

# WEEKLY MEMO

**Date:** February 1, 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 – Council Chambers*

*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:**

### **LGA update**

The Coalition of Greater Minnesota Cities (CGMC) Board of Directors met this week to discuss Governor Dayton's Local Government Aid (LGA) proposal. The CGMC's position on the new funding formula is that it disproportionately benefits the metro area at the expense of Greater Minnesota. Further, the new simplified formula is a drastic departure from the original intent of LGA, which was to stabilize *all* public services for all Minnesota communities.

The Governor's proposal initially provides an \$80 million infusion into the LGA program statewide. The additional funding would allow every LGA city to receive an initial increase of \$30 per capita. The Governor's proposal also would change the LGA distribution formula so that it would include just three factors: street and public safety funding, pre-1970s housing, and tax exempt property. For East Grand Forks, LGA funding initially would increase by over \$300,000 in 2014. Then, East Grand Forks funding would decrease annually by an estimated \$86,000 per year (non-adjusted) for the next 10-15 years, assuming the Governor's recommendation to cap annual LGA gains and losses. Without caps, East Grand Forks funding would be dramatically reduced immediately in 2014. In short, East Grand Forks appears to be heading down a path that will ultimately end with the City receiving over \$850,000 less *per year* in LGA funding due solely to the LGA formula. The primary question is whether the funding decreases will be gradual or immediate.

### **Street Improvement Districts**

The League of Minnesota Cities announced in its state budget webinar Friday that it is seeking sponsors for a proposed bill to allow Street Improvement District authority in Minnesota. League staff reported that the chairs of both the House and Senate Finance committees have indicated their support. Street

Improvement Districts was identified by the League as one of its primary legislative priorities. The League encourages interested cities to work with their legislators on support. Street Improvement District authority would allow cities to charge dedicated fees or taxes specifically dedicated to street maintenance. Often, cities struggle with street repair (as opposed to new streets) through the traditional special assessment because current law requires that cities must justify added property value equivalent to the cost of the special assessment. This hurdle is difficult to overcome when a proposed project is to repair an existing street. The Senate Transportation Committee and the House Finance Committee has invited League staff to testify on local transportation needs later this month.

### **Labor Update**

City officials met with three labor groups this week. The group made great progress with two of the bargaining units currently considering negotiated offers from the City. Negotiation meetings are scheduled with the remaining groups.

### **Accounting Technician**

Finance and Administration staff held final interviews this week for the position of Accounting Technician. We anticipate the new hire to begin in the Administration Office on Monday, February 11.

**Reminder:** The waste water public meeting is scheduled for this **Monday, February 4<sup>th</sup>, 7:00 pm, Council Chambers**. Also, the City Council meeting is rescheduled for Thursday, February 7<sup>th</sup>, **4:00pm**, to accommodate the Greater Minnesota Day at the Capitol next Wednesday.

## **DEPARTMENT REPORTS:**

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

#### Sale of Zamboni

Last night after City Council I sold our old zamboni to Manvel Bean Company. I have been trying to sell the zamboni for over a year, we had a couple of people interested in it but no sale until now. The zamboni was a 1974 and it runs pretty good for being 38 years old, the average zamboni lasts for probably 15 years if you are lucky. We now have four ice resurfacing machines, the zambonis at the Civic Center and VFW Arena, the Olympia at the Blue Line Rink and a 1973 that we use for the outdoor rinks.

#### TREE ORDER

We called in the tree order for the boulevards, a total of 80 trees. We also called in 90 trees for the La Fave Park, which we received \$2,000 from US Bank in Grand Forks to help beautify our community. They are going to help plant the trees one day in May, so we are planning on digging the holes before and setting up trees. It will be part of the Greenway project, a project that was done on the Grand Forks side the last two years.

#### FLOWER BID

I sent out our flower bid last week for 379 flats to All Seasons, Hardware Hank and Shea's Nursery. We will have to fill the pots that go downtown again with peat, dirt and gravel before we start to plant.

## **Public Works, Jason Stordahl**

*Streets-* Staff has been sanding/salting streets trying to keep up with the ever changing environmental conditions. Between snowfall cleanings they have been widening streets, and removing snow drifts at intersection corners.

*As always we continue to ask residents to use caution when driving near snow removal equipment.*

*Wastewater-* As stated in last week's memo we had a few setbacks with our odor control system at lift 5 due to extreme outside temperatures. The issues that we had have been corrected and everything seems to be working properly. Only time will tell how effect our new treatment will be.

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

### **Pine to Prairie Drug Task Force Members Give Presentations**

Officers from the Pine to Prairie Drug Task Force – which is made up of officers from the East Grand Forks Police Department, Crookston Police Department and Polk County Sheriff's Department have been making drug presentations throughout Polk County. The most recent presentations were given to members of the Polk County Highway Department. The Task Force typically gives presentations to schools and parent groups. The intent of the presentations is to raise awareness of the drug problems in our region and let people know what the primary issues are. Currently the biggest problem is the theft and abuse of prescription medications but marijuana, meth and other illegal drugs continue to be an issue as well.

## **Agenda Items**

The consent agenda includes the following

- A resolution to apply for Safe Routes to School state funding. If awarded, the City would be responsible for soft costs (Engineering, Legal, Administration) while the state would pay for all construction costs.
- A resolution to consider adopting fare changes as identified in the Transit Development Plan. Most daily fares are unaffected while multi-ride fares increase slightly.
- A motion to approve the purchase of a pump for the swimming pool. The pump replacement is necessary to open the pool this spring.

The City Council will consider a resolution supporting the continued exemption of interest on municipal bonds. The federal tax exemption was a major issue discussed during the "fiscal cliff" negotiations at the end of 2012. The exemption remained in effect with the final deal passed by Congress. The issue will likely rise again when the federal government next reaches its debt limit, possibly in April. Many analysts predict that municipal bond interest rates will rise by at least 25-50 basis points (0.25-0.50 percent) if the interest exemption is removed. The Minnesota Municipal Utilities Association (MMUA) via the Water and Light Department requests that the City adopt the resolution.

The City Council will also consider the first reading of a proposed new storm water ordinance to include illicit discharge provisions. The new ordinance is necessary to comply with updated regulations from the Minnesota Pollution Control Agency (MPCA).

