CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING
City Council Goal Session, Monday, November 18, 2019
St. Peter Room, Community Center – 3:00 p.m.

I. WELCOME
II. GOALS AND RULES FOR THE DAY
III. BREAK CALLER
IV. LEGACY/FUTURE GAME
V. GOAL SESSION REPORT FROM JULY 2019

VI. DEEP DIVE DISCUSSIONS
   A. Items of Vital Importance
   B. Big 5 Funding Discussion
   C. Fire Hall Update
   D. Housing
   E. Parking Lot #5 Project Review
   F. Cooperative Efforts (White Sheets)
   G. Organizational Health
   H. Goal Session Agenda/Purpose/Goals
   I. Brown Street Detention Area
   J. Employees – Process, Changes, Wages, Hiring, etc...
   K. Electric and Environmental Services Budgets
   L. Highway 169 North Project Preview

VII. QUICK HIT DISCUSSIONS
   A. Hospital Story
   B. Legitimacy In Governance
   C. City Communication Efforts
   D. Levy and General Fund Budgets Review
   E. Emerald Ash Borer Management Update
   F. Human Rights Commission Review
   G. Committee Appointments
   H. Takeaways and Priorities

VIII. ADJOURNMENT

Office of the City Administrator
Todd Prafeke

***PLEASE NOTE THE MEETING LOCATION***
I. WELCOME

II. GOALS AND RULES FOR THE DAY

Typically the Council will take a few moments to review the brainstorming rules. We might also delve into “Hurling Day” https://www.youtube.com/watch?v=C0yyxELdaUY and its inner deeper secret meaning © and generally visit about how your time will be spent together.

III. BREAK CALLER

You know we need one of these cuz you know how “we” (meaning I) just keep going on and on without one.

IV. LEGACY/FUTURE GAME

You all know how I feel about games and how they can help your communication and decision processes. This is the one I have tried to use for the last three maybe four Goal Sessions. This time it may stand a chance of being used ©.

V. GOAL SESSION REPORT OF JULY 29, 2019

We will take a few minutes to review the discussion at the July 29, 2019 goal session.

VI. DEEP DIVE DISCUSSIONS

A. ITEMS OF VITAL IMPORTANCE

A review of this ongoing list. This is a great time to talk about our common understanding, impacts and whether modifications are wanted. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds so discussion on the hows and whys may be good.

B. BIG FIVE FUNDING UPDATE

I know this says “update” but it’s maybe more of a recap. Making sure direction is correct and that process is understood not to mention a review of the priorities and funding sources. Another question may be is it now a “Big Four” (now that the Pavilion is done) or.......? This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.
C. **FIRE HALL UPDATE**

An update on this project and a reminder of the process and funding issues. Also some discussion of the timeline. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.

D. **HOUSING**

A facilitated discussion on housing in our community and where we go next or maybe if we just stand pat. Let’s talk and review a bit of the data. A review of housing issues including a break out idea, housing builds, lot development, sac/wac fees, and what we have heard on housing listening sessions and maybe a bit of what’s next for both single family and multi-family opportunities. We have a proposal that might be of interest to you but need a little direction and help. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.

E. **PARKING LOT #5 PROJECT REVIEW**

A review of the 2015 request for proposals (RFP) and a bit of discussion about interest and maybe even about the old Fire Hall and the impact that could have on your thoughts.

F. **COOPERATIVE EFFORTS (WHITE SHEETS)**

A review of the White Sheets where I hope you focus on who, what and how to enhance our relationships that benefit the community either through realizing cost efficiencies or enhancement to services. We may also talk more strategically about how the relationship benefit community and ways to make them work better for our friends and neighbors.

G. **ORGANIZATIONAL HEALTH**

Your regular review of, in my best Brooklyn accent... How ya doin? How’s we’s doin? Are we going to have to go to the mattresses you’s guys? (all references to The Godfather movies). This is that time when we discuss our relationships, our ability to work within a group consensus model, where we talk about how we treat each other and also about pure organizational structure issues that lie outside of the Council/Staff, Council/Council relationship.

H. **GOAL SESSION AGENDA/PURPOSE GOALS**

An opportunity to talk about the process you use to move ideas to action through your Goals Session/Workshop/Business meeting process. Maybe also talk about the relative value of goal sessions and if you want to experiment with different ways for the information to flow in your meeting cycles. We don't have to do goal session/workshop/business meetings, there are other ways. Members have long mentioned that this process is
a key in making thing work so some discussion of that may be of value. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.

I. BROWN STREET DETENTION AREA

A review of what’s coming, what’s planned and maybe a bit more about when its coming (crystal balling it here) and, more importantly, the challenges and process related to assessments in this area which are very likely to be triggered by the HyVee development.

J. EMPLOYEES – PROCESS, CHANGES, WAGES, HIRING, ETC....

A review of several topics concerning employees including hiring, processes, changes, wages, testing, scores, education reimbursement policies, transfers, recruitment, and more. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.

K. ELECTRIC AND ENVIRONMENTAL SERVICES FUND BUDGETS

2. Continue with two-year budgets?
3. Debt – year 2 planned purchases
4. Reserves

L. HIGHWAY 169 NORTH PROJECT PREVIEW

A follow up by MnDOT about their thoughts using feedback from both the Council and community over the last month or two. They will be in attendance.

VII. QUICK HIT DISCUSSIONS

A. HOSPITAL STORY

A discussion on the work that is upcoming related to CEO recruitment and a bit of a story about how we got here from where we were. I think the newly elected members hearing from the current members has great value for something that is a very big part of our City and community and frankly, doesn’t often get much discussion. This is maybe one of those that is in some part an orientation opportunity for the Newly Electeds.

B. LEGITIMACY IN GOVERNANCE

A review of this theory based on the short take the Council had at your last goal session.
C. CITY COMMUNICATION EFFORTS

A review of the various methods the City uses to communicate with residents including the Hot Sheet, Facebook, Twitter, YouTube, our website and others.

D. LEVY AND GENERAL FUND BUDGET REVIEWS

A warm up of the process and pending action. As you know we try to talk this issue on a regular basis.

E. EMERALD ASH BORER MANAGEMENT PLAN UPDATE

A short update on the overall plan including opportunities for the public to use resources that we will develop.

F. HUMAN RIGHTS COMMISSION REVIEW

A review of the history of change in the mission and what is actually going on with this. Since this somehow got to be a question I thought it would be helpful for all to be on the same page moving forward and the noting the important difference between communities, language and use.

G. COMMITTEE APPOINTMENTS

As part of the regular process at workshops, in October or November the Council discusses upcoming interests and committee/commission/board appointments. I thought it might be handy, with the level of change over, to have a discussion about what each does, and think about how to cover all the bases. This is a team effort and how the Council participates in the discussion on these boards(s) plays an important two-way liaison role. I will also outline how this appointment process works so that all have a common understanding. We may also talk about some tips and areas of interest or concern to make sure we cover organizational needs appropriately.

H. TAKE AWAY AND PRIORITIES

An effort to make sure we leave with the same ideas about priorities for work to be completed and so I can write the report for your Council meeting and make sure we are going in the direction you have collectively set.

VIII. ADJOURN

Office of the City Administrator
Todd Praefke
Brainstorming Rules we have used in the past

Some of this is “borrowed” from sigma six process rules.

Effective brainstorming can be accomplished by following simple brainstorming do’s and don’ts with your team. A brainstorming session is a tool for generating as many ideas or solutions as possible to a problem or issue. It is not a tool for determining the best solution to a problem or issue.

Before beginning any effective brainstorming session, ground rules must be set. This does not mean that boundaries are set so tightly that you can’t have fun or be creative. It does mean that a code of conduct for person to person interactions has been set. It’s when this code of conduct is breached that people stop being creative.

With that, here are four key ground rules that are useful when conducting a brainstorming session:

1. There are no dumb ideas. Period. It is a brainstorming session, not a serious matter that requires only serious solutions. Remember, this is one of the more fun tools of quality, so keep the entire team involved!

2. Don’t criticize other people’s ideas. This is not a debate, discussion or forum for one person to display superiority over another.

3. Build on other people’s ideas. Often an idea suggested by one person can trigger a bigger and/or better idea by another person. Or a variation of an idea on the board could be the next “velcro” idea. It is this building of ideas that leads to out of the box thinking and fantastic ideas.

4. Reverse the thought of “quality over quantity.” Here we want quantity; the more creative ideas the better. As a facilitator, you can even make it a challenge to come up with as many ideas as possible and compare this team’s performance to the last brainstorming session you conducted.
TO: Honorable Mayor Zieman  
Members of the City Council  

FROM: Todd Prafke  
City Administrator  

RE: Goal Session Report and Takeaways  

ACTION/RECOMMENDATION  

None needed. For your information and review.  

BACKGROUND  

The goal of this memo is to provide a basic outline of the principal discussion points and priorities as the Council provided direction as a part of its’ Goal Session on July 29, 2019. In writing this memo it is not my objective to provide a complete or full review of the discussion held by the Council, but rather it is to list, with some explanatory information, the priorities for efforts and big thoughts of the meeting. The listing is done based on topics within the body of the meeting. These are not in prioritized order.  

List of vital things – No changes were made to this list that is used as a lens to assist the Council and Staff in prioritization and decision making.  

How is Your Community Changing? – Members did not discuss this item.  

Big Five Funding Update – Council discussed the direction of the Big Five projects; two of which are either in the building phase (Pavilion) or design Phase (Fire Hall), and the remaining three which include City Hall, Parks additions and indoor recreation center which will come forward as finances allow.  

Fire Hall Update – Council discussed the change in State Law related to putting in place a sales tax to fund the Fire Hall debt service and the impact the change in law has on risk and timeline. The Council directed staff to continue to move forward based on the original timeline as the cost associated with substantial delays outweighs the challenges faced with a change in the process if more time was given and thus potentially increasing cost of construction.  

Tax Increment Financing Districts – Traverse Green/Washington Terrace - Vogel and Sweeney provided an update on our ability to extend the Washington Terrace TIF district and use those funds toward financing of the Traverse Green debt. This item to assist with funding will be on a future City Council agenda.
**Initial General Fund Budget Review** – A review of a few of the bigger picture issues and the timeline for Council discussion and review of the General Fund budget. Some of the drivers were reviewed and the Council was asked for thoughts on the data they received.

**Housing** – A discussion on the current state of housing including sales, Traverse Green SAC/WAC and EAC fees, challenges to steady growth and the impact housing has on the community were also discussed.

**Arts Center Partnership** - A follow-up to the joint meeting was the primary discussion with emphasis on relationship building, a want to see cooperative efforts; and for the City and the Center to be less insular in our approach to art opportunities were also discussed.

**Green Steps Program** - Intern Kayode provided an overview of the Green Steps program and discussed his background as well as some things he has learned about what we do and his belief we should have positive results moving through the five steps of the program.

**Organizational Health** - Prafke sought input on the ability of Councilmembers to share at meetings as well as their opportunity to contribute to Council deliberation and overall organizational health including morale, employee tenure and challenges faced by the changing dynamic of the employee/employer relationship.

**Purchasing Policy** - This was reviewed and no suggested changes were made related to City policy but more flexibility is likely about to be provided in the overview of the Hospital Commission and spending.

**Ward and Precincts** - A discussion ranging from the value of potential changes due to redistricting, odd/even year elections, and the management of elections were all part of this discussion.

**Advisory Board And Commission Terms** - This is part of an ongoing discussion with the Council suggesting staff draft a change to the ordinance that sets the timeline for members who have completed two full terms to wait one year rather than the current interpretation of one term to be considered for reappointment.

**Housing And Redevelopment Authority And Establishment** – A short review after documentation provided by the City Attorney on this matter.

**Hospital Project Update** – The CEO was present to give an update on operations and finances.

**Citizen Academy** - Prafke provide an overview and a bit of history on this opportunity and solicited input for the Council as to what the public may have the most interest in.

**Website Update** – A short update on this project and a bit more information on the timeline and other enhancements such as completion by the end of the year.

**Goal Session Agendas/Purpose/Goals** - A short discussion was held about changing the “process” up a bit and no changes were suggested.

**Electric Car Charging Stations Update** – An update on SMMMPA activities, City Staff work and upcoming meeting first focusing on the downtown.
Refuse Update And Food Waste Composting – A discuss on the impact of recycling and food waste composting and the global challenges that appear to be having an impact on our system knowing these challenges could lead to changes in our systems and cost structures.

Chamber/Tourism Agreement – Discussion on a change in Lodging Tax revenue stream and the effort to increase the amount paid to the Chamber of Commerce for managing that Board.

Legitimacy In Governance - A very short review of this theory was done.

Cooperative Efforts (White Sheets) - A discussion about this list and any potential changes to it. None were recommended.

Council Vacancy - A review of the impact of the resignation of Councilmember Carlin and a review of many of the rules surrounding how and when the seat could be filled. It was discussed that the Council goal is to leave the seat open until the special election and then seat the winner as soon as able under the State law. Assignment of Carlin’s vacated board and commission assignments will be undertaken at the next regular Council meeting.

Wrap Up: The Council discussed location, next meeting date, and that outside facilitation is not needed. The next Goal Session will be on September 30, 2019. Food was fine, facilitation and location were also fine.

Please feel free to contact me if you have any questions or concerns about this report.

TP/bal
COUNCIL’S LISTS OF ITEMS OF VITAL IMPORTANCE

- Community that treats all people like neighbors
- Proactive housing solutions
- Availability of quality health care
- Thriving business community
- Action on the changes in our demographics
- Aesthetically distinctive
- Improved Sustainability
- Available early childhood care and educational opportunities and exceptional schools
Big 5

- The Big 5 are:
  - Pavilion
  - Fire Hall
  - City Hall
  - Additional Park Facilities
  - Cooperative indoor recreation facilities

- Others?

- Think about Funding
FIRE HALL PROJECT DEVELOPMENT SCHEDULE
July 17, 2019

The time line changes are caused by a change in the state law related to the process by which local option sales tax can be approved. This change occurred during the Special Session in May of 2019. The new law which went into effect on May 31, 2019 says the Legislature must approval prior to local vote. Previously local vote was required before Legislative approval.

On or around June 1, 2019
Selection of Construction Manager will occur.

Between June 1 – October 21st, 2019
Schematic design and pricing packaging work to occur and be completed for review by Fire Hall Building Committee and City Council.

June 15-October 21st, 2019
Building Committee meetings providing design, scope, and budget review to Architects and Construction Manager.

October 28th through November 30th, 2019
Approve schematic design and project budget.
Approve request for Sales Tax to the State Legislature

January 2020 through June 2020
Legislative consideration of local Sales Tax

July 2020 through January 2021, 2020 (If approved by Legislature)
Ongoing design development pricing to occur including Early Guaranteed Maximum Pricing completed (This is where our additional Risk is. Do we want to spend most of our Architect fees without knowing if we have local approval or not? If we do not then we need to consider the extra time needed after November 2020 and when is it appropriate to take bids. This could be a 4 month to 10 month delay. Not due to work schedule or work load but due to finding a good bid price time line.)

August 2020
City Council to take action on notice of Election and ballot language

November 5, 2020
Sales tax question on ballot with General Election

On or around December 2020
Design at 90%+ completion and Guaranteed Maximum Price completed

January/February 2021
Solicitation approval and Bidding

Spring 2021
Start Project construction
Spring 2022
Construction completion
City of Saint Peter, Minnesota
Preliminary Tax Impact Analysis - Fire Station

Amount Financed: $8,800,000.00
Term: 30 years
Interest Rate: 3.70%

**CIP Debt Service Levy (LESS Sales Tax):**

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Extract of Minutes of a Meeting of the
City Council of the
City of Saint Peter, Minnesota

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter, Minnesota, was duly held at the City Hall in said City on the _____ day of ____________, 2019, at ________ o'clock P.M.

The following members were present:

and the following were absent:

Member ________________ introduced the following resolution and moved its adoption:

RESOLUTION APPROVING A LOCAL SALES AND USE TAX
TO FINANCE A FIRE STATION PROJECT, AND REQUESTING LEGISLATIVE
AUTHORIZATION THEREFOR

WHEREAS,

(a) Minnesota Statutes, Section 297A.99 Subd. 2 requires that before requesting legislative approval of a special law for a local sales and use tax, the City Council of the City of Saint Peter, Minnesota (the "City") must indicate its approval of the tax; and

(b) The City has proposed that a sales and use tax of up to one-half of one percent (0.5%) be imposed by the City to pay the costs of collecting the tax and to finance the acquisition and betterment of a new fire station to be located at ________________ in the City (the “Project”);

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Saint Peter, Minnesota:

1. The City Council hereby indicates its approval of a sales and use tax of up to one-half of one percent (0.5%) (the “Tax”) to be authorized by the Legislature of the state of Minnesota for the Project.

2. The City Council hereby approves the Tax for the purpose of generating revenue which will be dedicated exclusively to pay the costs of collecting and administering the tax, securing and paying debt service on bonds issued to finance the Project or paying the costs of the Project.

3. The City Council hereby finds that the regional significance of the Project is as follows: _________________________ (the “Regional Significance”). The City Council further finds that the economic benefit to or use of each project by persons residing, or businesses located, outside the City is as follows:

______________________________
(the “Economic Benefit”). Documented support for the Regional Significance and the Economic Benefit is attached hereto as Exhibit A.

4. The amount of revenue generated from the Tax needed to finance the Project is approximately $________. It is estimated to take ____ years to generate such revenue. The Tax shall terminate after the Project has been completed and revenues raised are sufficient to pay and retire any financing obligations associated with the Project, unless otherwise extended by subsequent Legislative authorization.

5. The City Council hereby requests that in the 2020 Legislative Session, the Minnesota State Legislature consider and pass special legislation permitting the City to impose the Tax for the above described Project, as well as to secure and pay debt service on any bonds or other obligations issued by or on behalf of the City to finance Project related costs.
CITY QUESTION NO. ___

CITY OF SAINT PETER

INSTRUCTIONS TO VOTERS
To vote, completely fill in the oval(s) next to your choice(s) like this: ☐

To vote for a question, fill in the oval next to the word "YES" for that question. To vote against a question, fill in the oval next to the word "NO" for that question.

SHALL THE CITY IMPOSE A SALES AND USE TAX?

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<td>&quot;Shall the City of Saint Peter, Minnesota (the &quot;City&quot;), be authorized to impose a sales and use tax of one-half of one percent to finance the acquisition and betterment of a new fire station for the City?&quot;</td>
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Memorandum

TO: Todd Prafke  
City Administrator

FROM: Russ Wille  
Community Development Director

RE: Multi-Family Housing

ACTION/RECOMMENDATION

None needed. For Council review and discussion only.

BACKGROUND

Two multi-family housing developers have been in contact with my office to discuss what housing opportunities exist and how the City can assist. One developer is contemplating a project on the site of Municipal Parking Lot #5 (MPL5), while the other is looking to develop the land behind the new HyVee building which we refer to as the Hallett Pond property. MPL5 is the parking lot at the southwest corner of West Grace Street and South Minnesota Avenue.

The American Community Survey conducted by the U.S. Census Bureau suggests the rental vacancy rate in Saint Peter is 2.8% based on estimates from the five years between 2013 and 2017. Their data has a reported margin of error of +/- 3.4%.

To obtain better data, my office conducted a phone survey of multi-family housing units containing four or more apartment units. What we found wasn’t necessarily surprising. Of the 743 multi-family housing units surveyed, only 14 were currently available for rent. That calculates to a multi-family vacancy rate of only 1.9%.

For comparison, in 2018 the national rental vacancy rate was reported to be as high as 7.1% while the vacancy rate in Minnesota was at 5.7%. We did not do a 2018 local survey.

A vacancy rate below 4% suggests that the market is extremely tight and does not encourage multi-family property owners to improve or upgrade their housing units. Investments are delayed and higher rental rates can be established due to the lack of apartment availability.

Such a low vacancy rate also doesn’t provide choices for prospective Saint Peter residents who prefer not to own their home. Can they find a three bedroom, two bath, ground floor unit with garage parking close to the downtown for their family? Perhaps but likely not.

It appears that the market may be supportive of additional multi-family housing development.
Municipal Parking Lot #5 - The City acquired and cleared this site in anticipation of a larger downtown improvement project in the late 1980's. The larger project never materialized and the site has been utilized as a City-owned lot for off-street parking since that time.

In 2002, the City issued a Request for Proposals (RFP) from developers interested in constructing a commercial project on the site. We received one response from a Mankato restauranteur who wanted to build and open a restaurant on the highway frontage. The structure that was proposed was determined to be incompatible with the historic downtown and the prospect withdrew from the project.

In subsequent years, the City has re-issued the RFP. The latest discussions were with an out-of-state developer who considered a mixed commercial/residential development that would have encompassed the entire parcel. The City Council and staff reviewed the architecture and development plan in a workshop session, but due to a rather odd set of circumstances, the development was not able to proceed.

At this time, the RFP has been considered to be “open” and we have one developer currently interested. A local developer, who wishes to remain anonymous at this time, is considering a mixture of ground floor commercial space with multi-family rental units on the upper floors. He originally considered completing development of MPL5 in stages. The first stage would be construction upon the parking lot. He hoped to do a second stage by acquiring the City’s current fire station property; however, on Thursday he indicated his partnership would be unwilling to complete a multiple phase project. While they remain interested and believe this is a very attractive parcel, they have decided to wait until the Fire Department is relocated and the City moves to sell the property for future development.

Assuming that the City would seek to sell the existing fire station property once the new station is occupied, I’m seeking direction from the Council as to what process would be utilized to seek a buyer. In addition to the current prospect, other local business interests have expressed interest in considering a re-use of the existing fire station structure although none of them are thought to have undertaken any pre-development activities.

To bring the Council up to speed I’ve included a copy of the 2015 RFP, a map which depicts the ownership interests within the block, and the roster of Downtown Development Priorities as previously established by the City Council.

Hallett Pond Site - This property was rezoned in 2015 from (C-4) Highway Service Commercial to (C-5) Business/Professional Office. The rezoning was provided to allow for the consideration of a multi-family housing development as a conditional use of land. While the conditional use permit was being considered, the developer withdrew from the project following some pre-development investigation of the site.

A Twin Cities developer who is currently looking at the site has indicated he contemplates the construction of a total of 66 housing units on the site along with the necessary parking. As with others previously considering the site, the developer would be agreeable to negotiating the City acquisition of a small parcel of land abutting Hallett’s Pond for the development of a small park on the south side of the pond.

To assist in financing this project, the developer has asked that the City of Saint Peter agree to the creation of a tax increment financing (TIF) housing district. The preliminary request is that
the City agree to return 90% of the annual increment to the developer to underwrite his
development costs. Use of TIF would allow the units to be maintained at an affordable rate.

If TIF were provided, 20% of the units would need to be rented to those with household incomes
below 60% of the area median income. The rents to these households would need to be equal
to or less than 30% of 60% of the annual area median income.

The developer would also ask that the City serve as a conduit for up to $8,800,000 in Tax
Exempt Housing Revenue Bonds to partially finance the development. If issued, the bonds
would not be a general obligation of the City meaning the City would have no obligation should
the project default on repayment of the bonds. This is a process the Council has used in the
past.

The developer has asked that the City agree to the terms of the "Agreement Regarding
Redevelopment" contained in the goal session agenda packet. The proposed agreement has a
concept site plan. It is expected that the development would be undertaken with an alternative
site plan that would include vehicular access to the pond side park.

If the Council would be generally supportive of the terms contained in the Agreement, the
developer will begin additional pre-development work to prepare the plans necessary to seek a
conditional use permit. Construction could be commenced in the middle of July, 2020.

Please feel free to contact me should you have any questions or concerns on this agenda item.

RJW
REQUEST FOR PROPOSALS

Block 179 Development

(a.k.a. Municipal Parking Lot #5)

August 3, 2015

To all Interested Parties:

The City of Saint Peter, Minnesota currently owns an approximately 30,360 square foot, commercially zoned parcel of land on the Highway 169 corridor in historic downtown Saint Peter. At this time you are invited to submit a proposal for the development of all or a portion of this property. The following information is provided for your convenience and utilization.

Inquiries regarding the proposal process or property may be directed to:

Russ Wille
Community Development Director
227 South Front Street
Saint Peter, MN  56082
507.934.0661
russw@saintpetermn.gov
I. **Project Location:**

The property is legally described as follows:

The Westerly Fifty (50') feet, front and rear, of the Northerly Forty-two (42') feet, front and rear, of Lot numbered Seven (7), in Block numbered one hundred seventy-nine (179) in the Town (now City) of St. Peter, according to the Amended Plat thereof on file and of record in the office of the Register of Deeds in and for said County of Nicollet. The West Fifty (50') feet, excepting the Northerly Forty-two (42') feet, of Lot numbered seven (7), and West 50 feet of the North 1/3 of Lot 6 in Block numbered One Hundred Seventy-Nine (179) in the Town (now City) of St. Peter, according to the Amended Plat thereof on file and of record in the office of the Register of Deeds in and for said County of Nicollet;

AND

Lot No. Five (5), in Block No. One Hundred and Seventy-nine (179) in the Town (now City) of St. Peter, according to the Amended Plat thereof on file in the office of the County Recorder in and for said County of Nicollet, Minnesota, excepting therefrom the Southerly Eighteen and one hundred twenty-five thousandths feet (18.125) feet front and rear of said Lot No. Five (5) aforesaid; subject to an easement for ingress and egress on the northerly 22.00 feet of the southerly 40.125 feet as measured parallel to the southerly line of Lot 5, Block 179, Amended Plat of St. Peter, Nicollet County, Minnesota, which is reserved for the grantors, theirs heirs and assigns, forever;

AND

The Southerly two-thirds (2/3) of Lot No. Six (6), in Block No. One Hundred Seventy-nine (179), in the Town (now City) of Saint Peter, according to the Amended Plat thereof on file and of record in the office of the Register of Deeds within and for said County of Nicollet;

AND

Lot 7, Block 179 in the town (now city) of St. Peter, Minnesota, according to the Amended Plat thereof on file in the office of the Register of Deeds in and for said County, excepting therefrom the Westerly 50 feet of said Lot 7;

AND
The North 1/3 of Lot 6, Block 179 in the town (now city) of St. Peter, Minnesota, according to the Amended Plat thereof on file in the office of the Register of Deeds in and for said County, excepting therefrom the Westerly 50 feet of said North 1/3 of Lot 6;

AND

The east one-half (E ½) of the east-west alley; the North 178.39 feet of the north-south alley, excepting therefrom the north one-half (N ½) of the north-south alley, to an extension of the north line of the easement for ingress and egress across Lot 5, all lying and being in Block 179, in the Town (now City) of St. Peter, according to the Amended Plat thereof on file and of record in the Office of the Register of Deeds within and for the County of Nicollet and State of Minnesota, subject to a 20.00 foot easement for ingress and egress, and for utility purposes over, under and across part of Block 179, Amended Plat of St. Peter, Nicollet County, Minnesota, the centerline described as: Beginning at the northwesterly corner of Lot 7, Block 179, Amended Plat of St. Peter; thence South 30 degrees 02 minutes 28 seconds West on the westerly line of Lots 7 and 6 of said Block 179, a distance of 133.29 feet to the southwesterly corner of Lot 6, Block 179; thence South 42 degrees 32 minutes 29 seconds West, 46.20 feet to the centerline of alley and there terminating.

The property is commonly described as the southwest corner of the Minnesota Avenue and Grace Street intersection.

II. **Project Site and History:**

The site has most recently been utilized as Municipal Parking Lot #5. Off-street parking is provided to approximately 60 passenger automobiles for use by the employees and patrons of area businesses. The site has been maintained by the City of Saint Peter.

In 1993, the City of Saint Peter acquired title to the site. The subject property was to be utilized as part of an enclosed downtown shopping district. The project never materialized and the site was converted into Municipal Parking Lot #5 soon thereafter.

Prior to acquisition by the City of Saint Peter, the parcel was home to various retail and service establishments. Serial ownership and occupancy has resulted in almost continuous retail utilization from the time of original building construction in the late 1800’s until demolition in the early 1990’s.
III. **Zoning Classification:**

The property is entirely within the “CBD” Central Business District zoning classification. The following uses of land are included as “permitted uses” within the CBD District.

- Administrative Services
- Cultural Services
- Administrative / Business Office
- Cocktail Lounge
- Communication Services
- Financial Services
- Personal Improvement Services
- Pet Services
- Restaurant
- Studio / Gallery
- Club / Lodge
- Postal Facilities
- Building Maintenance Services
- Commercial Recreation
- Consumer Repair Services
- Liquor Sales
- Personal Services
- Professional Office
- Retail Sales (Limited)

**Signage:** Signs permitted as per the regulations of Section 38-1 of the Saint Peter Zoning Code.

**Parking:** Parking requirements based upon usage. Article III of the Saint Peter Zoning Code regulates the provision of off-street parking.

IV. **Appraised Value:**

A June, 2013 appraisal of the property determined a fair market value of $155,000.

V. **Environmental Matters:**

In 1993, a Phase I Environmental Assessment of the site was conducted. The results of the assessment indicated that underground gasoline storage tanks had previously been located on the project site. Further evaluation of the site indicated that dry cleaning solvents had also been stored on the site in relation to a previous use of the parcel. Assessment, testing and remediation were also provided in accordance with the rules and regulations of the Minnesota Pollution Control Agency. Correspondence from MPCA indicates that no further remediation is necessary.

A complete copy of the Minnesota Pollution Control Agency file regarding the site will be available for review by prospective respondents. Copies have been requested from MPCA and are expected to be available in the very near future.

Within sixty (60) days of entering into an agreement for development of Municipal Parking Lot #5, the developer may, at their own expense, enter the property for the purposes of conducting their own environmental review. Following Developer’s receipt of such review data, the
Developer shall be satisfied in its sole discretion, that the soils on the subject property are (1) free from hazardous substances, wastes, pollutants and other contaminants and (2) sufficient for the Developer’s proposed use of the property.

If the results of such testing indicates the presence of any contaminant or pollutant materials, or that the soils are unsuitable for development, the Developer may terminate the agreement and shall be reimbursed any applicable deposit or option payments.

VI. Historical Enhancement:

The subject property is located within the Heritage Preservation District of the City of Saint Peter. Therefore, the development of the site is required to follow the regulations and restrictions of the Heritage Preservation Ordinance.

However, due to the site’s location within the Heritage Preservation District, it is desirable that the design of building façades and other public spaces within the development are complimentary to the architecture and style of buildings predominant within the district.

VII. Preferred Project Timeline:

Proposals for the development of Municipal Parking Lot #5 will be accepted until 5:00 p.m., October 16, 2015. It is expected that shortly thereafter, the City Council of the City of Saint Peter will announce that negotiations will be initiated between the City and the successful respondent(s).

It is highly desirable that construction of the successful development begin during the 2016 construction season. An agreement for development of the subject property will obligate the Developer to have received a certificate of occupancy for the development on or before September 30, 2017.

VIII. Submittals:

Proposals submitted by firms or individuals should address the following elements in the form of text, imagery, and work examples.

A. Firm / Personal background and qualifications, including summarized financial statement (three page maximum)

B. Personnel resume for project team members (two page maximum / team member).

C. No fewer than three (3) related references (including name, company, professional relationship, and contact phone number(s))
D. Up to three photos and brief narrative of up to three examples of related experience in comparable developments (five page maximum).

E. Project vision and approach (one page maximum).

F. Project timeline, budget and proposed purchase price.

The City’s evaluation of the submittal shall focus on the candidate’s ability to develop the property in accordance with the existing plat, zoning classification and public utility specifications / practices of the City of Saint Peter. Additional considerations include the Developer’s ability to adequately finance the project, ability to promptly, professionally and effectively coordinate and manage the site improvements, construction, landscaping and marketing of the chosen development.

Further considerations will be given to the financial impact of the development. Preference will be given to developments creating new employment opportunities for area residents. Additionally, preference will be given to projects based upon the net tax benefit of the development as estimated by the Nicollet County Assessor’s Office.

In review of the proposals, the City will give consideration to the physical development of buildings and other public spaces within the development. Preference will be given to proposed developments that are sympathetic and complementary to the historic character of the adjacent Heritage Preservation District. Building construction, design, size, height, scale, use and site planning will be critiqued as to its appropriateness in relation to neighboring structures and uses of land.

Traffic circulation patterns created by the development must enhance the efficiency and safety of both vehicles and pedestrians. Direct vehicular access from Highway 169 will not be provided. It is expected that vehicular traffic will access the development via Grace Street. Pedestrian and vehicular circulation will be considered during proposal review.

City staff will review the submittals, conduct interviews (if necessary), compile a comparative analysis of the submittals, and present the recommendation for the City Council prior to the City entering into exclusive negotiations for the development of the property. The City may hire such consultants or professionals as need to assist in review of the submittals. If there is interest among potential respondents, City staff may schedule additional group or individual preliminary meetings with interested parties.

Respondents are requested to submit **three (3) bound copies and one unbound copy** of their proposal for staff review and comment to the City of Saint Peter, c/o Community Development Director, 227 South Front Street, Saint Peter, MN 56082 on or before **5:00 p.m., October 16, 2015**.
IX. **Waiver:**

The City reserves the right to reject any or all submittals, to waive any informalities in the submittal procedure and to accept any submittal deemed by the City Council to be in the City’s best interest. No submittal may be withdrawn within thirty (30) days after the submittal deadline.

X. **Additional Information:**

Any questions related to this request for proposals, or requests for additional information may be directed to:

Russ Wille, Community Development Director  
227 South Front Street  
Saint Peter, MN  56082

[ruwsw@saintpetermn.gov](mailto:ruwsw@saintpetermn.gov)

Phone:  507.934.0661  
Fax:  507.934.4917
Downtown Development Priorities:

In 2009, the City Council adopted certain priorities or goals for the development and redevelopment of properties within the Central Business District or historic downtown Saint Peter. The goals are periodically reviewed by the City Council and goals are added or deleted as conditions may warrant.

The goals for development/redevelopment within the downtown are as follows:

- Promote projects that improve or are sympathetic to the historic scale and nature of downtown.
- Business development that promotes a mix of niche retail, food / beverage and entertainment. Promotion of office uses in upper floors is valuable to retail trade in the downtown.
- Building enhancements that are not only historically sympathetic. This should be done while promoting upper floor housing or living in the downtown. This will enhance use of businesses by creating density. This should be done while striving to maintain retail or service businesses on the lower floors of buildings.
- Promote uses, events and activities that set the downtown as a place of destination.
- Use arts and cultural activities to promote the use of downtown as a destination.
- Continue to provide Economic Development Authority loan dollars to build and upgrade buildings in the downtown.
Key Elements of Agreement Regarding Hospital Redevelopment

The purpose of this non-binding letter of understanding is to serve as the basis for an agreement between the City of St. Peter and the [Developer] relative to the development of Outlot A, Hallett Addition into a 66 unit rental housing project. It is understood that the Developer will utilize this letter of understanding as it finalizes its financing and development plans.

The parties agree that the elements of the agreement will be based on the following responsibilities.

**Developer agrees to**

- Redevope the site into market rate and affordable multifamily housing development of up to 66 units, generally consistent with the following concept:

  - Construct a minimum of two surface parking spaces per unit
  - Assure that a minimum of 20% of the units are rented to tenants at or below 60% of the area median income and rents to these 20% are equal to or less than 30% of 60% of the annual area median income
  - Execute a pay-as-you-tax increment agreement with the City
  - Enter into a formal redevelopment agreement with St. Peter prior to initiating construction
  - Complete an environmental evaluation of the site and take required action to clean up the site if it is determined necessary by the environmental studies
- Initiate construction of the redevelopment by 7/15/20 and submit formal site and building plans to the City by January 15, 2020
- Comply with all conditions as required by City approvals
- Agree to sell to the City that portion of Outlot A as shown "City Park" for $_____
- Provide the City a report showing that "but for the City tax increment assistance" the project would not be financially feasible

**St Peter agrees to**

- Support redevelopment of the site based a combination of market rate and affordable multifamily housing development of up to 66 units generally consistent with the above concepts provided the development complies with all city ordinance and standards and the developer obtains City Council approval for a rezoning as a planned residential district
- Create a Housing Tax Increment District encompassing the site
- Execute a pay as you tax increment agreement agreeing to remit 90% of new taxes to Developer for a period of 20 years
- Support the issuance by the Developer of up to $8,800,000 of Tax Exempt Housing Revenue Bonds
- Agree to purchase that portion of Outlot A as shown "City Park" for $_____

This is a non binding agreement that will be used as a basis for preparing a final redevelopment agreement that will require approval of the the City of St. Peter and the Developer

_________________________  __________________________

City of St. Peter
Disclaimer:
This drawing is neither a legally recorded map nor a survey and is not intended to be used as one. This drawing is a compilation of records, information, and data located in various city, county, and state offices, and other sources affecting the area shown, and is to be used for reference purposes only. The City of Saint Peter is not responsible for any errors or omissions contained.

Map Name

Legend
- Street Names - Small
- County Boundary
- City Limits
- Railroad
- Parcels (1-24-2019)
- Stepe_Cty19_3inch.sld
  - Red: Band_1
  - Green: Band_2
  - Blue: Band_3

Real People. Real Solutions.
COOPERATIVE EFFORTS (White Sheet)

SCHOOL DISTRICT
- Activity connection Senior Citizens recreation, transit
- Facilities long term planning
  - Athletic, Other Facilities, Drama, performance, arts
- Budgets
  - Levy
  - Pay
  - Others
- Athletic Association goals
- Early Childhood 95% coverage might be a goal
- After School Activities
- City/School strategy with GAC
- Child Care
- Long Range Community Planning
- Studies (Housing, Demo Others)
- Cultural Literacy

NICOLET COUNTY
- Compost funds
- Library
- Land use 1/4 - 1/4 good zone
- Criminal Justice Committee
- Law enforcement share dispatch
- Emergency Planning
- 361 Co 51 Roundabout
- Stormwater/Ditches
- Cultural Literacy

GUSTAVUS ADOLPHUS COLLEGE
- Parking
- Performance space
- Recreational facilities
- Off-campus behavior
- Cultural Literacy
- Child Care
- Transit use
- Employees live in City
- Solar and Wind

MRVT

REGIONAL TREATMENT CENTER/STATE OF MN DEPT OF HEALTH
- Utilities distribution
- Future program/land/facilities
  - Parks
- Arts Association
- Security

BANKS
- Work cooperatively on Housing Rehab program
- Green Seam with GMG

REALTORS
- BFF
- Promotion of opportunities for young families
- Others

COMMUNITY ORGANIZATIONS
- St. Peter Arts Center
- Nicollet County Historical Society

CHAMBER OF COMMERCE
- Promotion of Community
- Community events
- Communication efforts
- Operation of Tourism and Visitors

GREATER MANKATO GROWTH
- REDA industrial Development
- ICLV InterCity Leadership Visit
- MSA issues
- Promote Housing as an issue

Modified 01/22/2019
CITY OF SAINT PETER, MINNESOTA

BROWN STREET DETENTION BASIN

ST JULIEN STREET

BROWN STREET BASIN DRAINAGE AREA LIMIT

PROPOSED BROWN STREET DETENTION BASIN

HALLETS POND

OLD MINNESOTA AVENUE

BROWN STREET BASIN DRAINAGE AREA = 42.7 AC
(NOT INCLUDING HALLETS POND 100 YR OVERFLOW)

UNION STREET

MARCH, 2014

FIGURE NO. 1
**Agenda**

- Projects
- Priorities

**Cost/Source**

- Township 361 LWP?
- MSA County
- Sunrise/Broadway @ Study 2020
- Broadway/Wash @ Study 2020
- Wash/Dodd @ Study 3rd Qtr 2020
- Traverse - Sunrise to Edgerton
- Old Mtn North 9th Jackson
- St. Julie @ TIF
- Heny 169 North Chatham
- Safe Routes Program 2022
- 99 West 8 1/2

**TAPP 2021**

- We will apply in late 2019

**Toll Group 0**
- Study 2020 Next with Sherrine @ Axle
- Traffic Counts on Hwy
- Cost M/D
- Toll DTI
- TFS 2020

**FYI:**
- Fed App Process
- Estimating 8/9
- Trail on 99 West 8 1/2
- MSA Balance + $70K
- Yearly Allocation + $565K
- Yearly Debt + $410K
- End 2020 Balance + $910K

360
CITY OF SAINT PETER ASSESSMENT POLICY

GENERAL POLICY STATEMENT

This policy is established to set the rules for the acceptance of petitions, approval of projects and calculation of assessments for City infrastructure improvements in and around the City of Saint Peter.

It is the intent of this policy that its provisions shall apply only to projects authorized by the City Council.

DEFINITIONS

City - City of Saint Peter.

Collector Street - is a street that has greater than seven-ton capacity design.

Hook-up – is the connection by the property owner to the City water or sewer service as defined in City Code.

Improvements - The addition, enhancement or correction of infrastructure that provides for the development and/or enhancement of property including, but not limited to, curbs, gutter, sidewalks, roadways, streets, water mains, wastewater mains, electrical installations, stormwater collection and treatment.

Reconstruction - The correction or rebuilding of any project where costs are equal to or greater than fifty percent (50%) of the replacement cost in current dollars based on City Engineer's estimate.

Repair - Repair is the maintenance or correction of deficiencies in physical infrastructure that cost up to fifty percent (50%) of the replacement cost in current dollars based on City Engineer's estimate.

Residential Street - is a street that is seven (7) ton or less capacity design.

Roadway- is a thoroughfare, route, or way on land between two places, which typically has been paved or otherwise improved to allow travel by some conveyance, including a cart or motor vehicle.

Stormwater and Storm Sewer will have the same meaning.

Street - is a paved public thoroughfare in a built environment.

Trail -is a path with a rough beaten, bituminous, cement, or dirt/stone surface that is generally used for non-motorized travel and may be designated on an official City map.

Wastewater and Sanitary Sewer will have the same meaning.

Adopted: 2012
PETITIONS

No petition for construction of any public improvement outlined in this policy shall be accepted or acted upon by the Council unless it is filed with the City Administrator on or before August 15th of the year prior to the year of requested construction, unless the City's anticipated expenditures are less than $5,000.

Petitions must be submitted on a form approved by the City for consideration of the Council.

CLASS A IMPROVEMENTS

Class A Improvements are those that generally benefit the City at large, including, but not limited to:

1. Public buildings.
2. Public parks or recreational facilities.
3. The installation of street lighting systems and maintenance of such systems.
4. Stormwater improvements excluding those in any Stormwater or Storm Sewer Assessment District.
5. Trails.
6. Or any other improvement(s) that are not described in Minnesota Statutes, Section 429.021, Subdivision 1.

Class A improvements shall be financed from general City funds and not from special assessments.

CLASS B IMPROVEMENTS

Class B Improvements are those that are of benefit to more than the abutting property. Class B improvements include:

1. Trunk water mains larger than eight inches (8") in residential areas.
2. Trunk water mains larger than twelve inches (12") in commercial/industrial areas.
3. Trunk wastewater mains larger than eight inches (8").
4. The construction of municipally owned off-street parking facilities.
5. Three-Phase and Single-Phase Electric Distribution Service Lines.
6. Collector Street Construction or Reconstruction
7. Storm Sewer Improvements

CLASS C IMPROVEMENTS

Class C Improvements are those that are primarily, if not exclusively, of benefit to the property abutting the improvement, including:

Adopted: 2012
1. The construction of lateral water mains no larger than eight inches (8") in diameter in residential areas.
2. The construction of lateral water mains no larger than twelve inches (12") in diameter in commercial/industrial areas.
3. The construction of lateral wastewater mains no larger than eight inches (8") in diameter.
4. The construction and repair of curbs and gutters.
5. Residential street construction or reconstruction.
6. The construction and repair of sidewalks.

FINANCING OF CLASS B AND C IMPROVEMENTS

It is the policy of the City to finance Class B and C Improvements by the methods described later in this section. The apportionment of the cost between the benefited property and the City at large, and the method of levying assessments prescribed in those sections, shall be followed unless the Council, by resolution, finds that because of a special circumstance, a different policy is necessary or desirable in the particular case. If there is a special circumstance, it should be stated in the resolution. Any local improvement described in Minnesota Statutes, Section 429.02 and not placed in Class A, B, or C by this section, shall be financed as the Council determines to be most feasible and equitable in each case.

ASSESSMENT REGULATIONS FOR CLASS B IMPROVEMENTS

Subd. 1. Trunk Water Mains, Wastewater Mains - When a water main or sanitary sewer is laid across or adjacent to unplatted property, the City may defer the assessment against the unplatted property. When trunk water or sanitary sewer is constructed and is to serve also as a lateral water main or sanitary sewer for abutting property, the property shall be assessed for the costs of an equivalent lateral water main or sanitary sewer. The City will pay the cost of the trunk water main and sanitary sewer, minus the cost of the lateral water main or sanitary sewer that is assessed. Lateral water main will be defined as no larger than eight inches (8") and eight feet (8') deep. The City cost will be paid from the appropriate City funds.

Subd. 2. Three-Phase Electric Distribution Service Lines - The cost to install three- or single-phase electric distribution lines will be assessed to the property served.

Subd. 3. Street Construction or Reconstruction - When standards for residential street construction are higher than those the City would normally use, the cost to be assessed to the benefited property shall be based on the cost of normal residential street construction capacity of seven (7) tons. The remainder of the cost shall be paid from appropriate funds and from the property benefiting from the higher construction standards. Reconstruction of a residential roadway that has a design capacity up to seven (7) tons shall have thirty percent (30%) of the cost assessed to the abutting property owners and the remainder shall be paid by City general funds.

Subd. 4. Storm Sewer Improvements - Improvements to the storm sewer system in an established storm sewer improvement district will be financed in accordance with the provisions of Minnesota Statutes, Chapter 444.
ASSESSMENT REGULATION FOR CLASS C IMPROVEMENTS

Subd. 1 Sidewalk - The cost of construction, reconstruction, and repair of sidewalks shall be assessed one hundred percent (100%) based on frontage against property abutting the side of the street on which the sidewalk is located unless it is located in a Sidewalk assessment district where separate rules for payment will apply. Sidewalks that cross alleys will be paid by the City.

Subd. 2. Water and Sewer - The cost of water mains and of sanitary sewer shall be assessed one hundred percent (100%) against the abutting property based on frontage. The cost of water mains is to be assessed including the service lines, valves, and hydrants at time of initial construction. The cost of sanitary sewer includes service lines, if furnished, at time of initial construction.

The hook-up of Water and Wastewater service shall be charged a connection fee, which shall be determined by the City Council.

Service lines shall be defined by City Code.

Subd. 3. Street - The cost of construction of any street including those where the project may include curb and gutter, shall be assessed on the basis of frontage excluding cost of constructing street intersections which shall be paid by the City.

Reconstruction of a street shall be paid by an assessment to the abutting property owners at thirty percent (30%) of the cost.

Subd. 4. Curb and Gutter - One hundred percent (100%) of cost for the construction, repair or reconstruction of Curb and Gutter that is exclusive of street reconstruction shall be assessed based on frontage against property abutting the side of the street on which the Curb and Gutter is located.

SPECIAL RULES

Subd. 1. Corner Lots - For any infrastructure improvements that occur simultaneously on both the front and side yard of a corner lot the assessment will be calculated by adding the front and side yard frontage and dividing by two (2). This will establish the assessable frontage, which will be then used to calculate the total frontage for the project assessment calculation.

For infrastructure improvements that occur only on one side of a corner lot, the frontage shall be calculated using the actual frontage abutting the project.

Subd. 2. Intersections - The cost of water and sewer improvement in street intersections shall be included as part of the total assessable cost. The City shall pay intersection costs related to street, curb and gutter improvements.

Subd. 3. Irregular Lot Shapes and Adjusted Frontage - When an irregular shaped lot is abutting an infrastructure improvement, an adjustment to maintain fairness in the assessment

Adopted: 2012
may be made. When the amount of an assessment is determined by frontage, an equivalent front footage shall be determined by the following formula:

The sum of all sides of the lot shall be added together and divided by the number of sides and shall be the assessed frontage.

Subd. 4. **Bidding Process** - Alternate bids will be required on all water/wastewater main installation projects. The bids provided will be the basis for determining the true cost of the improvement share to be assessed. The basis for comparison will be the lowest alternate of the awarded bid.

**FEDERAL, STATE AND COUNTY AID USE**

If the City receives financial assistance from the federal government, the state or the county to defray a portion of the cost of any improvement project, such aid shall be used first to reduce the share of the project cost that would be met from the general and enterprise City funds according to the assessment formula contained in this policy. If the aid is greater than the amount of the improvement cost to be borne by the City, the remainder of the aid shall be placed in the appropriate City improvement fund or distributed in such other manner, as the Council shall determine.

**PROCEDURAL RESTRICTIONS**

Subd. 1 **General** - In attempting to conform to the provisions of Minnesota Statutes, Chapter 429, proceedings for a public improvement to be paid wholly or partly by special assessments shall conform to the requirements of these sections.

Subd. 2. **Waiver and Assessment Hearing** - After receiving bids for a project, the Council may, at its discretion, request submittal of signed waivers of the right to appeal the assessment when levied or may elect to hold a public assessment hearing to determine if there is substantial objection to the proposed assessments. If the Council elects to hold a public assessment hearing, the contract for the project shall not be awarded until the 30-day appeal period has expired.

**PARTIAL PAYMENT**

After the adoption of the assessment roll of any improvement project by the Council, the owner of any property assessed may, prior to the certification of the assessment of payment of the first installment to the County Auditor, pay to the City Treasurer all or any portion of the assessment, but not less than five hundred dollars ($500). The remaining unpaid balance shall be spread over the period established by the Council for installment payment of the assessment.

**CERTIFICATION OF ASSESSMENTS**

After the adoption of any special assessment by the Council, the Finance Director/Treasurer shall transmit a certified duplicate of the assessment roll with each installment, including interest, set forth separately to the County Auditor to be extended on the property tax lists of the County.

Adopted: 2012
INTEREST RATE

The interest rate shall be set by the Council on each special assessment project, and the rate of interest shall depend on the current market investment conditions or the cost of bond issuance plus one percent (1%).

ASSESSMENT PERIOD

Assessments shall not be spread over a period longer than the anticipated useful life of the project to be assessed. Subject to the useful life requirement, assessment shall be spread as follows.

1. Assessments under $500
2. Assessments from $500 to $2,500
3. Assessments from $2,501 to $10,000
4. Assessments exceeding $10,000

ADJUSTMENTS

In the event the literal application of the provisions outlined herein would result in an inequitable distribution of special assessments on a specific project, the City Council reserves the right to adjust the policy to achieve a more equitable distribution of cost for that project.
CITY OF SAINT PETER
UTILITY METER READER
RATING FORM TO SELECT CANDIDATES FOR INTERVIEW
Training and Experience - 100 Point Review

TOTAL POINTS _______

APPLICANT NAME: ________________________________

Minimum Qualifications:

1. High school diploma or equivalent
2. Experience working with the public
3. Valid Class D driver’s license

IF THE APPLICANT DOES NOT HAVE A "YES" ANSWER TO ALL OF THE ABOVE QUESTIONS, THE APPLICANT IS NOT ELIGIBLE TO BE CONSIDERED FOR THE POSITION. If the answer to all of the above questions is YES, the application may be reviewed for desirable qualification points.

DESIRABLE QUALIFICATIONS (circle the appropriate points)

<table>
<thead>
<tr>
<th>Possible</th>
<th>Points Awarded</th>
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<tr>
<td>85</td>
<td>TOTAL</td>
</tr>
</tbody>
</table>

If the applicant is a veteran or a veterans widow and has met the minimum qualifications the applicant is eligible for additional veteran preference points. Circle the additional points earned.

<table>
<thead>
<tr>
<th>TOTAL DESIRED QUALIFICATION POINTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 Veteran of United States Armed Forces with honorable discharge</td>
</tr>
<tr>
<td>15 Disabled veteran with honorable discharge</td>
</tr>
</tbody>
</table>

TOTAL POINTS

The veterans preference points will be added to the desired qualification points for a rating to obtain an interview. In the case of a tie, a veteran will be given preference.

The testing portion of this process shall be worth 50% of the applicant’s total score and the interview portion shall be worth 50% of the total score.

Date: ________________
TO: Honorable Mayor Zieman
   Members of the City Council

DATE: November 12, 2018

FROM: Todd Prafke  Sally Vogel  Pete Moulton
       City Administrator  Director of Finance  Director of Public Works

RE: 2019 - 2020 Electric Enterprise Fund Budget Review

ACTION/RECOMMENDATION

None needed. For your review and discussion only.

BACKGROUND

The 2019-2020 Electric Fund budget, was approved by the City Council, on November 26, 2018. As promised at that time, this memo will serve as an update on the 2019 budget and an early review of 2020.

As stated in November 2018, the budgets include the same operational services we have provided in previous years. The Utility provides and maintains services to homes and businesses; maintains the electric generation plant; provides for street light installation and maintenance; provides for connection and disconnection of meters and location of City service lines; maintains appropriate load on transformers; installs new services in subdivisions; and installs distribution lines.

The recommendations for the 2019 and 2020 years were/are:

• No change in rates for 2019 and 2020.

• Budget revenue for 2019 $11,989,666, projected 2019 revenue is $11,822,056 or $167,610 lower than budget due to a cooler summer (i.e. less air conditioning). 2020 budget revenue is $12,298,793, or a 4% increase over 2019 projected, but only a 0.6% increase over 2018 actual. We believe this continues to be a conservative estimate. As you know we tend to lean towards projecting slightly lower revenues and slightly higher expenditures across all funds. This is more important as reserves relative to budgets have gone down.

• In 2020 Saint Peter will receive $255,247 in revenue from SMMPA, for the GE settlement. Our proposal will be to use the funds to increase the fund reserve balance.

• The 2019 budgeted operating expenditures were $12,062,311. Projected operating expenditures are $11,435,211 or $627,100 less than budgeted. which is due in part to capital spending being $249,000 below budget, the timing for hiring an Electric
Superintendent. The projects that were in your Capital Improvement plan are still needed but will be done in 2020. Frankly, we did not have the ability internally to get them done this year. A cooler than average summer drove purchase power $185,959 lower than budget.

- The 2020 capital costs were budgeted for $1,580,000, of which $1,113,000 is for the Front Street Substation. The Front Street Substation is a "placeholder" and is now moved out to 2021 at the earliest. Without the substation expenses, the approved capital budget for 2020 is $467,000, but is now projected to be $824,000. The increase is due to 2019 projects that have not been completed and will now be completed in 2020. There is also an additional $256,000 in expenditures for generation plant improvements which needs a major update to the building and generator automation to make sure the plant will come online when SMMPA/MISO need additional generation capabilities to meet demand. We receive $432,000 in "Capacity Payments" per year through 2025, from SMMPA, to have the generation plant able to generate. If the City does not update the generation plant, we are at risk of not meeting the terms of the contract and losing $432,000 per year and having to pay penalties. A copy of the 10 year capital plan is included for Council review. Our goal for 2020 is to use reserves to fund $594,000 of capital using reserves, and issuing an Equipment Certificate for the Generation Plant improvements in the amount of approximately $256,000.

- As you know, approval of the budget does not allow for the purchase of large items without additional City Council approval. Purchase of budgeted items over $10,000 will be presented to the Council for final approval as per the purchase policy.

- 2018 year end unrestricted cash reserves was at $1,381,404, and 2019 year end unrestricted cash reserves were budgeted at $1,530,013. The current year end projection for unrestricted cash is $1,899,407 due to lower capital spending in 2019. As stated previously, the capital spending will now occur in 2020. The 2020 year end unrestricted cash was budgeted to be 1,656,211, and with the capital spending the unrestricted cash reserve is projected to be $1,698,306. In a recent rating call with Moody's Inc., the analyst indicated a $2 million balance would be needed to upgrade their credit rating for Saint Peter. We would like to continue to increase our unrestricted cash balance to be at or above $2 million to help with unplanned expenses that can arise in any given year.

Please feel free to contact us should you have any questions or concerns on the agenda item.

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<td>Generation Plant Battery System Replacement</td>
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Memorandum

TO: Honorable Mayor Zieman
    Members of the City Council

DATE: November 14, 2019

FROM: Todd Prafke
      City Administrator

Sally Vogel
      Director of Finance

Pete Moulton
      Director of Public Works

RE: 2019 - 2020 Environmental Services Fund Budget Review

ACTION/RECOMMENDATION

None needed. For City Council input and discussion only.

BACKGROUND

The 2019-2020 Environmental Services Fund budget was approved by the City Council on April 6, 2019. This memo will serve as an update on the 2019 budget and a review of the 2020 approved budget. As stated in April 2019, the budgets include the same operational services the City has provided in previous years and includes:

1. Refuse and recycling collection throughout the community.
2. Operation of a yard waste drop off site and compost site, curb-side yard waste and leaf pick up, Christmas tree pick up.
3. Maintenance of the City's urban forest which includes tree removal, planting and replacement program on boulevards and in parks and other public areas.
4. Emerald Ash Borer (EAB) management
5. Maintenance of the downtown medians and urns.
6. Downtown flower baskets.

The recommendations for the 2019 and 2020 years were:

• The 2019 budget had a rate increase planned which was implemented on July 1, 2019. The 2020 budget does not include an additional rate increase. We will continue to review revenues and expenses as the refuse and recycling markets continue to change, and will review rates again for the 2021-2022 budget cycle. It may also be important to remember that part of the basis for that rate change was an additional $50,000 for your EAB work plan.

• Budgeted revenue for 2019 was $852,428. The projected 2019 revenue is on pace to meet the budgeted revenue. The 2020 budgeted revenue is $932,284. The increase in this budget is due to the full year impact of the rate increase implemented on July 1, 2019.

• The 2019 budgeted operating expenditure was $915,288 while the projected operating expenditures are $888,795 or $26,493 below budget. This is lower due in part to wages/benefits realized from the vacant Maintenance Superintendent position.
• The 2019 capital budget included purchase of a leaf vacuum and the purchase was made. 2020 capital costs were approved for $90,000. Currently 2020 is slightly higher at $100,000. This was modified due to the unexpected need to replace the City’s mosquito sprayer which has failed. As you know, approval of the budget does not allow for the purchase of large items without additional City Council approval. Budgeted items over $10,000 will be presented to the Council for final approval as per the City’s purchase policy.

• The Environmental Services Fund has no debt obligations.

• 2018 year end cash reserves was $70,190. 2019 year end cash reserves were budgeted at $14,629 although the current year end projection is $34,573. The 2020 year end cash was budgeted to be $24,160, but with increased capital expenditures the cash balance is now projected to be $13,542.

We will continue to monitor several issues within this budget such as rates, services offered in the Environmental Services budget and other services such as food waste composting, and how fast Emerald Ash Borer spreads to Saint Peter. The Council may also wish to review the value of additional rate increases for future years. To give you a bit of a feel for the order of magnitude, a $1.00 per month increase on refuse collection generates about $36,000.

Recycle, recycle, recycle. The single sort recycling program is changing to every other week, starting December 2019. As discussed in length, the changing geopolitical climate for recycling, is changing very rapidly. Rather than increase costs and continue with every week recycling, the Council has taken action to change to every other week and keep rates the same. Staff continues work to promote and educate residents in efforts to increase recycling and lower refuse amounts.

Please feel free to contact us if you have any questions or concerns on this agenda item.

TP/SV/PM
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* added to 2020 Capital
RESOLUTION NO.

STATE OF MINNESOTA
COUNTY OF NICOLLET
CITY OF SAINT PETER

A RESOLUTION ADOPTING A POLICY FOR MUNICIPAL UTILITIES

WHEREAS, The rules and regulations for Municipal and Public Utilities are defined in Chapter 3 of the City Code; and

WHEREAS, The City desires to further clarify and define these rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA THAT: the City Council hereby adopts a policy clarifying and further defining the rules and regulations regarding Municipal and Public Utilities.

When a customer requests utility services, the customer is required to complete a Contract For Services. If this contract is not completed and received by the Finance Department within thirty (30) days after the requested service, a disconnect or limiting meter notice will be sent to the customer.

When current customers request service at a new location, a Contract For Services is required. When the contract is received, the deposit and any remaining balance from the old account, will be transferred to the new address.

A ten (10) percent penalty will be assessed for delinquent electric, water & sewer and refuse charges, not paid in full by the 15th of the month following such billing.

From March 1st to September 1st, a disconnect notice will be sent out with the first delinquency notice. From October 1st to February 1st a limiting meter notice will be sent out with the first delinquency notice.

For the Cold Weather period, October 15th to April 1st, a limiting meter will be installed rather then disconnecting service for customers whose account has become delinquent. The limiting meter will allow customers to run their furnace, refrigerator and approximately one or two lights. Size of limiting meter to be determined by Public Works Department. Cost of removing the limiting meter and reconnecting full service, will be the same amount as the charge for reconnection after disconnection.

A customer with a delinquent account may request payment arrangements. The payment schedule will be limited to six (6) months, and will be interest free. First payment to start on the 1st of the month following the disconnect or limiting meter notice. If payment is not made on the date agreed to by the customer, or current utility bill is not paid by the 15th each month, service
will be immediately disconnected. During the cold weather period, a limiting meter will be installed.

When a customer has agreed to and signed a Payment Arrangement, and fails to make their required payment or their current bill becomes delinquent, service will be immediately disconnected. The remaining balance owed on the Payment Arrangement, any penalties owed and the delinquent bill have to be paid in full to have service restored. During the cold weather period, a limiting meter will be installed.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 11th day of April, 1994.

Ellery Peterson, Mayor

ATTEST:

Daniel Jordet, City Administrator
RESOLUTION ADOPTING POLICY FOR MUNICIPAL UTILITIES

WHEREAS, the rules and regulations for municipal and public utilities are defined in Chapter 3 of the City Code; and

WHEREAS, the City desires to further clarify and define these rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the City Council hereby adopts the following policy clarifying and defining the rules and regulations regarding municipal and public utilities.

BILLING, COLLECTION, DISCONNECTION POLICY

1. When a customer requests utility services, the customer is required to complete a "Contract for Services". If this contract is not completed and received by the Finance Department within thirty (30) days after the requested service, a disconnect or limiting meter notice will be sent to the customer.

2. When current customers request service at a new location, a contract for services is required. When the contract is received, the deposit and any remaining balance from the old account will be transferred to the new address.

3. A ten percent (10%) penalty will be assessed for delinquent electric, water, sewer, and refuse charges not paid in full by the fifteenth of the month following such billing.

4. From March 1st to September 1st, a disconnect notice will be sent out with the first delinquency notice. From October 1st to February 1st a limiting meter notice will be sent out with the first delinquency notice.

5. For the Cold Weather period October 15th to April 1st, a limiting meter will be installed rather than disconnecting service for customers whose account has become delinquent. The limiting meter will allow customers to run their furnace, refrigerator and approximately one or two lights. Size of limiting meter will be determined by the Public Works Department. Cost of removing the limiting meter and reconnecting full service will be same amount as the charge for reconnection after disconnection.

6. A customer with a delinquent account may request payment arrangements. The payment schedule will be limited to six (6) months and will be interest free. First payment to start on the first of the month following the disconnection or limiting meter notice. If payment is not made on the date agreed to by the customer, or the current utility bill is not paid by the fifteenth of each month, service will be immediately disconnected. During the cold weather period, a limiting meter will be installed.

7. When a customer has agreed to and signed a Payment Arrangement
and fails to make their required payment, or their current bill becomes delinquent, service will be immediately disconnected. The remaining balance owed to the Payment Arrangement, any penalties owed, and the delinquent bill have to be paid in full to have service restored. During the cold weather period a limiting meter will be installed.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 11th day of April, 1994.

Mayor

ATTÉST:

City Administrator
TO: Honorable Mayor Zieman  
Members of the City Council  
FROM: Todd Prafke  
City Administrator  
RE: Legitimacy in Governance  

ACTION/RECOMMENDATION

None needed. For Council discussion and review only.

BACKGROUND

The principle shown below is included for discussion as part of the April 29th Council goal session:

The Principle of Legitimacy in Governance is based on three things:

1. People who are asked to obey authority have to feel like they have a voice — that if they speak up they will be heard.

2. The law or rules have to be predictable. There has to be reasonable expectation that the rules tomorrow are going to be roughly the same as the rules are today.

3. The authority has to be fair. It can’t treat one group differently from another.

The decisions to obey are not a function of rational calculation of risks vs. benefits. It is based on legitimacy.

TP/bal
CITY COUNCIL ELECTION RESULTS – Another election is in the books and here are the results for the City Council races in Saint Peter:

MAYOR
Charles Zieman 839
Shawn Schloesser 816

COUNCIL WARD 1 (4 year term)
Harry Youngvorst 221
Keri Johnson 867

COUNCIL WARD 1 (to complete term 12/31/2021)
Shanon Nowell 585
Dustin Sharstrom 487

COUNCIL WARD 2 (elect 2)
Terry L. Bergemann 147
Emily Bruflat 378
Bradley DeVos 322
David B. McGuire 113

Precinct by precinct totals are available on the City's website at www.saintpetermn.gov. Results for the School District #508 Board races are available from the School District #508.

Congratulations to the newly-elected Councilmembers and our thanks to everyone who ran. Thanks also to the City's hard working Election Judges. Many of these folks have been Judges for a number a years and they work hard to ensure all election laws are followed while making each voter's experience on Election Day a good one.

CITY COUNCIL ACTIONS – Action at the City Council meeting held on October 28, 2019 included adoption of a resolution allowing sale of refunding bonds if interest rates provide a target goal of savings; approval of a revolving loan to Keith and Carolyn Stelter for re-roofing the property at 213 South Minnesota Avenue; establishment of a Census 2020 Complete Count Committee; initiation of the process for assessment of unpaid municipal utility charges and unpaid miscellaneous charges; authorization for execution of a contract modification with LJP Waste Enterprises for the City's refuse and recycling contract agreement; and approval for purchase of two play structures to be installed in 2020 in Veteran's Memorial Park.

The next regular City Council meeting, will be Tuesday, November 12th beginning at 7:00 p.m. in the Governors' Room of the Community Center.

MAKES ME WONDER (BY CITY ADMINISTRATOR TODD PRAFKE) – Well it is over... the local election that is. Congrats to all who ran. They all deserve a kind word of thanks. As I have written before it takes some courage to plunk down $5 to put your name on the ballot and say you want to serve the entire community. And, judging by the number of lawn signs, more than I ever remember in the past, we have a lot of very engaged and serious candidates.

But the election is over and now the real work starts. One of the things I have noticed over the 30 plus years I have been doing this City Administrator work is that running and governing are two very different things and while it is not easy to articulate, there are some very important differences in campaigning and governing.

Campaigning is done, at least in Saint Peter, “in season”. By that I mean it is not done year around. Governing on the other hand is done year around and in every place you go whether that be in church, at the store, or at a game. People want you to know what they think and what they do or don't want the City to do for them.

When campaigning it is easy to take sides but when you're governing taking sides is oftentimes a bit harder as many times the answers you get to
choose from are not good or great. Often they are worst or least worst.

Governing is sometimes about compromise, communicating and sharing information with others to hear many perspectives before reaching a consensus. Campaigning, particularly at the national level, seems to be about making sure someone else knows less than you, and not sharing or communicating with those who disagree with you.

Governing at the local level is about finding those things that are priorities that you can agree on and making those happen. Sometimes it often seems at the national level it is pointing out those things that you disagree on so no one can get anything done.

One of the cool things that happens in Saint Peter is that after the election a letter goes out to those who were not elected thanking them for their desire to serve and asking them if they may have interest in serving on one of the many volunteer boards or commissions in the City.

So thanks again for all who ran and best of luck to those that won remembering that as you succeed so does our entire community.

Will you thank those who didn’t win and encourage those who did, even if you didn’t vote for them? It makes me wonder……

CURBSIDE LEAF COLLECTION UPDATE - Beginning Monday, November 4th City staff began the second round of leaf collection for properties south of Broadway Avenue.

This has been such a muddled process this year and the Public Works Department will try and we will continue to provide residents updates in the days and weeks ahead. Please make sure to have vehicles away from piles for the machinery to be able to pick up your pile. If you have any questions, please call Public Works at 507-934-0670.

Residents are encouraged to use the yard waste site located at 1128 North Swift Street. This site is open to residents at any time to drop off. This service is provided by the Environmental Service fee in the City residential utility bills.

COMPLETE COUNT COMMITTEE – Census 2020 will begin on April 1, 2020. In preparation for the big day the City Council has established a Census 2020 Complete Count Committee and is seeking applicants.

The Complete Count Committee will be tasked with developing and implementing community outreach projects to increase general knowledge about what the census is, how it is undertaken, and why the census is important not only to Minnesota as a whole, but to Saint Peter. Every uncounted person means $15,320 in federal funding is lost. If just 50 people are missed, Saint Peter loses upwards of $750,000 in the next decade. That’s a lot of money.

The Committee will be especially focused on outreach to historically undercounted groups like immigrants and the elderly, both of which make up significant portions of Saint Peter’s population.

Residents interested in being considered for appointment to the Committee are asked to submit a brief letter of interest to the City Administrators Office (227 South Front Street) or by email to barbaral@saintpetermn.gov. Applicants should include their name, phone number, email and a brief paragraph or two about their background and their connection to the historically undercounted segments of Saint Peter’s population.

Committee members will meet on a monthly basis beginning on the second Wednesday of each month (December 11th is the first meeting) through March, 2020. Meetings will take place at 6:30 p.m. and prospective members will be asked to make a commitment to attending each meeting.

For more information on this committee, please contact the City Administrator’s Office at (507)934-0663.

LEAF COLLECTION UPDATE – At the October 28th regular meeting, the City Council heard a report on the City’s curbside leaf collection schedule which has been shredded by the whims of Mother Nature.

The new plan is for the Public Works crews to once again collect leaves for properties north of Broadway Avenue beginning immediately. This process will continue for two weeks before starting collection for properties south of Broadway Avenue for the next two weeks.

For more information on the leaf collection process, please keep and eye on the City’s website (www.saintpetermn.gov); the Hot Sheet; or the City’s Facebook page at (www.facebook.com/CityofSaintPeter)

MULTI-FAMILY HOUSING MARKET - The American Community Survey conducted by the U.S. Census bureau suggests that the rental vacancy rate in Saint Peter is 2.8% based on estimates from the five years between 2013 and 2017. Their data has a reported margin of error of +/- 3.4%.

We wanted better data. The Community Development office undertook a phone survey of the multi-family housing units containing four or more apartment units. What we found wasn’t
necessarily surprising. Of the 743 multi-family housing units surveyed, only 14 were currently available for rent. That calculates to a multi-family vacancy rate of only 1.9%.

For comparison, in 2018 the national rental vacancy rate was reported to be as high as 7.1% while the vacancy rate in Minnesota was at 5.7%.

A vacancy rate below 4% suggests that the market is extremely tight and does not encourage multi-family property owners to improve or upgrade their housing units. Investments are delayed and higher rental rates can be established due to the lack of apartment availability.

Such a low vacancy rate also doesn’t provide choices for prospective Saint Peter residents who prefer not to own their home. Can I find a three bedroom, two bath, ground floor unit with garage parking close to the downtown for my family? Perhaps but most likely not.

There are a few multi-family developers in the very preliminary stage of exploring the Saint Peter market. It is too early to know if anything will materialize but the market seems to be ready for more construction.

HELP WANTED – The City of Saint Peter is currently accepting applications for the following position(s):

- **PART-TIME RECREATION LEADER** - in the Recreation and Leisure Services Department. The Recreation Leader assists, conducts, leads, and evaluations programs, projects and special events and facilities. MINIMUM QUALIFICATIONS: 16 or older with a valid Minnesota non-provisional driver’s license. Afternoon, evening and weekend hours, including holidays. $10.00 per hour. Applicants must complete a City of Saint Peter application available from the City Administrator’s office, 227 South Front Street. Deadline for receipt of completed applications by the City Administrator’s office is 5:00 pm on November 26, 2019. Faxed, emailed and/or late applications not accepted. AA/EEO

- **PART-TIME RECREATION COORDINATOR** - in the Recreation and Leisure Services Department. The Program Coordinator works to plan, develop, coordinate, implement, and supervise recreation and athletic programs and special events. MINIMUM QUALIFICATIONS: 18 or older; high school diploma or equivalent; valid Driver’s license; have CPR and First Aid training or ability to be certified within six months of employment; and experience working with the public. Afternoon, evening and weekend hours, including holidays. $11.25 per hour. Applicants must complete a City of Saint Peter application available from the City Administrator’s office, 227 South Front Street. Deadline for receipt of completed applications by the City Administrator’s office is 5:00 pm on November 26, 2019. Faxed, emailed and/or late applications not accepted. AA/EEO

- **PART-TIME BUS DRIVER** driving for the Minnesota River Valley Transit. This position will work nights and weekends with an occasional day shift. Positions in both Saint Peter and Le Sueur available. Successful candidates for this position must have, at a minimum, a High school diploma or equivalent and a valid State of Minnesota CDL minimum of Class C Driver’s License with passenger endorsement. Candidates will have thirty days from the date of employment to obtain the required driver’s license and the City will help the new employee train for the license test. $16.23 per hour. All applicants must complete a City application form which is available from the City Administrator’s office at 227 South Front Street or by calling (507)934-0663. Completed applications must be received by the City Administrator’s office by 5:00 p.m. on November 27, 2019. Faxed, emailed, and/or late applications will not be accepted. For more information go to www.saintpetermn.gov/city.

CITY MEETING CALENDAR – For questions on meeting dates/times, please contact the City Administrator’s Office at 934-0663. Full calendar available at [www.saintpetermn.gov](http://www.saintpetermn.gov).

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Time</th>
<th>Meeting Name</th>
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<tbody>
<tr>
<td>Thursday</td>
<td>November 7</td>
<td>5:30 p.m.</td>
<td>Planning and Zoning Commission</td>
</tr>
<tr>
<td>Monday</td>
<td>November 11</td>
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<td>LEGAL HOLIDAY – VETERAN’S DAY</td>
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<td></td>
<td></td>
<td></td>
<td>CITY OFFICES CLOSED</td>
</tr>
<tr>
<td>Tuesday</td>
<td>November 12</td>
<td>5:30 p.m.</td>
<td>Library Board</td>
</tr>
<tr>
<td>Tuesday</td>
<td>November 11</td>
<td>7:00 p.m.</td>
<td>City Council Meeting</td>
</tr>
<tr>
<td>Day</td>
<td>Date</td>
<td>Time</td>
<td>Event</td>
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<tr>
<td>Monday</td>
<td>November 18</td>
<td>3:00 p.m.</td>
<td>City Council Goal Session</td>
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<tr>
<td>Tuesday</td>
<td>November 21</td>
<td>12:00 noon</td>
<td>Economic Development Authority</td>
</tr>
<tr>
<td>Friday</td>
<td>November 22</td>
<td>8:00 a.m.</td>
<td>Tourism and Visitors Bureau</td>
</tr>
<tr>
<td>Monday</td>
<td>November 25</td>
<td>7:00 p.m.</td>
<td>City Council Meeting</td>
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<tr>
<td>Tuesday</td>
<td>November 26</td>
<td>5:30 p.m.</td>
<td>Heritage Preservation Commission</td>
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<tr>
<td>Wednesday</td>
<td>November 27</td>
<td>12:30 p.m.</td>
<td>Hospital Commission</td>
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<tr>
<td>Thursday -</td>
<td>November 28-29</td>
<td></td>
<td>THANKSGIVING HOLIDAY - CITY OFFICES CLOSED</td>
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<tr>
<td>Friday</td>
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58
ELECTION 2019

Elections are held in the City of Saint Peter every year in cooperation with the Nicollet County Public Services Department. The City Administrator’s office organizes the elections. During even years, the ballot includes federal, state, and county races. During odd years, the ballot includes City Council (Mayor and Council-members) and School District races. Polls are open from 7:00 a.m. – 8:00 p.m. on election day. Please note that residents in Ward 1 (north) will vote at Johnson Hall at the Fairgrounds while the Armory continues renovations.
**Channel 7 Weekly Program Guide**

What is Public Access Television?

_The modern day embodiment of the First Amendment._

PUBLIC ACCESS TELEVISION provides an effective means to an individual or community group to communicate their information, activities and a wide audience. Public Access is free, non-commercial cable channels playing a variety of programs: informational, entertaining, or educational.

Saint Peter Public Access Mission Statement  
The mission of Saint Peter Public Access (SPPA) is to provide the resources necessary for ensuring cable television broadcasting accessibility by
It's becoming increasingly rare in Minnesota to have a varied selection of candidates for local races and yet between City and School Board, there were 20 candidates to choose from in yesterday's general election! Way to go
Boost Your Post for $20

"Monday is Veteran Day" is one of your most engaging posts. Boost it to get more reactions, comments, and shares.

Learn More

4.2 out of 5 based on the opinion of 21 people
TO: Honorable Mayor Zieman  
Members of the City Council

FROM: Todd Prafke  
City Administrator

Sally Vogel  
Finance Director

RE: 2020 Preliminary Levy

ACTION/RECOMMENDATION

Approve the attached resolution setting the Preliminary Levy for the 2020 year.

BACKGROUND

Under State law the Council must take action to set a Preliminary 2020 levy before the end of September. This levy will get final approval in December. The final levy can only be equal to or less than the preliminary levy.

Since the levy is in many ways directly related to your budget, the Council has made two opportunities to discuss both the levy and budget for 2020. Our recommendation and your plan for that budget and levy have been incorporated into the information that is provided below.

We continue to work to provide a budget that is based on Council priorities for our customers and taxpayers while providing the financial resources needed to maintain the quality and quantity of staff that provide those services.

We are proposing a budget and suggesting a levy that will increase your projected tax rate from 50.71 to 50.97 based on a gross levy increase of $258,026 or 8.6%. Ongoing evolution of the tax capacity numbers will continue until the 2020 tax notices are distributed by Nicollet County. The projected 2020 tax capacity is based on a 4.8% increase in Estimated Market Value, and again we will get a County determination of this value closer to December. Previous tax rates look like this:

<table>
<thead>
<tr>
<th>Year</th>
<th>Rate</th>
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<tbody>
<tr>
<td>2013</td>
<td>50.67</td>
</tr>
<tr>
<td>2014</td>
<td>51.13</td>
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<tr>
<td>2015</td>
<td>46.79</td>
</tr>
<tr>
<td>2016</td>
<td>47.27</td>
</tr>
<tr>
<td>2017</td>
<td>49.09</td>
</tr>
<tr>
<td>2018</td>
<td>50.01</td>
</tr>
<tr>
<td>2019</td>
<td>50.27</td>
</tr>
<tr>
<td>2020</td>
<td>51.97 (estimated)</td>
</tr>
</tbody>
</table>
What this means is, if a homeowner's property valuation hasn't changed from 2019, their City share of the tax bill on a $150,000 home would increase approximately $21.46 from the 2019 tax year.

Goals for this discussion are:
• Provide an update on the 2019 projections and budget modifications.
• Provide information on the 2020 budget progress.
• Provide information that allows you to work towards a reasoned decision relative to the levy.
• This budget and levy, the means by which you provide for the policies and services you have in place, is a substantial opportunity for you to provide input in making this the Council budget and not the Staff budget.

This discussion will include a summary explanation of the budgets that we hope will enhance your understanding of the big picture of the budget. We hope to not get into the minutia of the budget exemplified by how many stamps we use or the number of handcuff keys we purchase, but rather to focus on the way this budget supports your wants and policies.

We continue to look at the General Fund and Special Revenue Fund budgets as a portion of a larger business and believe we are very cognizant of the impact that modification in any of these areas has on other portions of the City business. The 2020 budget is based on the ideas expressed below.

The changes within the budget, as compared to 2019, are highlighted below:

• Elections include the costs for the March 2020 Presidential Primary which is now required by Legislative action, $6,000.
• Municipal Building maintenance in 2020 is proposed to include $5,000 for front door repair and carpet, and $22,000 in repair and maintenance items to improve the building.
• Public Works Building maintenance in 2020 is proposed to include furnaces (two of three) in the amount of $5,000, a portable welder in the amount of $3,000 and $12,000 for a floor scrubber for maintenance shop.
• As in 2017 and 2019 the sidewalk replacement plan will be in the amount of $50,000; this is the final year of the three year plan.
• Street maintenance for 2020 is planned for an additional funding of $83,325 over your 2019 budget. Wages and benefits account for $43,325 of the increase and material cost (i.e. salt, sand, asphalt, etc.). Maintenance costs (i.e. seal coating, curb, gutter, mudjacking, sidewalks etc.) account for an increase of $40,000. Your ongoing street program provides maintenance on one of your biggest assets/investments that is very expensive to replace. This number represents our best guess of inflationary impacts and a small increase in scope.
• Work with Damon Farber Consulting to address park planning, signage and branding is budgeted to complete the third year of their recommendations with funding of $10,000 in 2020.
• Parks budget increase by $140,000 for new playground equipment at Veterans Memorial Park, with $100,000 of the increase funded from the Community Center levy which will be completed in February 2020 and the remaining $40,000 from reserves.
• The Fire Department budget includes a $7,500 transfer, which will contribute a fourth year to a replacement fund for equipment items that have certification expiration needs.
• In Fire Call/Fire Equipment Fund #215 the Fire Department is and continues to apply for a $1.2M grant from the State for a replacement snorkel truck. If a grant is received the City
match is five percent (5%) or $60,000. The plan is to use reserves in Fund #215, for which the fund balance as of July 31, 2019, is $110,302.

- The insurance fund has no contributions for the 2020 year. The 2019 projected ending fund balance is $150,000. You may recall our target here is $300,000, but it will deplete without further funding. This area deserves a bit more discussion. Due to changes in rates over the last five plus years we are no longer realizing savings that we planned to place in this fund. For 2021 we may want to look at this differently.
- The 2019 and 2020 expenditures reflect no use of reserves to cover the expense of Community Spirit Park. This deficit is still projected to be covered by the sale of the wastewater ponds.
- We have also provided funds to match School funding for an additional School Resource Officer expected to be in place for the 2019-2020 school year. You may recall we did budget for the amount needed for the portion of the school year that falls in our 2019 fiscal year.
- Local Government Aid (LGA) increased $126,099 in 2020, as the Legislature increased funding back to 2002 levels.
- Health insurance renewal is projected to have a 10.0% increase.

For 2020, we will use the same philosophy we have over the past years. We do not look at the total levy and then make cuts or additions. We look at the divisional budgets line by line and think about needs and priorities you have set, make changes, and then look at how that would influence the total.

The philosophy in the past was to bring you budgets based on the programs and service standards we have had in place without puffing it up needlessly, simply to be cut later in October or November to show how great a job we can do budget cutting. That is to say, we bring a budget that will provide for the operation you have told us you want. Reserves are used for emergencies or efforts that are unknown to us at this time or as planned for keeping your reserve policy in mind. In some past years we have used reserves for a deal that is too good to pass up or to pay an unexpected costs. We do not believe that additional information about costs projected in a month or two will substantially impact our thoughts on needs and/or priorities so we don’t plan to come back to you multiple times between now and December and modify the budget. It may be important to note that once the legislative session starts in 2020 there is always the potential for a change in the ground rules.

We also believe the results from past budgets speak for themselves and that our budgeting philosophy has shown very positive results both from a financial and a service perspective. The positive results are measured by the deviation from budget at the end of each year. That deviation has been very, very small. Further, the Council does not see a flurry of purchases at the end of each year based on the theory of, “if we don’t spend it we won’t get it next year.” We just don’t do that.

Lastly, based on State funding changes over the past eleven years, local property taxes are more heavily depended upon to make your operations go. The LGA increase of $126,300 only gets back 2002 funding levels and doesn’t cover the annual cost of business in your General Fund.

Our Financial Position Today - The City, as reported by our auditors, is in very good financial shape. The General Fund ended the 2018 year with revenues over expenditures by $695,500 and reserves increasing to $4,566,057. The projected change to fund balance in 2019 shows
an anticipated decrease of $358,354. The decrease is due to reserve spending for the Pavilion and personnel costs.

**Working Plan Thus far** - The 2020 budget is not balanced. Expenses will be greater than revenue by about $391,706. This is not a good or bad thing, it is just the plan and we are happy that our understanding of these issues has evolved over the last number of years. Based on your Fund Balance Policy for the General Fund which says the reserve should be "35% to 50% of the following years budgeted expenditures", we believe this is acceptable. Options of what to do with the 2020 decrease in fund balance is discussed later in the memo.

In the budget we will have a projected fund balance of $3,815,367 at the end of budget year 2020. Based on our current projections, the reserve percentage for the end of 2019 will be approximately 54.6% and end in 2020 at 45.8%.

It is important to note that modest wage changes, increases in insurance and normal adjustments to fuel and other consumable items in your budget means that each year, assuming no other changes take place, you will see an increase in cost somewhere between $175,000 and $250,000 in a $8.3 million budget. Our belief is that steady, moderate change over a number of years is better than large increases or decreases from year to year.

General Fund expenditures are planned for an increase of $623,276 over the 2019 budget driven by personnel costs, park improvements, City Hall and Public Works building maintenance, and some capital. Alternatives to this increase are discussed later in the memo.

Some of the tools used to provide the 2020 budget year include:

- Enterprise Fund transfers have been estimated based on projected sales for the 2018 year. Transfers will remain at 6.5% of sales for the Electric, Water, Wastewater, and Stormwater budgets. Please know that the transfers are based on percentage of gross revenue, so even though they are likely to change, we believe this assumption is appropriate as a starting point.
- Wage modifications for all union and non-union are 3%. We anticipate a few selected areas where market adjustments and Pay Equity compliance changes will be recommended.
- We will continue to make operational changes that we hope will reduce overtime and may mean changes when and how some activities are undertaken. We budgeted hours of overtime at the levels we have seen in the past.
- First Pavilion debt payment of $92,150
- St. Peter Community Center 2009 debt will be paid in full.
- Fire Relief Association levy remains at $0 for the 2020 year. No additional funds are needed at this time.
- We continue to self-fund a higher deductible for Property/Casualty Insurance coverage across all funds. We do not plan to transfer any funds to the insurance pool as the budget premium no longer offers a saving from the initial creation of this fund. After the claim deductibles are closed, the 2018 fund balance will be approximately $150,000.
- 2020 Local Government Aid is planned to receive $126,099 over the 2019 allocation. This is a total of $3,170,444, putting us back to the 2002 LGA funding level.
- The grant application for the fire truck was not approved and there is currently $86,000 in the Fire Equipment fund; therefore, no levy for this is planned. If a new grant application for a new fire truck is approved in 2020, the required $60,000 match will be funded by the Fire Equipment Fund
- Equipment Certificate for $395,250
Below are items that we discussed earlier and some items we just think you should have an opportunity to understand and discuss.

- There will be no system wide increase in program recreation fees for 2020. We believe the increase in 2018 brings us closer to our 40/60 cost split goal between levy/fees supports.
- The budget includes Coalition of Greater Minnesota Cities membership ($21,000).
- You have also discussed other long-term projects for the future that are not funded as a part of this budget, Fire Hall, (land purchase and design fees have been paid with reserves in 2019 of approximately $600,000), City Hall, other parks enhancements, field house and Township Road 361, are probably the most notable.
- The Electric Fund will not see a rate increase in January 2019 or 2020; however the environmental budget did have increases effective July 1, 2019.

Special Revenue Funds:

The Library fund allocated 2020 tax levy of $283,640 is the same amount as 2019. The tax levy increased from 2018 by $10,682. Library expenses will be $67,747 above revenues, continuing the same programming as in 2019. The State requires a minimum maintenance of effort, which means they regulate the minimum that is required to be contributed to library systems by cities and counties.

Operations of the Community Center will be funded by tax levy of $135,000 in 2020 and its remaining debt of $36,500 will be paid in February 2020. With the additional $135,000 of tax levy the Community Center fund will be at break-even at the end of 2020.

Miscellaneous things to consider -

- As always, our goal is to construct a budget that meets your goals and priorities. We have provided additional information so that the Council might be able to determine if this budget does that.
- There are many, many requests that go unfilled; a large number of those are removed at the Department or the Administrative level. We continue to under-fund depreciation on assets and road maintenance. That is not only the case in Saint Peter, but in just about every community in the state.
- Our dependence on Local Government Aid remains significant.
- This budget delays some capital equipment wishes that in past years we may have funded. Some of these reductions are made because our needs have changed and others because we continue to work to be good stewards of the resources. Some are done with the hope that we can limp to another year based on cost of money or serviceability. Others are done because we believe strongly in the idea of budget responding to our customers and the services you wish to see provided.
- We will be prioritizing things like weed control and repairs throughout our various facilities and our efforts will be focused on areas with customer needs as the driving force behind the prioritization.
- You can change how you look at resource balance between tax driven and Enterprise Funds. In the past we have maintained a very specific percentage of gross revenues of
Enterprise Fund transfers to the General Fund. This budget anticipates no change in that balance. The Council could change that area if you wished. We will have the ability to discuss the general impact of changes in that balance if you wish. A slight twist to that may be the additional use of Enterprise Funds in a more targeted way. We can discuss this now, but it may be more valuable during your Enterprise funds or Goal Session discussions.

- We have also assembled a list of some of the "outside the box" ideas that may assist us in our budget balancing. All of these need more discussion prior to any implementation because most represent a policy change and, frankly, a large shift in what our operations model has been in the past. Some of those are:

  o Additional modifications to fees. (Yearly adjustments are always reviewed.)
  o Payment in lieu of taxes from other entities that are not taxed now. (This is an effort that may take a number of years to execute.)
  o Modification to assessment policies that puts more burden on individual taxpayers rather than the General Fund. The last changes you made put additional cost on the General Fund by transferring alley skirting from being assessable to being paid by the City.
  o When to take or use savings from the Insurance Fund. That's the $150,000
  o Additional Enterprise Funds contributing to the General Fund.
  o Targeted utility increases.
  o Franchise fees (as exampled by a natural gas fee).
  o Sales tax targeted towards specific capital improvements as you are discussing with the Fire Hall.
  o Use of other funds to transfer in revenues.
  o Any others you may have or we may come up with.

- It is important to understand that our reserves are within our fund balance policy, but there are still areas of volatility that could substantially influence the final 2019 or a 2020 outcome. Those items that are our highest concerns include:

  o State aids; LGA in particular. A bigger picture discussion and plan may be needed in this area. That discussion could focus on alternative sources of revenue and what should or could be done to limit our dependence on LGA.
  o Natural or manmade events. A great example might be a relatively small natural disaster or a major crime against persons. These have the potential to tip the budget off plan with overtime and other costs. Our plan continues to contemplate that reserve funds will have to meet those needs should a disaster occur. We will continue to worry about people first and money second.
  o Supply costs and, in particular, fuel. This is just a very difficult area to project as are all energy costs. Energy and fuel affects all aspects of our operations.

Attached are some summary sheets for budgets supported by the property tax levy. These funds are reviewed and discussed by the City Council during the course of our budget process.

**ALTERNATIVES/VARIATIONS**

There are so many variations that we could review and frankly, we would not know where to start. Here are a few that may help you think in different ways.
• Lower the gross levy to meet any Tax Rate or other goals you may wish to put in place. This provides opportunity to say we are reducing the levy. There may be value to that symbolism, but that value is a Council decision.

• Additional cuts. This would mean changes in service levels compared to the 2019 year. That is something we can review, but again our mission here has been to tell you the cost to provide services as you have directed.

• Put more capital purchases on the equipment certificate, which would lower this year’s levy but increase future year levies. There is $50,500 in capital equipment remaining in the General Fund budget. You could issue Equipment Certificate debt rather than use cash. There are some interesting things we could do here, but all certainly fall within the realm of the Council’s sense of what is best.

• Add new or reinstate previously cut services into the budget with additional levy or with the use of reserves. Again, this is a call for the Council to make. One caution here, we are unsure of the value of providing services on a year-by-year basis. By that, we mean it seems strange to provide a service in 2019 and then in 2020 we discontinue it and then in 2021 we provide that service again. It is confusing to our citizens. Again, we are not sure that helps the quality of life for the members of our community. It is also costly in both money (start and stop costs) and morale to be on again/off again. Those too are real costs.

• Restrict or assign reserves within the fund balance policy to a building/equipment fund or further lower existing debt with higher interest rates. You did this with the Community Center in 2013 and could do it again or plan for a future project.

• The General Fund Summary indicates a fund balance decrease of $391,706 and reserves to 45.8% at the end of 2020

• There are many, many more.

In summary, we are proposing a budget and suggesting a preliminary levy that will increase your projected tax rate to 51.97 based on a gross levy increase of $258,026 or 8.6%. The 2020 budget is not balanced. Expenditures are higher than revenues. Based on the proposed budget we will have a projected fund balance of $3,815,367 at the end of budget year 2020. Our current projections show the reserve percentage for the end of 2019 will likely be 54.6%, and by the end 2020 at 45.8%. Again, what this means is if a homeowner’s property valuation hasn’t changed from 2018, their City share of the tax bill on a $150,000 home would increase approximately $21.46 from 2019 tax year.

FISCAL IMPACT

The preliminary tax capacities for the payable 2020 year have been projected at an 8.6% increase. We will have the actual numbers from the County for the final levy in December.

We have proposed operational budgets as follows:

- General Fund of $8,325,137
- Special Revenue Funds of $1,940,726
- Debt Service Funds of $1,666,282
- Capital Funds of $734,500
• Agency Funds of $6,815

All purchases and projects must be approved by the City Council if they exceed the amounts in the purchase policy.

Generally speaking, an increase in your levy of $10,000 means an increase in your tax rate of .16. A decrease in your levy of $10,000 means a decrease in your tax rate of .16.

ALTERNATIVES/VARIATIONS:
Do not act: State law requires the preliminary levy to be provided to the County by the end of September. You do have one more meeting cycle in which to act but failure to act at your meeting on the 26th would necessitate a special meeting prior to the end of the month to comply with State law.
Negative vote: Should the Council not vote for the preliminary levy, Staff would ask for additional direction. You do have one more meeting cycle in which to act but failure to act at your Monday meeting on the 26th would necessitate a special meeting prior to the end of the month to comply with State law.
Modification of the Resolution: This is always an option of the City Council:

Please let us know if we can provide any additional information or clarify anything before your meeting. We will have the usual graphs, charts and other visuals that you have seen in previous years.

Please feel free to contact us if you have any additional questions or concerns.

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<tr>
<td>Elections</td>
<td>26,590</td>
<td>23,381</td>
<td>30,986</td>
<td>13,931</td>
<td>159,320</td>
<td>147,000</td>
<td>147,000</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Finance Department</td>
<td>238,418</td>
<td>252,014</td>
<td>296,455</td>
<td>302,665</td>
<td>323,597</td>
<td>323,597</td>
<td>305,081</td>
<td>(18,516)</td>
<td>-7.21%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal Services</td>
<td>130,880</td>
<td>145,421</td>
<td>141,000</td>
<td>155,750</td>
<td>159,320</td>
<td>147,000</td>
<td>147,000</td>
<td>0</td>
<td>0</td>
<td>0.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal Building</td>
<td>186,246</td>
<td>100,811</td>
<td>158,473</td>
<td>115,919</td>
<td>134,270</td>
<td>134,270</td>
<td>135,807</td>
<td>1,537</td>
<td>1.14%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Police Department</td>
<td>2,056,752</td>
<td>2,143,532</td>
<td>2,308,264</td>
<td>2,498,696</td>
<td>2,489,614</td>
<td>2,489,614</td>
<td>2,726,938</td>
<td>237,324</td>
<td>9.53%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Finance Department</strong></td>
<td>238,418</td>
<td>252,014</td>
<td>296,455</td>
<td>302,665</td>
<td>323,597</td>
<td>323,597</td>
<td>305,081</td>
<td>(18,516)</td>
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</tr>
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<td>1.14%</td>
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<td>Police Department</td>
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<td>2,489,614</td>
<td>2,489,614</td>
<td>2,726,938</td>
<td>237,324</td>
<td>9.53%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>6,290,478</td>
<td>8,667,643</td>
<td>7,283,575</td>
<td>7,081,521</td>
<td>7,238,228</td>
<td>7,701,861</td>
<td>7,701,861</td>
<td>8,325,137</td>
<td>623,276</td>
<td>9.43%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NET OPERATIONS</strong></td>
<td>11,714</td>
<td>347,276</td>
<td>226,723</td>
<td>67,911</td>
<td>456,507</td>
<td>424,473</td>
<td>424,473</td>
<td>(351,484)</td>
<td>-8.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% increase (decrease)</td>
<td>-1.92%</td>
<td>6.00%</td>
<td>13.56%</td>
<td>6.21%</td>
<td>2.21%</td>
<td>6.41%</td>
<td>6.00%</td>
<td>8.00%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Beginning Fund Balance</strong></td>
<td>3,473,655</td>
<td>3,485,369</td>
<td>3,832,845</td>
<td>3,800,557</td>
<td>4,566,057</td>
<td>4,244,573</td>
<td>4,244,573</td>
<td>(351,484)</td>
<td>19.2%</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td><strong>Restricted</strong></td>
<td>7,500</td>
<td>15,000</td>
<td>22,500</td>
<td>22,500</td>
<td>30,000</td>
<td>37,500</td>
<td>37,500</td>
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<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td><strong>Ending Fund Balance</strong></td>
<td>3,477,869</td>
<td>3,817,845</td>
<td>3,583,422</td>
<td>3,878,055</td>
<td>4,566,057</td>
<td>4,207,073</td>
<td>3,815,367</td>
<td>(391,708)</td>
<td>17.40%</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Percent of next year budget</td>
<td>52.2%</td>
<td>52.4%</td>
<td>48.5%</td>
<td>50.4%</td>
<td>59.3%</td>
<td>54.8%</td>
<td>50.1%</td>
<td>45.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percent of same year budget</td>
<td></td>
<td>52.2%</td>
<td>52.4%</td>
<td>48.5%</td>
<td>50.4%</td>
<td>59.3%</td>
<td>54.8%</td>
<td>50.1%</td>
<td>45.8%</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CITY OF SAINT PETER</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>TAX THEORY</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>TAX LEVY: CERTIFY IN 2019, COLLECTIBLE IN 2020</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### General Fund Summary

<table>
<thead>
<tr>
<th>Year</th>
<th>General Fund Payable</th>
<th>General Fund Certified</th>
<th>Increase (decrease) in General Fund</th>
<th>% increase (decrease) in General Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$1,308,614</td>
<td>$1,416,614</td>
<td>$3,000</td>
<td>+2.3%</td>
</tr>
<tr>
<td>2015</td>
<td>$1,494,614</td>
<td>$1,698,127</td>
<td>$78,000</td>
<td>+5.1%</td>
</tr>
<tr>
<td>2016</td>
<td>$1,698,127</td>
<td>$1,892,127</td>
<td>$194,488</td>
<td>+11.4%</td>
</tr>
<tr>
<td>2017</td>
<td>$1,892,127</td>
<td>$2,061,905</td>
<td>$169,200</td>
<td>+8.63%</td>
</tr>
<tr>
<td>2018</td>
<td>$2,061,905</td>
<td>$2,201,905</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Special Levies

- **A Bonded Indebtedness**
  - 09 Public Project Revenu Bond (SPCC): $284,055
  - 2018 MN Square Pavillion Bldg 20yr: $0

- **B Certificates of Indebtedness**
  - Expired Equipment Certificate: $0
  - '10 Equipment Certificate: $0
  - '11 Equipment Certificate: $0
  - '12 Equipment Certificate: $0
  - '13 Equipment Certificate - Fire Truck: $0
  - '14 Equipment Certificate: $0
  - '15 Equipment Certificate: $0
  - '16 Equipment Certificate: $0
  - '17 Equipment Certificate: $0
  - '18 Equipment Certificate: $0
  - '19 Equipment Certificate: $0
  - '20 Equipment Certificate: $0
  - '21 Equipment Certificate: $0
  - '22 Equipment Certificate: $0

- **C Bonds of another local unit of Gov't**
  - Pera Employer rate Inc. after 6/30/01: $0
  - Reduction of Reserve Deficit: $0
  - Allocation for Sidewalk Improvements: $0
  - Abatement for ISJ Clinic: $0

### Levy Applicable to Levy Limits

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td></td>
<td>1,714,747</td>
<td>1,968,260</td>
<td>2,176,265</td>
<td>2,470,646</td>
<td>2,786,227</td>
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<td></td>
</tr>
</tbody>
</table>

### Net Tax Capacity

<table>
<thead>
<tr>
<th>Year</th>
<th>Tax Rate: City</th>
<th>Tax Rate: Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>46.79</td>
<td>51.97</td>
</tr>
<tr>
<td>2015</td>
<td>47.27</td>
<td>51.70</td>
</tr>
<tr>
<td>2016</td>
<td>49.08</td>
<td>51.70</td>
</tr>
<tr>
<td>2017</td>
<td>50.01</td>
<td>51.70</td>
</tr>
<tr>
<td>2018</td>
<td>50.27</td>
<td>51.70</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Taxable Market Value

<table>
<thead>
<tr>
<th>Year</th>
<th>Taxable Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$459,425,700</td>
</tr>
<tr>
<td>2015</td>
<td>$474,894,400</td>
</tr>
<tr>
<td>2016</td>
<td>$500,144,400</td>
</tr>
<tr>
<td>2017</td>
<td>$529,133,100</td>
</tr>
<tr>
<td>2018</td>
<td>$569,719,300</td>
</tr>
</tbody>
</table>

### Exempt Market Value

<table>
<thead>
<tr>
<th>Year</th>
<th>Exempt Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$277,106,400</td>
</tr>
<tr>
<td>2015</td>
<td>$277,106,400</td>
</tr>
<tr>
<td>2016</td>
<td>$327,529,200</td>
</tr>
<tr>
<td>2017</td>
<td>$327,529,200</td>
</tr>
<tr>
<td>2018</td>
<td>$327,529,200</td>
</tr>
</tbody>
</table>

### Net Tax Capacity

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Tax Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$4,038,062</td>
</tr>
<tr>
<td>2015</td>
<td>$4,832,749</td>
</tr>
<tr>
<td>2016</td>
<td>$5,080,145</td>
</tr>
<tr>
<td>2017</td>
<td>$5,402,326</td>
</tr>
<tr>
<td>2018</td>
<td>$5,959,492</td>
</tr>
<tr>
<td>2019</td>
<td>$6,248,697</td>
</tr>
<tr>
<td>2020</td>
<td>$6,434,098</td>
</tr>
</tbody>
</table>
November 6, 2019

City of Saint Peter  
Attn: Sally Vogel, Director of Finance  
227 South Front Street  
Saint Peter, MN 56082

RE: Cash Reserve Analysis

Honorable Mayor, Councilmembers, Administrator Prafke, and Director Vogel:

I was previously asked to comment on what are considered recommended cash reserve levels for Utility Enterprise Funds for the City of Saint Peter, and have now been asked to update those comments and information incorporating 2018 audit results. Based on input received over the years from credit rating agencies, my review of studies conducted by energy providers, and our own analysis I would offer the following.

**Water - Sanitary Sewer - Storm Sewer Enterprise Funds:**
A general standard for cash reserves for water, storm, and sanitary sewer utilities has typically been to recommend one-year’s operating cost less depreciation. Those standards may be reduced as the size of the utility increases. The attached chart provides a 4-year average of what those reserve levels would look like for the water, sanitary sewer, and the storm sewer utilities. Based on the standard outlined above, deficiencies have been identified in the water and sanitary sewer funds.

**Electric Utility Enterprise Fund:**
The electric utility is being held to a higher standard on the attached chart based on input received during a recent credit rating call, and information from a survey conducted by Missouri River Energy Services (MRES). In their survey MRES found that small electric utilities in Minnesota on average maintained an unrestricted cash balance of approximately $1.5 million. In our recent rating call with Moody’s, Inc., the analyst indicated that the City would need an unrestricted reserve of $2 million to be considered for an upgrade in its credit rating.

At the end of 2018 the City of Saint Peter had a cash balance of $1,381,404 in its electric utility. By comparison the Cities of Redwood Falls, Jackson, and St. James had an average of $2,738,879 in cash at the end of 2017 in their electric utilities while averaging total sales of $5.9 million as compared to Saint Peter’s total electrical sales of $11.1 million.

**Purpose and Benefits of Cash Reserves:**
The availability of cash reserves in enterprise funds serves multiple purposes including:

1) Avoidance of debt for small and mid-size capital projects; and
2) Efficient means of taking advantage of discounts and business opportunities; and
3) Provides the financial means to maintain a consistent rate structure through changes in the business environment including increased costs and reduced sales; and
4) Improves credit worthiness which reduces borrowing costs; and
5) Improves capabilities for implementing new initiatives including infrastructure for housing and commercial/industrial development.
Thank you for your time and consideration of this material. Please feel free to contact me if you would like to discuss this information in additional detail.

Sincerely,

[Signature]

Shannon Sweeney, Associate
David Drown Associates, Inc.
## City of Saint Peter, Minnesota
### Cash Reserve Analysis - Utility Funds

<table>
<thead>
<tr>
<th></th>
<th>2015 Operating Costs*</th>
<th>2016 Operating Costs*</th>
<th>2017 Operating Costs*</th>
<th>2018 Operating Costs*</th>
<th>4-year Average</th>
<th>2018 Unrestricted Cash Balance</th>
<th>Targeted Cash Balance</th>
<th>Surplus or Deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>1,472,791</td>
<td>1,525,169</td>
<td>1,568,122</td>
<td>1,646,566</td>
<td>1,553,162</td>
<td>650,165</td>
<td>1,553,162</td>
<td>(902,997)</td>
</tr>
<tr>
<td>Sanitary Sewer</td>
<td>1,660,083</td>
<td>1,778,300</td>
<td>1,753,277</td>
<td>1,803,555</td>
<td>1,748,804</td>
<td>1,600,685</td>
<td>1,748,804</td>
<td>(148,119)</td>
</tr>
<tr>
<td>Storm</td>
<td>305,149</td>
<td>375,168</td>
<td>413,409</td>
<td>454,763</td>
<td>387,122</td>
<td>557,506</td>
<td>387,122</td>
<td>170,384</td>
</tr>
<tr>
<td>Electric**</td>
<td>1,153,711</td>
<td>1,298,062</td>
<td>1,381,764</td>
<td>1,435,782</td>
<td>1,317,330</td>
<td>1,381,404</td>
<td>2,000,000</td>
<td>(618,596)</td>
</tr>
</tbody>
</table>

*Operating costs (LESS) depreciation.
**Operating Costs (LESS) purchased power and depreciation.
TO: Honorable Mayor Strand  
   Members of the City Council

FROM: Todd Prafke  
   City Administrator

RE: Human Rights Commission Modification

ACTION/RECOMMENDATION

Adopt an ordinance modifying the membership of the Human Rights Commission to name the City Council as the Human Rights Commission.

BACKGROUND

Members may recall your discussions related to membership on the Human Rights Commission. Maintaining membership on that Commission has been an ongoing struggle. In addition, some the initiatives supported by the Commission failed to grab the attention of the community in a way that the Commission members had hoped. This was exampled by the lack of interest in nomination for the Saint Peter Human Rights Award over the last couple of years.

The Council discussed the important mission that the Commission works to fulfill and had suggested that a review be done to determine whether that role could be taken on by the Council, thereby effectively making sure membership was addressed and that the mission of the Human Rights Commission received the attention deserved by the community.

Your previous discussions included a couple of options to provide for this change. Based on a review with your City Attorney, we believe that if the Council wishes to make that change, all things being equal, the concept of transferring the duties to the Council is less confusing and a straighter path. An ordinance modification would do just that and a redlined copy of the existing City Code section is attached for your consideration.

Action of this type certainly has the potential to meet the discussed goals of the Council which are:

- Ability to meet statutory requirements for response
- Maintain membership levels to fully function
- Additional impact within the community
- Planning for changing demographics within Saint Peter

The Council wants to make sure that the previous members of the Commission receive great thanks for their service and commitment and that this action is in no way a reflection of their
work. Rather the change is a reflection of the reality of the challenges of volunteer service on boards and commissions and the importance that the Council places on equal rights and recognition of human rights within our community.

An ordinance has been drafted for Council consideration.

FISCAL IMPACT:

Approval of this action will require publication in the legal newspaper of the City and codification into the City Code. The expected cost for both of these actions will be approximately $500.

ALTERNATIVES/VARIATIONS:
Do not act: No further action will be taken and the current membership will continue.
Negative Vote: No further action will be taken and the current membership will continue
Modification of the Ordinance: This is always an option of the City Council.

Please feel free to contact me if you have any questions or concerns about this agenda item.

TP/bal
Council Committees

Finance Committee
- Kvamme*

Personnel and Code Review Committee
- Parras*, Grams

Public Works and Utilities Committee
- Pfeifer*, Johnson

*Indicates Chairperson

**Mayor serves as ex-officio on all Committees as per Council Rules.

COUNCIL COMMITTEES
FINANCE COMMITTEE

The function of this committee is to review and make recommendations regarding revenues and expenditures for the City's general fund and auxiliary fund budgets and other related activities, to include, but not be limited to, the following:

1. General Fund and Enterprise Fund budgets
2. Public improvement assessments
3. Capital expenditures
4. Certificates of indebtedness
5. Audit review
6. Bonding programs
7. Building and property rents
8. Licensing
9. Insurance policies and programs
10. Review bills before each Council meeting
11. Charges for services
12. Non-budgeted capital expenditures
13. Tax levy certification
14. Intergovernmental revenue (grants)
15. Debt services
16. PIR fund
17. Assessment policies
18. Financial participation with other agencies
19. Need for new personnel

PERSONNEL AND CODE REVIEW COMMITTEE

The function of this committee involves reviewing and making recommendations to the City Council regarding the following:

1. Employee relations
2. Labor relations
3. Hiring and dismissals
4. Recodification
5. Personnel policies
6. Ordinance amendments (except land use)
7. Employment interviews (Administrator and Department Directors)
8. Salary negotiations and employee benefits
9. Review employee appointment recommendations

PUBLIC WORKS AND UTILITIES COMMITTEE

The primary function of this committee is to review and make recommendations regarding activities of the Streets Division, Parks Division, and Public Works Administration, to include, but may not be limited to, the following:

1. Street construction and maintenance
2. Alleys
3. Sidewalks
4. Curb and gutters
5. Refuse service
6. Street signs
7. Public Works building additions and maintenance
8. Utility rates and policies
9. Equipment report and replacement
10. Streets Division budget
11. Parks Division budget
12. Public Works Administration budget
13. Need for new personnel
14. SMMPA
15. Drainage facilities
16. Utilities budget
17. Street lighting
18. Capital improvements
19. Facility improvements
### Council Liaisons

- Economic Development Authority: Kvamme, Johnson
- Heritage Preservation Commission: Johnson
- Hospital and Nursing Home Commission: Pfeifer, Grams
- Housing and Redevelopment Authority: Grams
- Library Board: Parras
- Parks and Recreation Advisory Board: Parras, Johnson
- Planning and Zoning Commission: Kvatmme, Parras
- Region Nine Development Commission: Mayor/Mayor pro tem
- Tourism and Visitors Bureau: Zieman, Pfeifer
- Fire Relief Association Board of Trustees: Zieman, Finance Director
- SPRTC Liaison Committee: Mayor/Mayor pro tem, Peters
- SPRTC Commission: Mayor, Praukes, Peters
- School District #508 Cooperation Committee: Kvamme, Parras
- County Cooperation Committee: Kvamme, Grams
- Gustavus Cooperation Committee: Zieman, Carlin
- Appeals and Adjustments: Kvamme, Zieman, Parras
- Greater Mankato Growth (REDA): Kvamme
- Highway 169 Coalition: Mayor, Grams (as alternate)
- Minnesota River Valley Transit Board: Kvamme, Grams, Zieman (as alternate)
- Coalition of Greater Minnesota Cities: Mayor/Mayor pro tem
- Hospital Building Committee: Pfeifer, Zieman

### BOARDS AND COMMISSIONS MEETING DATE SCHEDULE

<table>
<thead>
<tr>
<th>Board/Committee</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building/Zoning Appeals Board</td>
<td>As needed</td>
</tr>
<tr>
<td>City Council</td>
<td>Second and Fourth Mondays of month</td>
</tr>
<tr>
<td></td>
<td>7:00 p.m. - Governor's Room Community Center</td>
</tr>
<tr>
<td>Civil Service Commission</td>
<td>As needed - City Hall Conference room</td>
</tr>
<tr>
<td>Economic Development Authority</td>
<td>Fourth Thursday of month</td>
</tr>
<tr>
<td></td>
<td>12:00 noon - Governor's Room Community Center</td>
</tr>
<tr>
<td>Heritage Preservation Commission</td>
<td>Last Tuesday of month</td>
</tr>
<tr>
<td></td>
<td>5:30 p.m. - Governor's Room Community Center</td>
</tr>
<tr>
<td>Housing and Redevelopment Authority</td>
<td>First Monday of month</td>
</tr>
<tr>
<td></td>
<td>3:30 p.m. - Park View Manor</td>
</tr>
<tr>
<td>Hospital and Nursing Home Commission</td>
<td>Fourth Wednesday of month</td>
</tr>
<tr>
<td></td>
<td>12:30 - Community Hospital</td>
</tr>
<tr>
<td>Human Rights Commission</td>
<td>As needed</td>
</tr>
<tr>
<td></td>
<td>Time and location to be announced</td>
</tr>
<tr>
<td>Library Board</td>
<td>Second Tuesday of every other month – starting February</td>
</tr>
<tr>
<td></td>
<td>5:30 p.m. - Public Library</td>
</tr>
<tr>
<td>Parks and Recreation Advisory Board/Tree Board</td>
<td>Third Monday of month</td>
</tr>
<tr>
<td></td>
<td>7:00 p.m. - Public Works Conference Room</td>
</tr>
</tbody>
</table>
Planning and Zoning Commission
First Thursday of month
5:30 p.m. - Governor's Room Community Center

Tourism and Visitors Bureau Board
Fourth Friday of month
8:00 a.m. – Chamber Officer

*Regular meeting dates are subject to change due to holidays, special circumstances, and/or elections. If unsure about a meeting date or time, please contact the City Administrator's Office.

Municipal Building - 227 South Front Street
River’s Edge Hospital - 1900 North Sunrise Drive
Community Center - 600 South Fifth Street
Public Works Building - 405 West Saint Julien Street
Park View Manor - 1010 South Fourth Street
Public Library - 601 South Washington Avenue

CIVIL SERVICE COMMISSION

The Police Civil Service Commission is created pursuant to Minnesota State Statutes Chapter 419. The purpose of said Commission is to service all Police personnel needs including, but not limited to, employment, promotions, demotions, discharges, transfers, testing, certifications, lay-offs, resignations and reinstatements by employees of the department as defined in the Rules and Regulations of the Saint Peter Police Civil Service Commission.

COMMISSION MEMBERS
(Three members, 3 year terms)

1. Bob Southworth 1-1-17 to 12-31-19
   Apptd 10/28/2019

2. Megan Ruble 1-1-18 to 12-31-20
   ReAppt: 12/2017

3. Colleen Spike 1-1-19 to 12-31-21
   Apptd: 03/14/2016

Chief of Police Ex-officio
City Administrator Ex-officio
City Attorney Ex-officio

ECONOMIC DEVELOPMENT AUTHORITY

The Economic Development Authority (EDA) is created pursuant to Minnesota Statutes Chapter 400. The appointment of an Economic Development Authority is intended to provide the City with a board comprised of representatives from both City government and private enterprise, capable of administering business incentives and other economic development measures. The EDA is the main economic development board for the City and is under the authority of the City Council. The primary responsibilities of the EDA are advisory functions relative to commercial and industrial development and redevelopment.

AUTHORITY MEMBERS
(Seven members, six year terms)

1. Bradley DeVos 1-1-18 to 12-31-23

2. James Dunn - Chair 1-1-17 to 12-31-22
HERITAGE PRESERVATION COMMISSION

The Heritage Preservation Commission was created as an advisory Commission consisting of seven (7) members appointed by the Council to develop guidelines or standards to carry out City Code regulations which created the heritage preservation standards. Those guidelines or standards address the application of the Ordinance by developing and preserving structures within the Heritage Preservation District by providing standards for design, signs, materials, and the like.

COMMISSION MEMBERS
(Seven voting members, 3 year terms)

1. Judy Douglas 1-1-19 to 12-31-21
   Appt 01/2016
2. Brian Oviatt 1-1-19 to 12-31-21
   Appt 03/25/2019
3. Emily Bruflat 1-1-19 to 12-31-21
4. Ed Johnson City Council Liaison
5. Terry Bergemann 1-1-18 to 12-31-20
   Appt 12/2017 for 2018
6. Joe Metzen 1-1-18 to 12-31-20
   ReAppt 12/2017
7. Larry Potts 1-1-18 to 12-31-20
   Director of Community Development
   Ex-officio
HOSPITAL AND NURSING HOME COMMISSION

The Commission has charge of administration, operation, and maintenance of all hospitals and nursing homes, now or hereafter, owned by the City. The Commission has the power to hire a superintendent of hospitals or nursing homes and all other necessary employees, to fix and pay their compensation, to reimburse officers and employees for expenses necessarily paid or incurred in the performance of their duties, to require a bond of any officer or employee and pay the premium thereon; to effect all necessary insurance; to make repairs of the hospital or nursing home buildings and their contents; to purchase all necessary equipment, apparatus, and supplies; to receive and to accept, with the approval of the Council, on mutually agreeable terms all donations for hospital or nursing home purposes; to establish such committees as it may see fit; and to make rules relating to its own procedures and to the administration, operation, and maintenance of such hospitals.

COMMISSION MEMBERS
(9 members, 5 year terms)

1. John Lammert 1-1-18 to 12-31-22¹
   Reappt 12/2017 for 2018
2. Margie Nelsen 1-1-15 to 12-31-19²
3. Laura Hulsebus 1-1-19 to 12-31-23¹
   Appt 02/13/2017
4. MaryAnn Harty 1-1-16 to 12-31-20¹
5. Gary Swedberg 1-1-17 to 12-31-21¹
   Appt 1/11/2016
6. Blake Combellick 1-1-18 to 12-31-22¹
   Reappted 12/2017 for 2018
7. Stephen Grams Council Representative – Voting Privileges
8. Dr. Kyle Swanson Medical Staff President – Voting Privileges
10. Hospital Administrator Ex-officio

HOUSING AND REDEVELOPMENT AUTHORITY

The Housing and Redevelopment Authority was created pursuant to Federal and State Statutes for the purpose of operating and maintaining public housing in Saint Peter (Park View Manor). The Housing and Redevelopment Authority may also serve as a review board for other community development activities relating to housing and urban redevelopment.

AUTHORITY MEMBERS
(Five members, 5 year terms)

1. Harry Jenness 1-1-18 to 12-31-22¹
   Appt 10/28/2019
2. Jan Glimsdal 1-1-19 to 12-31-23²
3. Mary Ann Scharf 1-1-15 to 12-31-19¹
   Appt 01-12-2015
4. Judy Pedersen 1-1-16 to 12-31-20¹
Stephan Grams  
Community Development Director  
Apptd 01/11/2016  
City Council Liaison  
Ex-Officio

PUBLIC LIBRARY BOARD

The duties of the Public Library Board, as described in the City Code and the Board by-laws, is to make recommendation regarding policy of the library, programs and operation of the library and library buildings; monitor and advocate for legislation that is appropriate to public libraries; cooperate with other public officials and boards; maintain positive community relations; and carry out other duties as assigned by Ordinance or resolution of the City Council. The general Minnesota State Statutes that apply to the operation of a library board and public library shall govern the appointment of the members, their tenure and their power and duties.

BOARD MEMBERS  
(Seven members, three year terms)

1. Loehrl Pillers  
1-1-19 to 12-31-21
Appt 12/17/2017 for 2018

2. Michelle Twait  
1-1-19 to 12-31-21
Appt 02/27/2017

3. Meredith McLaughlin  
1-1-17 to 12-31-19
Appt 12/12/2016

4. James Nickras  
1-1-17 to 12-31-19
Appt 12/2017

5. Sally Geary  
1-1-18 to 12-31-20
Reappt 12/2017 for 2018

6. Karen Snay  
Appt 09-26-2016  
School Board Liaison

7. Roger Parras  
City Council Liaison  
Lead Librarian  
Recreation Director  
Ex-Officio
PARKS AND RECREATION ADVISORY BOARD

The Parks and Recreation Advisory Board is established to study the needs of the City in the area of public parks and recreational programs and to make recommendations to the City Council on park and recreation policies. The duties and responsibilities of the Parks and Recreation Advisory Board shall include, but are not limited to, the following: 1.) Review and make recommendations to the City Council on park and recreation policies; 2.) Review the need for additional park land; 3.) Prepare a park land acquisition and development plan; 4.) Prepare a capital equipment and improvement program for the park system; 5.) Make annual budget recommendations; 6.) Study and recommend park and recreational programs and activities; 7.) Study and meet with other governmental organizations and bodies on the use of parks; and 8.) Serve as the City’s Tree Advisory Board.

BOARD MEMBERS  
(Eleven members, 3 year terms)

1. David Eli Hoehn  1-1-19 to 12-31-21
   Apptd: 01/12/2016
2. Sarah Nielsen  1-1-19 to 12-31-21
   Apptd: 01/14/2019
3. Laura Zender  1-1-19 to 12-31-21
   Apptd: 01/14/2019
4. Al Christensen  1-1-17 to 12-31-19
   Vice-Chair
   Apptd: 02/27/2017
5. Bernard Bidelman  1-1-17 to 12-31-19
   Apptd: 04/13/15
6. Jordan Paula  School Board Liaison
7. Ryan Kupcho  1-1-18 to 12-31-20
   Reappted 12/2017 for 2018
8. Michael Looft - Chair  1-1-18 to 12-31-20
   Reappted 12/2017 for 2018
9. Brian Fremo  1-1-18 to 12-31-20
   Reappted 12/2017 for 2018
10. Ed Johnson  City Council Liaison
11. Roger Parras  City Council Liaison
    Recreation Director  Ex-Officio
    Public Works Director  Ex-Officio
    City Administrator  Ex-Officio

Recreation Director Ex-Officio
Public Works Director Ex-Officio
City Administrator Ex-Officio

85
The function and duties of the Planning and Zoning Commission include preparation of a Comprehensive Plan for the physical development of the City, including proposed public buildings, street arrangements and improvements, public utility services, parks, playgrounds, and other similar developments, the use of property, the density of population, and other matters related to the physical development of the City. Such plan may be prepared in sections, each of which shall relate to a major subject of the plan. The Commission may also prepare a revised Zoning Plan and an official map of the platted and unplatted portions of the City and adjoining territory, or portions thereof, indicating upon such map the proposed future extensions or widening of streets of the City. The Planning and Zoning Commission shall review all proposals for land development that are affected by zoning, conditional use permits, annexation, and subdivision regulations. Also, every proposed plat of land within the City or within two miles of the City limits and not within a town which itself requires the approval of plats shall be submitted to the Planning and Zoning Commission and the Council.

COMMISSION MEMBERS
(Seven voting members, 3 year terms)

1. Joseph Urban
   1-1-19 to 12-31-21
   Apptd 01/12/2015

2. Ken Rossoow
   1-1-19 to 12-31-21
   Appt 1-11-2016

3. Scott Fichtner
   1-1-17 to 12-31-19
   Appt 01-23-2017

4. Kelly Henry
   1-1-17 to 12-31-19
   Appt 02/13/2017

5. Andy Davis
   1-1-18 to 12-31-20
   Reappted 12/2017 for 2018

6. John Kvamme
   City Council Liaison

7. Roger Parras
   City Council Liaison
   City Administrator
   Ex-Officio
   Community Development Director
   Ex-Officio
   City Attorney
   Ex-Officio
TOURISM AND VISITORS BUREAU

The Tourism and Visitors Bureau is established in the City Code. Ninety-five percent (95%) of the proceeds obtained from the collection of lodging taxes must be used to fund a local convention or tourism bureau for the purpose of marketing and promoting the City as a tourist or convention center. This authority is provided to the City in accordance with Minn. Stats. Chap. 469.

COMMISSION MEMBERS
(Nine voting members, 3 year terms)

1. John Smithers 1-1-17 to 12-31-19
2. Jill Niebuhr 1-1-18 to 12-31-20
   Apppt 12/2017 for 2018
3. Bob Sandeen 1-1-19 to 12-31-21
   Apppt 01/11/2016
4. Jerry Pfeifer City Council Liaison
5. Charles Zieman City Council Liaison
6. Jerry Harty 1-1-17 to 12-31-19
   Apppt 02/13/2017
7. Arlo Lehtinen 1-1-16 to 12-31-19
   Apppt 01/14/2013
8. Keith Keogh 1-1-18 to 12-31-20
   ReApp 12/2017 for 2018

BOARD OF APPEALS AND ADJUSTMENTS

The Board of Appeals and Adjustments is established in the City Code. The Board has the power and duty to hear and decide appeals where it is alleged there is error in any order, requirement, decision or determination made by the Zoning Administrator in the enforcement of this Chapter; to hear and decide only such conditional uses as the Board of Appeals and Adjustments is specifically authorized to pass on by the terms of this Chapter and as provided for in the City Code; and to authorize, upon appeal in specific cases, such variance from the terms of the Zoning Code as will not be contrary to the public interest where, owing to special conditions, a literal interpretation and enforcement of the provisions of this Chapter would result in unnecessary hardship.

BOARD MEMBERS
(Five voting members, three year terms)

1. Chairperson of P & Z Chairperson of P&Z
2. Chairperson of HPC Chairperson of HPC
3. City Council Liaison
4. Stephen Grams City Council Liaison
5. John Kvaamme City Council Liaison
Community Development Director
City Administrator Ex-Officio
City Attorney Ex-Officio
TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/31/07

FROM: Todd Praefke
City Administrator

RE: Downtown Development

Action/Recommendation

For your discussion and input.

Background

The Council has discussed downtown development on many occasions over the last couple of years. In fact about four years ago now you had invited a developer from the Twin Cities down to visit about what was then this new idea of developing downtown in the middle of suburbia exampled by Arbor Lakes in the northwest metro. She also discussed housing opportunities and what she believed were the key components to development of a successful downtown.

At past goal sessions you have developed what I believe to be a policy statement about your goals for the downtown. It may also represent some of your future wishes for your downtown. Your statement is:

**DOWNTOWN PRIORITIES**

- Promote projects that improve or are sympathetic to the historic scale and nature of the downtown.
- Business development that promotes a mix of niche retail, food/beverage and entertainment. Promotion of office uses in upper floors is valuable to retail trade in the downtown.
- Building enhancements that are not only historically sympathetic. This should be done while promoting upper floor housing or living in the downtown. This will enhance use of businesses by creating density. This should be done while striving to maintain retail or service businesses on the lower floors of buildings.
- Promote uses, events, activities that set the downtown as a place of destination.
- Use arts and cultural activities to promote the use of downtown as a destination.
- Continue to provide EDA dollars to build and upgrade buildings in the downtown.

*This statement was last discussed in December but was last modified in July of 2007.

You are very likely to continue to have additional activity in the downtown over the next three to five years and because this is an issue that will likely come up relative to a potential development on Parking Lot #5, it is my hope that you will take a few minutes to review your priorities that are listed above and that we can disuses some bigger policy issues relative to development in your downtown.

I have attached an aerial photo of your downtown district and some information about the proposed median as well as the previously seen rendering of a potential building to be built on parking lot #5.

Again, my goal for your discussion is to start by reviewing the Downtown Priorities and reviewing potential opportunities for downtown development and its' impact on the community downtown. As you see additional development it is likely that you will need to make choices relative to those developments. There is at times an active tension between the wants of any developer and the best long range interests of the downtown and the community. It is my hope that your past discussion and this discussion will yield a consensus so that clear direction is given.

Please feel free to contact me if you have any additional questions or concerns.

TP/bal
TO: Todd Prafke  
City Administrator  

FROM: Russ Wille  
Community Development Director  

RE: Central Business District – Accessibility Improvement Grant Program  

DATE: 10/10/19  

ACTION/RECOMMENDATION  

Adopt guidelines for a Central Business District – Accessibility Grant Program as recommended by the Economic Development Authority (EDA).  

BACKGROUND  

As part of many City Council goal sessions, the Council has discussed what could be done to encourage commercial property owners to renovate their buildings to increase accessibility for those with mobility impairments.  

The Americans with Disabilities Act of 1990 (ADA) establishes the standards required to ensure that handicapped persons have access to public accommodations. While progress has been made over the last 29 years, a few downtown structures are still inaccessible due to physical barriers.  

The standards of the National Register of Historic Places, as administered by the U.S. Department of Interior, establish the methods and practices acceptable for the renovation and rehabilitation of historic structures. These regulations would suggest that the exterior of historic structures be maintained as representative of the style, age and design of the era in which they were constructed.  

In some situations a conflict between the requirements of the ADA and the City’s responsibility and obligation to ensure compliance with the National Register of Historic Places standards occurs. It is difficult, if not nearly impossible at times, to provide the appropriate accessibility without diminishing or destroying the historical integrity of the building façade.  

There are also instances where the property owner is unable to finance the ADA renovation due to insufficient cash flow or other business income.  

The City Council has indicated a wish to be more aggressive in addressing the ADA accessibility of the structures within the Central Business District that includes the historic downtown. To that end, I prepared draft guidelines for a grant program that would finance the renovations or alterations which increase the accessibility for those experiencing mobility impairments for consideration by the EDA. The EDA discussed the proposed guidelines over
the course of three monthly meetings. The copy included in this agenda packet reflects the final recommendation of the EDA.

The guidelines recommended by the EDA would provide grants to those property owners wishing to undertake a renovation project that enhances the accessibility of the property to those with mobility impairments. All of the commercial structures within the (CBD) Central Business District would be eligible to participate.

Individual grants would be restricted to a maximum of $25,000 in grant funds. Projects exceeding the $25,000 limit could still be considered if the property owner demonstrates access to funds to cover the costs above the $25,000 limit.

Participating property owners would be obligated to maintain an insurance policy in an amount equal to the debt (mortgages, liens, assessments, etc.) assembled against the property as recorded by Nicollet County.

The proposed guidelines would require applications for grant funds be submitted prior to the end of February each year. The proposals would be considered by a committee appointed by the Mayor and Council. My suggestion is that it would be appropriate to appoint committee representatives from the EDA, Heritage Preservation Commission, Nicollet County Historical Society, Chamber of Commerce and City Council.

Applicants selected to participate in the grant program would be required to enter into a grant agreement with the City of Saint Peter. Among other things, the agreement would obligate the owner to maintain and repair the renovation of the participating structures during the 15 year term of the agreements. The terms of the grant would provide for grant funds to be forgiven at the rate of 1/15 per year for the life of the agreement.

FISCAL IMPACT:

It has been suggested by the Council that grants provided under this program be financed by the interest income of the established revolving loan funds. As per the Finance Department, the annual interest generated from the revolving loans since 2014 is as follows.

<table>
<thead>
<tr>
<th>Year</th>
<th>Interest Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$45,155</td>
</tr>
<tr>
<td>2015</td>
<td>$41,698</td>
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<tr>
<td>2016</td>
<td>$42,789</td>
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<td>2017</td>
<td>$36,558</td>
</tr>
<tr>
<td>2018</td>
<td>$34,578</td>
</tr>
</tbody>
</table>

ALTERNATIVES/VARIATIONS:

Do not act: Staff will await further instruction from the Council.

Negative Votes: No further action would be contemplated.

Modification of the Resolution: This is always an option of the Council.

Please feel free to contact me should you have any questions or concerns about this agenda item.

RJW
CENTRAL BUSINESS DISTRICT
ACCESSIBILITY IMPROVEMENT GRANT PROGRAM

1. PURPOSE

The purpose of this grant program is to establish guidelines and procedures for the administration and implementation of the Central Business District Accessibility Improvement Grant Program designed to finance the renovation or alteration of downtown buildings to enhance the accessibility of the structures to those with mobility impairments.

2. ELIGIBILITY

To improve the handicapped accessibility of structures within the Central Business District (CBD), grants awarded under this program may be used for the alteration or renovation of the entryway, doorway or other public access to the participating structure.

3. CONSTRUCTION STANDARDS/PRESERVATION

3.1 All renovations or alterations must be completed in conformance with the codes, standards and practices required by the municipal ordinance, state statute, Federal rule or law.

3.2 When required by ordinance, the Heritage Preservation Commission shall review and approve the exterior renovation or alteration to any property located within the Heritage Preservation Overlay district as identified in the adopted Zoning Code.

3.3 All renovations or alterations to structures within the Heritage Preservation Overlay district shall be undertaken in a manner consistent with the Secretary of Interior's Standards for the Renovation and Rehabilitation of Historic Structures.

4. GRANT RESTRICTIONS

4.1 Individual grants awarded under this program shall be limited to $25,000 per Central Business District property.

4.2 Property owners chosen to participate in this program shall guarantee that the improvements financed by the program shall be maintained, repaired or replaced as per the terms of the grant agreement referenced in Section 7 of this document.

4.3 The property owner shall maintain an insurance policy on the participating property in an amount equal to the debt (mortgages, liens, assessments, etc.) recorded against the real estate.

4.4 Grants are intended to finance 100% of the renovation or alteration and will pay for project costs such as design, materials, labor, mobilization and other standard and customary costs of such construction.

4.5 Renovation or alterations which cost in excess of $25,000 may be undertaken if the applicant can demonstrate and document that sufficient funds are on deposit.
or otherwise immediately accessible to finance the completion of the improvement(s).

4.6 Governmental entities may not participate in the grant program, however, private properties leased or rented to a governmental entity may be eligible to participate in the grant program.

5. **GRANT APPLICATION PROCESS**

5.1 Grant applications shall be accepted prior to February 28th of each year.

5.2 Each grant applicant shall submit an application to the office of the Community Development Director which at a minimum, contains the following information.

   a. Building ownership
   b. Mailing address
   c. Description of building usage and tenants.
   d. Description of proposed alterations.
   e. Estimated daily customer traffic count.
   f. Photographs of the entry, door or access intended to be renovated to enhance accessibility.
   g. Quotes from at least two licensed building contractors itemizing the cost of the proposed construction project.

6. **GRANT REVIEW**

6.1 The City Council shall appoint a committee of citizens and city staff to undertake a review of the grant applications submitted by the established deadline.

6.2 Projects that would be undertaken in compliance with the regulations and standards of the American's with Disabilities Act of 1990 may be given priority as opposed to those projects that only improve accessibility.

6.3 Buildings occupied by uses which generate higher customer traffic may be given program priority.

7. **GRANT AGREEMENT**

7.1 Successful grant applicants will be required to enter into a grant agreement by and between the building owner and City of Saint Peter prior to initiating any improvements to be financed by the grant.

7.2 The grant agreement will obligate that the improvements are completed as approved by the City Building Official and all applicable building codes, standards or regulations established by any municipal, state or federal ordinance, statute or rule.

7.3 The grant agreement will obligate the building owner to maintain or repair the structure following completion of the renovation or alteration until released from the terms and conditions of the grant agreement.
7.4 The grant agreement will obligate the building owner to undertake any maintenance or repair of the improvement as may be ordered by, and to the satisfaction of the City of Saint Peter.

7.5 The building owner will be released from the terms of the grant agreement 15 years after completion of the accessibility improvements financed by the grant program.

7.6 Upon execution of the grant agreement, the document shall be recorded in the office of the Nicollet County Recorder.

8. **DISBURSEMENT OF FUNDS**

8.1 Successful grant recipients will be provided documentation of grant participation which demonstrates the City's commitment to fund the improvement if they are undertaken as approved by the City Building Official.

8.2 Once the improvement has been completed in the manner prescribed by the City Building Official, the grant funds will be disbursed to the building owner for payment to the licensed building contractors.

8.3 Those property owners which fail to maintain and repair the renovated property as required by the terms and conditions of the grant agreement shall be required to repay a pro rata share of the grant. The grant funds shall be “forgiven” at a rate of 1/15 per year for the life of the grant agreement.
RESOLUTION NO. 2019 –
RESOLUTION APPROVING THE GUIDELINES OF THE CENTRAL BUSINESS DISTRICT ACCESSIBILITY IMPROVEMENT GRANT PROGRAM AS RECOMMENDED BY THE ECONOMIC DEVELOPMENT AUTHORITY

WHEREAS, the Economic Development Authority (EDA) was granted the power to administer the City’s revolving loan programs and to make recommendations to the City Council for disbursement of new loans; and

WHEREAS, the EDA has considered strategies to encourage the renovation of downtown commercial structures to enhance the accessibility of persons with mobility impairments; and

WHEREAS, the Americans with Disabilities Act, adopted in 1990, established the standards required to ensure that handicapped persons have access to public accommodations; and

WHEREAS, significant progress has been made to implement the standards of the ADA yet there are downtown commercial structures which remain inaccessible; and

WHEREAS, in an attempt to encourage the renovation of structures to increase accessibility, guidelines were adopted establishing the Historic Enhancement Revolving Loan Program which provided 0%, partially forgivable loans to participating building owners; and

WHEREAS, while the adopted program has been utilized, the financed projects were largely related to signage, façade enhancements and bathroom renovations and did not address the physical barriers to accessibility; and

WHEREAS, to further encourage accessibility improvements to structures within the historic downtown the EDA recommends establishing a Central Business District Accessibility Improvements Grant Program; and

WHEREAS, the EDA considered the merits of such a program and have recommended the City Council adopt the guidelines of the Central Business District Accessibility Improvement Program as submitted; and

WHEREAS, the City Council has reviewed the recommended program and wishes to adopt the accessibility grant program policies as presented by the EDA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA THAT:

1. The Central Business District Accessibility Improvement Grant Program is hereby approved.
2. A complete copy of the program guidelines is available for public review and inspection in the Community Development Department at City Hall.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota this 14th day of October, 2019.

ATTEST:

______________________________
Charles Zieman
Mayor

______________________________
Todd Praefke
City Administrator
## Revolving Loan Report 10/10/2019

<table>
<thead>
<tr>
<th>Borrower</th>
<th>Original Borrower</th>
<th>Origination Date</th>
<th>Current Balance</th>
<th>12/31/2018 Balance</th>
<th>Balloon Due</th>
<th>Month-Year</th>
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<tbody>
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<td>Last pmt 4/15/19</td>
<td>07/01/2007</td>
<td>$40,676.41</td>
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<td>Dec-20</td>
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<td>Chippewa A</td>
<td>Last pmt 4/15/19</td>
<td>12/01/2006</td>
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<td>Dec-20</td>
<td>240 Fund</td>
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<td>David Bushaw</td>
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<td>Hey Diddle Diddle</td>
<td></td>
<td>05/01/2016</td>
<td>$13,470.50</td>
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<td>Kaduce Properties</td>
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<td>09/01/2017</td>
<td>$13,184.24</td>
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<td>230 Fund</td>
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<tr>
<td>Mayer - Chabens</td>
<td></td>
<td>07/01/2016</td>
<td>$17,291.79</td>
<td>$19,375.09</td>
<td>Jun-26</td>
<td>230 Fund</td>
</tr>
<tr>
<td>River Rock Bakery &amp; Kitchen</td>
<td></td>
<td>04/01/2016</td>
<td>$27,107.38</td>
<td>$30,254.89</td>
<td>Feb-21</td>
<td>230 Fund</td>
</tr>
<tr>
<td>JAEI Properties</td>
<td></td>
<td>08/01/2014</td>
<td>$51,515.15</td>
<td>$53,801.39</td>
<td>Jul-24</td>
<td>230 Fund</td>
</tr>
<tr>
<td>Kottke/Spring Touch Real Estate Holdings</td>
<td></td>
<td>09/01/2015</td>
<td>$418,994.16</td>
<td>$436,014.31</td>
<td>Aug-20</td>
<td>230 Fund</td>
</tr>
<tr>
<td>Rachel More/The Pulse</td>
<td></td>
<td>02/01/2013</td>
<td>$3,741.77</td>
<td>$6,003.20</td>
<td>Feb-20</td>
<td>230 Fund</td>
</tr>
<tr>
<td>St. Peter Food Coop</td>
<td></td>
<td>04/01/2011</td>
<td>$226,311.72</td>
<td>$239,877.60</td>
<td>Dec-20</td>
<td>230 Fund</td>
</tr>
<tr>
<td>Tanis Brothers</td>
<td></td>
<td>09/01/2014</td>
<td>$46,973.67</td>
<td>$49,043.54</td>
<td>Aug-24</td>
<td>230 Fund</td>
</tr>
<tr>
<td>IHN III/E.I. Micro Circuit /Check due Apr &amp; Oct 1st</td>
<td></td>
<td>04/01/2005</td>
<td>-</td>
<td>$24,347.44</td>
<td></td>
<td>240 Fund</td>
</tr>
<tr>
<td>Total Entertainment/Tramp</td>
<td></td>
<td>02/01/2010</td>
<td>-</td>
<td>$900.00</td>
<td>OPEN</td>
<td>240 Fund</td>
</tr>
<tr>
<td>Traverse des Sioux Enterprises/Check due Feb &amp; Aug 1st</td>
<td></td>
<td>08/01/2009</td>
<td>$125,001.87</td>
<td>$152,780.09</td>
<td>Jan-24</td>
<td>230 Fund</td>
</tr>
<tr>
<td>PJ's Pizza</td>
<td></td>
<td>02/01/2010</td>
<td>$5,629.47</td>
<td>$5,629.47</td>
<td></td>
<td>JUDGEMENT</td>
</tr>
</tbody>
</table>

### Loan Fund Balances (as of December 2019)

- Loan 230: $1,934,434.00
- Loan 240: $578,024.00
- Loan 250: $1,206,430.00

### Loans Outstanding

- Total: $1,058,911.95

### Total Loan Amounts

- $2,993,345.95