egflibrary.net) [egflibrary.com](http://egflibrary.com) [egflibrary.info](http://egflibrary.info)

Any of the above addresses will take our patrons directly to the library's webpage on the city's site.

The ND Ballet will work with our Story Time Wednesday, January 30 at 10 a.m. They will be showing the children some of the characters from the Carnival of Animals that the Ballet will perform in February.

### **Police Department, Chief Mike Hedlund**

**Prescription Drug Issues** – Prescription drug abuse is one of, if not the biggest drug problems in the Red River Valley. Prescription drugs are frequently the main target of thieves during home and business burglaries. Unfortunately prescription drugs are also often stolen by friends and family members. If you have prescription medications that you need to take please keep them in a secure location in your home or business. If you have old/expired/unneeded proscription medications you can dispose of them by bringing them to the EGFPD. We store them and periodically have them destroyed at the Fosston incinerator which is a state and federally approved disposal site.

**Financial Scams** – The EGFPD is regularly contacted about a variety of financial scams. The caller (or letter writer) typically has some too good to be true claim about how you have been selected to receive a large amount of money or other prizes – or they may claim to be a family member in need of emergency assistance (usually a grandchild who needs money wired to them). The best response with these types of ploys is just to hang up and/or throw away the letters. NEVER give out any personal information if you

are contacted by someone claiming to need your credit card information, social security number, and date of birth or other personal information. If you have concerns about these types of calls please contact the EGFPD and our officers can help you determine if your situation is a scam (almost always) or legitimate (very rare).

## **Public Works, Jason Stordahl**

### **PUBLIC WORKS**

*Streets-* We had another busy weekend of snow removal activities. Snowfall was not as much of a problem as icy roads and blown in roads. We will continue to remove snow at intersection corners and street boundaries throughout the rest of the week.

*Wastewater-* Staff has been fine tuning our odor control system at lift station number 5 with some difficulty due to the extreme temperatures. They will continue to make improvements throughout the week to ensure that it functions in cold temperatures properly.

*Stormwater-* Our new shaft for L16 has been ordered and will be installed when it's delivered.

*Sanitation-* We are still seeing recycling and refuse containers left out for extended periods. The following is just a repeat reminder.

***We have noticed recently that many residents haven't been bring their recycling/refuse containers in off the curb within 24 hours of collection. It makes it very tough to remove snow without damaging containers. So this is just a friendly reminder to follow the City Ordinance and remove containers within designated time.***

#### ***Ordinance 51.03 Container Required; Placement***

***It shall be the responsibility of the subscriber to place the container no earlier than 6:00p.m. of the afternoon preceding the collection day, and to remove the container within 24 hours of collection of the garbage and refuse.***

## **Parks and Recreation, Dave Aker**

### **HIGH SCHOOL LOCKER ROOM**

We accepted a bid for the high school locker room sink from Anytime Plumbing for \$421.70. The work includes installing a Kohler chrome handle gooseneck faucet, a Dayton 17" x 19" stainless steel sink and a #14 basket strainer. The high school said they were going to put in the counter top and then we will have Anytime Plumbing install the sink. There are new doors on the high school boys locker room. They have been painted and hung.

### **OUTDOOR RINKS**

Dale Gulbranson continues to maintain the outdoor rinks. He has to snow blow, broom and add water to them. The rinks are open from 3:00 pm to 9:00 pm Monday – Friday. Saturday and Sunday the rinks are open from 12:00 pm to 9:00 pm. We have two warming houses that are manned. They are at Nash Park

and Stauss Park by our maintenance shop. The rink at the Greenway on the Point does not have a warming house.

## HOCKEY

Teams are down to their last month of play until tournaments. Our teams continue to be competitive at all age levels.

## FIGURE SKATING

The figure skating just completed the Northern Star 2013 International Figure Skating Competition. The Northern Lights Figure Skating Club, the girls and our coaches worked very hard to put on a GREAT competition. They started Thursday night and finish up on Sunday afternoon, running judges around and keeping the schedule going. The figure skaters had a good showing and we are proud of all the work they did to make it successful. The Metallites, our top synchro team, travels to Kalamazoo, Michigan on Wednesday for Mid-Westerns this week, GOOD LUCK girls!

## Agenda Items

1. The Parks and Recreation Superintendent will present quotations to purchase a new swimming pool pump for the upcoming season. The previous pump was removed and is not repairable. The purchase price of \$13,376.05 plus sales tax is included in the 2013 Budget. Installation costs, if necessary, are not included in the quote, but are in the budget.
2. The City Planner will present a proposed application for 2013 Safe Routes to School funding. The proposed project for this year is to add sidewalks and ADA compliant crosswalks to the areas around New Height Elementary School. The previous Safe Routes projects completed by East Grand Forks (primarily along Bygland Road) have been highly praised by the Minnesota Department of Transportation. Safe Routes Projects are funded at 100 percent of construction costs, while the City is responsible for soft costs (engineering, legal, and administration).
3. The City Planner will present the final recommendation for transit fares in 2013. Most fares are already above the regional average. Therefore, there are no proposed changes to cash fares with slight increases to 10-ride cards and monthly passes.
4. The City Attorney will present a proposed new storm water ordinance that more clearly defines illicit discharges and penalty provisions for violations to storm water discharge. The Minnesota Pollution Control Agency (MPCA) has mandated further clarity from the City's ordinance in response to updated compliance procedures at the state and federal levels.