

WEEKLY MEMO

Date: March 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 – March 4, 2013 – 7:00 PM – Council Chambers

Regular Meeting – March 5, 2013 – 5:00 PM – Council Chambers

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

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

Legislative Conference – March 21, 2013 – St. Paul – Crown Plaza

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

WEEKLY UPDATE:

Labor Update

City representatives met with one bargaining unit this week. Another unit is scheduled for next week. We have reached a tentative agreement with one bargaining unit; and we expect more soon.

Debt Refinancing

The EDHA Director, the Finance Director and I met this week with representatives from Springsted, Inc. for a general discussion regarding debt service and economic development programs. The City refinanced one bond issue last year at very competitive rates – less than two percent. The next issues eligible for refinancing will be in 2014 and 2015 respectively. We also learned that the City's debt for the 23rd Street Reconstruction project is eligible to be called. The City procured a 20-year loan through the Minnesota Public Facilities Authority (PFA) at approximately 3.6 percent. The City could actually choose to call this loan because it is backed by a state bond. The City has engaged Springsted to potentially refinance the loan through a General Obligation issue with a present value savings of over \$300,000.

Legislative Update

Local Government Aid

The League of Minnesota Cities board of directors discussed last week its position on the Governor's budget proposal regarding local government aid (LGA). The League generally favors the Governor's funding increase of \$80 million, but also supports increasing funding back to 2002 levels adjusted for inflation. The Governor's proposal, which generally has been more favorable than others from a statewide perspective, stops short of restoring full funding to LGA. The League did not take a position

on the Governor's proposed formula, which generally benefits the metropolitan area more than Greater Minnesota.

Street Improvement Districts

Both the House and the Senate introduced legislation to authorize municipalities to approve street improvement districts. The legislation is modeled after Sidewalk Improvement Districts, which already are authorized by state law. Under the legislation, cities could collect fees for street maintenance and construction. The authority would be optional to each municipality. Street Improvement District enabling legislation has been a high priority of the League in recent years. It has received additional support as a result of the [Governor's Transportation Finance Advisory Committee](#). The bills in the legislature are [HF 745](#) and [SF 607](#).

State budget forecast shows improvement

An improved economic outlook shows the projected state budget deficit for FY 2014-15 reduced to \$627 million, down from \$1.1 billion. The remainder of the current fiscal year shows an improved surplus of just under \$300 million, most of which will be used to partially repay the school funding shift of fiscal year 2010-11.

Waste Water Public Forum

The City Council will hold its second Waste Water Public Forum on Monday evening, March 4 at 7:00 pm in the Council Chambers. Staff will review feedback and questions from the previous meeting on February 4. And, the staff will discuss a potential third option for waste water treatment – a mechanical treatment plant in East Grand Forks. The other two options currently under consideration are the reconstruction of the City's waste water stabilization ponds and a proposed interconnect with Grand Forks. The public is encouraged to attend.

The City must deliver its third and final progress to the MPCA's Alleged Violation Letter (AVL). The AVL was delivered to the City in September 2012 following the MPCA's annual inspection of the waste water treatment facility. The AVL contained several minor repair items. The City has responded and remedied most of the issues in the AVL. The final item to address is the proposed schedule for a waste water treatment upgrade.

DEPARTMENT REPORTS:

Parks and Recreation, Dave Aker

Regions to start on Friday, March 1

Our youth teams start Region Tournaments on Friday, March 1 for the Bantam A & B, Pee Wee A & B and Girls 14U and 12U. We wish all the players and coaches a good tournament and Good Luck!

Compressors at the Civic Center

The compressors at the Civic Center are running better than they have all year. We had some problems with the wiring but they fixed that before Saturday's semi-finals and everything is running good.

Park Maintenance Worker

The job opening for the parks maintenance worker is now open and all applications must be filed with the Civil Service before 5:00 pm on March 14th, 2013. The EGF Civil Service may require a written, oral or other examination deemed necessary.

Public Works, Jason Stordahl

PUBLIC WORKS

Streets- Staff has been busy trying to widen streets, and clean up intersections and cul-de-sacs. Our rental motor grader and one of our snow blowers have been down with mechanical problems. We are hoping to have them up and running sometime next week.

Police Department, Chief Mike Hedlund

Scams

The East Grand Forks Police Department continues to get reports of a variety of financial scams. These scams often involve someone claiming to be a relative who needs you to wire them money because of some financial problem or emergency. These fraudulent claims are usually easy to resolve by contacting another family member who would know if the supposed relative is really in trouble. Another common scam involves a claim that you were a “BIG WINNER” in some type of contest. The contest winner scam typically requires you to wire or somehow send money to another person/company as a handling fee or similar expense which will then allow the release of your prize – often times claimed to be very large amounts of money. The best advice we can give to our citizens is that if something seems too good to be true it probably is. If you receive a letter or a phone call that you think might involve a scam contact the police department before you send any money. We may not be able to arrest the person committing the scam (they are often from another country) we can probably help you figure out whether their claims are legitimate or not.

Traffic Safety

As a reminder as our days grow longer we are seeing more melting snow. Those water puddles in the afternoon quickly turn to ice in the evening as the sun goes down and temperatures drop. The warmer daytime temperatures also result in more children playing outside. Slow down and drive defensively and help us keep our community safe.

Agenda Items:

- The City Council will consider accepting the proposed low bid for 2013 City Project No 2 – Water Main and Force Main Improvements. The project replaces selected water mains and installs a force main connection to the area around 10th Street NW. The waste water force main connection should significantly reduce the occasional odor issues around 10th Street NW.
- Under old business, the Council will reconsider a resolution to waive the statutory limit for general liability insurance. The Council previously opted to also purchase optional coverage of an additional \$1 million per individual and per occurrence. The additional coverage costs

approximately \$35,000. The staff recommendation is to waive statutory limits and to *not* purchase excess liability coverage.

- The City Council will consider a resolution to request the City's addition to the Fire Escrow account with the state. The program allows the City to potentially collect insurance proceeds from a fire-damaged property if the City must remediate a property.
- The City Council will consider the 2nd Reading of an ordinance to update the City's regulations regarding employee background checks.