

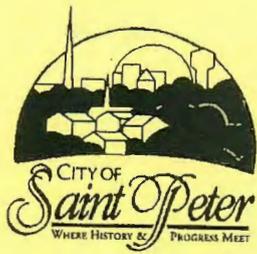
**CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING**

Regular City Council Meeting of Monday, April 27, 2015
Community Center Governors' Room - 7:00 p.m.

- I. **CALL TO ORDER**
- II. **APPROVAL OF AGENDA**
- III. **APPROVAL OF MINUTES**
- IV. **VISITORS**
 - A. Scheduling of Visitor Comments on Agenda Items
 - B. General Visitor Comments
- V. **APPROVAL OF CONSENT AGENDA ITEMS**
- VI. **UNFINISHED BUSINESS**

None scheduled.
- VII. **NEW BUSINESS**
 - A. Refunding of Electric Revenue Bond
 - B. 2015 Water Fund Budget
 - C. 2015 Equipment Certificate Bid Authorization
 - D. Revolving Loan Request: Generation Boutique
 - E. Solar Initiative Project
 - F. Electric Conduit Installation
- VIII. **REPORTS**
 - A. **MAYOR pro tem**
 - B. **CITY ADMINISTRATOR**
- IX. **ADJOURNMENT**

Office of the City Administrator
Todd Prafke



I. **CALL TO ORDER**

Mayor pro tem Zieman will call the meeting to order and lead the Pledge of Allegiance.

II. **APPROVAL OF AGENDA**

A motion to approve the agenda, as posted in accordance with the Open Meetings Law, will be entertained. A MOTION is in order.

III. **APPROVAL OF MINUTES**

A copy of the minutes of the April 13, 2015 regular Council meeting is attached for approval. A MOTION is in order.

IV. **VISITORS**

A. **Scheduling of Visitor Comments On Agenda Items**

Members of the audience wishing to address the Council with regard to an agenda item later in the meeting should be noted at this time.

B. **General Visitor Comments**

Any members of the audience wishing to address the Council concerning items not on the agenda may do so at this time.

V. **APPROVAL OF CONSENT AGENDA ITEMS**

The consent agenda, including approval of the schedule of disbursements for April 2, 2015 through April 22, 2015 is attached. Please see the attached staff reports and RESOLUTION.

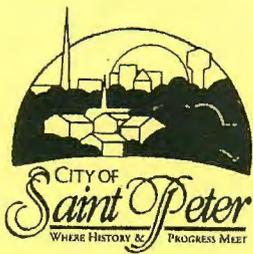
VI. **UNFINISHED BUSINESS**

None scheduled.

VII. **NEW BUSINESS**

A. **ADOPTION OF A RESOLUTION AUTHORIZING ELECTRIC REVENUE BONDS REFINANCING**

David Drown Associates representative Shannon Sweeney will be at the Council meeting to propose refunding of the 2006B and 2010C Electric Revenue Bonds as a means to save approximately \$492,000 on the



remaining debt service for the two issuances depending on the interest rate realized. Please see the attached staff report and RESOLUTION.

B. ADOPTION OF RESOLUTIONS APPROVING 2015 WATER FUND BUDGET AND RATE INCREASE

Staff recommends adoption of a resolution authorizing an increase in water rates and adoption of the 2015 water fund budget. Please see the attached staff report and RESOLUTIONS.

C. ADOPTION OF A RESOLUTION AUTHORIZING RECEIPT OF BIDS FOR 2015 EQUIPMENT CERTIFICATE ISSUANCE

Staff recommends authorizing be provided for the receipt of bids for issuance of a five year equipment certificate in the amount of \$245,000. Please see the attached staff report and RESOLUTION.

D. ADOPTION OF A RESOLUTION APPROVING REVOLVING LOAN REQUEST FOR GENERATION BOUTIQUE

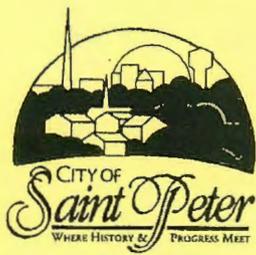
The EDA recommends approval of a request for a \$7,000 revolving loan for Chelsie Salonek (dba Generations Boutique) to finance costs of opening the business. Please see the attached staff report and RESOLUTION.

E. ADOPTION OF A RESOLUTION AUTHORIZING EXECUTION OF AGREEMENT WITH AMERESCO FOR PREPARATION OF FEASIBILITY ANALYSIS

Staff recommends authorization be provided for execution of an agreement with Ameresco to perform work related to a feasibility analysis to find energy and other cost reduction opportunities for the City including installation of a solar photo voltaic system. Please see the attached staff report and RESOLUTION.

F. ADOPTION OF A RESOLUTION ACCEPTING FORMAL WRITTEN PROPOSALS FOR INSTALLATION OF ELECTRIC UTILITY UNDERGROUND CONDUIT

Staff recommends acceptance of the proposals from Geldner Underground Inc. (\$13,500) and Jordan Drilling (\$36,350). Please see the attached staff report and RESOLUTION.



VIII. REPORTS

A. MAYOR pro tem

Any reports by the Mayor pro tem will be provided at this time.

B. CITY ADMINISTRATOR

Any reports by the City Administrator will be provided at this time.

IX. ADJOURNMENT

Office of the City Administrator
Todd Prafke

CITY OF SAINT PETER, MINNESOTA

OFFICIAL PROCEEDINGS

MINUTES OF THE CITY COUNCIL MEETING

APRIL 13, 2015

Pursuant to due call and notice thereof, a regular meeting of the City Council of the City of Saint Peter was conducted in the Governors' Room of the Community Center on April 13, 2015.

A quorum present, Mayor pro tem Zieman called the meeting to order at 7:00 p.m. The following members were present: Councilmembers Zieman, Parras, Carlin, Brand and Kvamme. Absent were Councilmember Grams and Mayor Strand. The following officials were present: City Administrator Prafke, City Attorney Brandt, and City Engineer Loose.

Approval of Agenda – A motion was made by Kvamme, seconded by Brand, to approve the agenda. With all in favor, the motion carried.

Approval of Minutes – A motion was made by Carlin, seconded by Parras, to approve the minutes of the March 23, 2015 regular City Council meeting. With all in favor, the motion carried and the minutes were approved. A complete copy of the minutes of the March 23, 2015 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

A motion was made by Parras, seconded by Carlin, to approve the minutes of the April 7, 2015 Board of Appeal and Equalization meeting. With all in favor, the motion carried and the minutes were approved. A complete copy of the minutes of the April 7, 2015 Board of Appeal and Equalization meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Consent Agenda – In motion by Kvamme, seconded by Brand, Resolution No. 2015-43 entitled "Resolution Approving Consent Agenda" was introduced with the addition of appointments to the Hospital Commission and Parks Board and an additional seasonal Lifeguard appointment. With all in favor, the Resolution was declared passed and adopted as modified. A complete copy of Resolution No. 2015-43 is contained in the City Administrator's book entitled Council Resolutions 20.

Revolving Loan Modification Request: Mary's Flowers – Community Development Director Wille presented the Economic Development Authority (EDA) recommendation for approval of a request to extend the balloon payment date for a revolving loan provided to Preston and Mary Smith (d.b.a. Mary's Flowers) until April 1, 2020. Wille stated all payments have been made on time and in full and there would be no further changes to the terms of the loan. Councilmember Brand asked what percentage of loan recipients who seek extensions of the balloon payment were turned down by a bank. Wille pointed out that EDA loan guidelines require anyone seeking extension of the balloon date to provide proof that their bank would not provide financing for the balloon payment. In motion by Kvamme, seconded by Parras, Resolution No. 2015-44 entitled "Resolution Extending The Due Date Of The Mary's Flowers Revolving Loan Balloon Date By Sixty (60) Months", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-44 is contained in the City Administrator's book entitled Council Resolutions 20.

Revolving Loan Modification Request: St. Peter Community Child Care – Community Development Director Wille presented the Economic Development Authority recommendation to approve a request from St. Peter Community Child Care for a fourth extension to the balloon

payment date on their revolving loan. Wille noted the EDA was recommending approval for a twenty-four (24) month extension to April 1, 2017 with the stipulation that the monthly loan payments would increase to \$300 per month. Councilmember Parras questioned whether increasing the monthly loan payment would jeopardize the ability of the business to make lease payments to the City. City Administrator Prafke indicated that the increase in loan payment would not make the lease payment situation any worse. In motion by Kvamme, seconded by Parras, Resolution No. 2015-45 entitled "Resolution Providing Balloon Payment Extension For Loan Previously Provided To St. Peter Community Childcare Center", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-45 is contained in the City Administrator's book entitled Council Resolutions 20.

Revolving Loan Modification Request: Tanis Brothers – Community Development Director Wille presented the Economic Development Authority recommendation for approval of a request to subordinate the City's mortgage on a revolving loan made to Tanis Brothers LLC to a new \$14,000 loan from Nicollet County Bank. Wille indicated the City's mortgage would be in third position for a total of \$203,012 in mortgages on the property which just appraised for \$255,000 and the additional bank loan was to cover cost overruns in the remodeling of the property. In motion by Kvamme, seconded by Carlin, Resolution No. 2015-46 entitled "Resolution Accepting Subordination Of City's Tanis Brothers, LLC Mortgage To New Loan And Mortgage To Be Provided By Nicollet County Bank", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-46 is contained in the City Administrator's book entitled Council Resolutions 20.

430 Ritt Street Property Temporary Lease – Community Development Director Wille requested approval of a short term (bridge) lease with Marv Kottke for the City owned property at 430 Ritt Street. Wille noted Mr. Kottke had executed a purchase agreement on the property with closing expected to occur by July 31, 2015, but Kottke had requested use of the property to store snow plowing equipment. Wille noted the terms of the lease drafted by the City Attorney included a \$1.00 rent payment; prohibition against storage of any chemicals, fertilizer or other flammable materials in the building during the lease term; and a provision that if the sale of the building was not consummated, the City would keep the \$5,000 earnest money in lieu of rent paid. Councilmember Parras expressed his belief that the lease should have required Mr. Kottke to pay the City Attorney's costs for preparation of the lease and require a security deposit. Councilmember Kvamme questioned why the lease document didn't specify the amount of the earnest money. In motion by Kvamme, seconded by Brand, Resolution No. 2015-47 entitled "Resolution Authorizing Execution Of Short Term Lease Of 430 Ritt Street Property With Marv Kottke", was introduced contingent upon changes being made to the lease document to specify the amount of the earnest money (\$5,000) that will be withheld by the City as payment in lieu of rent should the sale of the property not take place. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-47 is contained in the City Administrator's book entitled Council Resolutions 20. Councilmember Kvamme congratulated Community Development Director Wille on his efforts to get the building sold.

T-Mobile Water Tower Lease Amendment – Public Works Director Moulton requested approval of an amendment to the lease with T-Mobile for placement of additional T-Mobile equipment on the City's water tower which would extend coverage of their cell service. Moulton also stated the amendment would result in an additional \$150 in lease payment to the City. In motion by Parras, seconded by Carlin, Resolution No. 2015-48 entitled "Resolution Authorizing Execution Of Second Amendment To Existing Lease Agreement With T-Mobile For Lease Of Space On Broadway Water Tower", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-48 is contained in the City Administrator's book entitled Council Resolutions 20.

Request for City Assistance: Safe Bar Initiative Fun Run – City Administrator Prafke recommended limited approval be provided for a fun run being organized by Patrick’s On Third in support of the Safe Bar Initiative. Prafke noted that although he had some concerns about the start/end location (intersection of West Park Row/South Third Street) and route for the event (residential areas running on sidewalks), he was recommending approval as outlined in the resolution based on an expected small number of participants. Councilmember Carlin expressed concerns about safety of the participants as well as volunteers after learning that almost 150 people had signed up for the fun run. Prafke noted that City staff would be training the volunteers who would control intersections and indicated the organizers had been unwilling to consider alternative sites for the event. Prafke stated that should the event reach 200 or more participants, the site would not be suitable and would not be allowed in the future. In motion by Brand, seconded by Parras, Resolution No. 2015-59 entitled “Resolution Approving Request For City Assistance For Safe Bar Initiative Fun Run”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-49 is contained in the City Administrator’s book entitled Council Resolutions 20.

Asphalt Materials Purchase – Public Works Director Moulton requested authorization for the purchase of asphalt in an amount up to \$100,000 from Southern Minnesota Construction (SMC) and up to \$10,000 from W.W. Blacktopping. Moulton noted that although the proposal submitted by SMC was not the lowest per ton, the City’s cost would be less than purchasing from the other vendors due to staff time and fuel costs for driving to locations which were substantially further from Saint Peter to get the materials. Moulton also noted that the W.W. Blacktopping purchase was requested in the event the SMC facility was not available. In motion by Carlin, seconded by Parras, Resolution No. 2015-50 entitled “Resolution Approving Purchase Of Asphalt Patching Materials”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-50 is contained in the City Administrator’s book entitled Council Resolutions 20.

Quartzite Stone Purchase – Public Works Director Moulton requested authorization to accept the proposal from New Ulm Quartzite for quartzite stone to be used for seal coating at an estimated cost of \$35,670. Moulton indicated the New Ulm plant was the only area facility selling the hard stone that is used in place of pea rock for seal coating and the stone is very hard which stands up to plowing and other activities and extends the maintenance life of the roadway. In motion by Kvamme, seconded by Brand, Resolution No. 2015-51 entitled “Resolution Approving Purchase Of Quartzite Stone”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-51 is contained in the City Administrator’s book entitled Council Resolutions 20.

Construction Standard Detail Plate Updates – Public Works Director Moulton requested modifications to the City’s construction standards for lighting, concrete work and stormwater. In motion by Carlin, seconded by Parras, Resolution No. 2015-52 entitled “Resolution Approving Construction Standard Detail Updates”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2015-52 is contained in the City Administrator’s book entitled Council Resolutions 20.

Reports

“Arbor Day and Arbor Month” Proclamation – Mayor pro tem Zieman reported Mayor Strand had proclaimed April 24, 2015 as “Arbor Day” and May, 2015 as “Arbor Month” in the City.

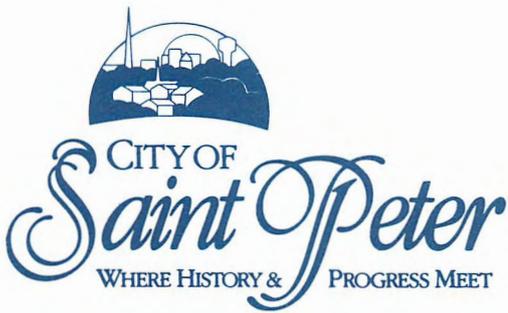
City/County Meeting Discussion – City Administrator Prafke reported on discussion at the April 9, 2015 City/County meeting which included future improvements on Gardner Road, school planning, stormwater pilot program, and library funding.

There being no further business, a motion was made by Brand, seconded by Parras, to adjourn. With all in favor, the motion carried and the meeting adjourned at 7:59 p.m.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

To: Todd Prafke
City Administrator

Date: April 22, 2015

Fr: Cindy Moulton *Cindy*
Administrative Secretary

Re: License

ACTION/RECOMMENDATION

Provide approval of license.

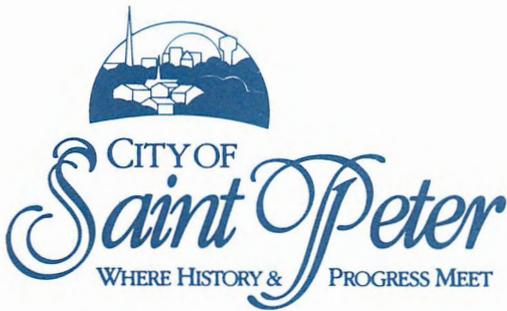
BACKGROUND

Please place this item on the April 27, 2015 City Council consent agenda.

Wayne May, on behalf of the Mankato Key City Lions, has submitted a Soft Drink License application in order to sell pop at the Nicollet County Fairgrounds. The licensing period will be 4/28/15 – 12/31/15.

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

CKM



Memorandum

TO: Todd Prafke
City Administrator

DATE: 4/23/2015

FROM: Paula O'Connell
Finance Director

RE: Declaration of Surplus Property

ACTION/RECOMMENDATION

Declare the items listed below as surplus property and authorize the sale of or disposal of the property as authorized in the City Code.

BACKGROUND

The Finance Department has a number of ink cartridges and one used printer that can no longer be used by the City. Most of the cartridge stock was returned to inventory after old printers were replaced due to failure. (Staff often keep backup cartridges in their area.) The ink cartridges are new, but do not work in any of the printers we currently have in service. Some of the ink cartridges have been removed from the box. We have implemented a better inventory of these items to avoid accumulation.

In addition to the cartridges shown in the table to the right, staff recommends declaring a HP 1200 printer and one new HP C7115A cartridge as surplus.

Staff recommends declaring the supplies/equipment as surplus property to be disposed of as authorized in the City Code.

Total value of the ink cartridges if new and boxed would be around \$800 but we do not expect them to sell for that as some of the cartridges are several years old and no longer packaged. Any proceeds from the sale of the surplus property will be deposited into the General Fund.

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

PO/

<u>Ink Jet Cartridges</u>	<u>QTY</u>
HP 26	4
HP 29	2
HP 41	2
HP 45	2
HP 23/45 Combo	1
HP 56	1
HP 57	2
HP 56/57 Combo	1
HP 78	1
HP 78XL	1

<u>Laser Cartridges</u>	
HP Q6000A (124A) Black	1
HP Q6001A (124A) Cyan	2
HP Q6002A (124A) Yellow	1
HP Q6003A (124A) Magenta	1
HP C4127X (27X) Black	1

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
AFFILIATED CREDIT SERVICES	collection services for ma	ELECTRIC FUND	CUSTOMER ACCOUNTS	87.39
			TOTAL:	87.39
ALPHA WIRELESS COMMUNICATIONS CO	april ltr radio equip agre	GENERAL FUND	MUNICIPAL BUILDING	59.32
	april ltr radio equip agre	GENERAL FUND	PUBLIC WORKS ADMIN	83.04
	april ltr radio equip agre	WATER	ADMIN AND GENERAL	56.83
	april ltr radio equip agre	WASTE WATER FUND	ADMIN AND GENERAL	51.40
	april ltr radio equip agre	ELECTRIC FUND	ADMIN AND GENERAL	51.41
			TOTAL:	302.00
AMAZON	ink	GENERAL FUND	POLICE	319.63
	live animal trap	GENERAL FUND	COMMUNITY SERVICE	42.72
	ink	GENERAL FUND	STREETS	24.00
	ink	GENERAL FUND	PARKS	19.20
	library materials	LIBRARY FUND	LIBRARY	1,892.65
	video cable	PUBLIC ACCESS	PUBLIC ACCESS	11.42
	ink	WATER	ADMIN AND GENERAL	9.60
	ink	WATER	CUSTOMER ACCOUNTS	27.52
	ink	WASTE WATER FUND	ADMIN AND GENERAL	9.60
	ink	WASTE WATER FUND	CUSTOMER ACCOUNTS	27.52
	ink	ENVIRON SERVICES F	ADMIN AND GENERAL	9.60
	ink	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	27.52
	ink	ELECTRIC FUND	ADMIN AND GENERAL	24.00
	ink	ELECTRIC FUND	CUSTOMER ACCOUNTS	27.52
			TOTAL:	2,472.50
AMERICAN EXPRESS	annual member renewal fee	ELECTRIC FUND	ADMIN AND GENERAL	55.00
	annual rewards program fee	ELECTRIC FUND	ADMIN AND GENERAL	90.00
			TOTAL:	145.00
ARROW ACE HARDWARE INC	outside entrance lights	GENERAL FUND	MUNICIPAL BUILDING	79.96
	batteries, cleaning suppli	GENERAL FUND	POLICE	69.09
	wire, toggle switch, bthrm	GENERAL FUND	FIRE	186.28
	bolts, humidifer, nail gun	GENERAL FUND	STREETS	51.25
	paint marking	GENERAL FUND	STREETS	7.59
	patchmaster jeff fields si	GENERAL FUND	PARKS	35.97
	paint, u bolt, oil	GENERAL FUND	PARKS	74.26
	bolts, glue, brush	GENERAL FUND	PARKS	25.49
	bolts, humidifer, nail gun	GENERAL FUND	PARKS	51.25
	wood cleaner	LIBRARY FUND	LIBRARY	6.99
	bathroom materials	COMMUNITY CENTER	COMMUNITY CENTER	37.56
	bushing nipple	WATER	SOURCE OF SUPPLY	64.72
	drain broiler/ silicone se	WATER	SOURCE OF SUPPLY	19.97-
	nipple	WATER	PURIFICATION AND TREAT	3.99
	bolts, humidifer, nail gun	WATER	DISTRIBUTION AND STORA	25.63
	hose bib fitting	WATER	DISTRIBUTION AND STORA	9.99
	pick axes	WATER	ADMIN AND GENERAL	75.98
	bolts, humidifer, nail gun	WASTE WATER FUND	SOURCE/TREATMENT	25.63
	sprayer, tote	ENVIRON SERVICES F	REFUSE DISPOSAL	74.97
	bolts, humidifer, nail gun	ENVIRON SERVICES F	REFUSE DISPOSAL	25.63
	air filters	ELECTRIC FUND	POWER PRODUCTION	91.08
	sinker nails	ELECTRIC FUND	POWER DISTRIBUTION	9.99
	bolts, humidifer, nail gun	ELECTRIC FUND	POWER DISTRIBUTION	51.25
	sprayer	ELECTRIC FUND	ADMIN AND GENERAL	11.99
	bolts, humidifer, nail gun	STORMWATER FUND	TREATMENT	25.61
	flange	STORMWATER FUND	ADMINISTRATION AND GEN	25.99

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
			TOTAL:	1,128.17
B & L UTILITY MAINTENANCE, LLC	downtown poles seal & pain	ELECTRIC FUND	POWER DISTRIBUTION	800.00
			TOTAL:	800.00
BEACON ATHLETICS	anchor plug & pitching rub	GENERAL FUND	PARKS	156.60
			TOTAL:	156.60
BEST WESTERN	hotel rm Dahl 6/16/15	WASTE WATER FUND	ADMIN AND GENERAL	93.27
			TOTAL:	93.27
BGMN, INC	shop fittings tool	GENERAL FUND	STREETS	166.06
	shop injection cleaner	GENERAL FUND	STREETS	26.70
	shop fittings tool	GENERAL FUND	PARKS	166.06
	shop injection cleaner	GENERAL FUND	PARKS	26.70
	shop fittings tool	WATER	DISTRIBUTION AND STORA	83.03
	shop injection cleaner	WATER	DISTRIBUTION AND STORA	13.35
	shop fittings tool	WASTE WATER FUND	SOURCE/TREATMENT	83.03
	shop injection cleaner	WASTE WATER FUND	SOURCE/TREATMENT	13.35
	shop fittings tool	ENVIRON SERVICES F	REFUSE DISPOSAL	83.03
	shop injection cleaner	ENVIRON SERVICES F	REFUSE DISPOSAL	13.35
	shop fittings tool	ELECTRIC FUND	POWER DISTRIBUTION	166.06
	shop injection cleaner	ELECTRIC FUND	POWER DISTRIBUTION	26.70
	shop fittings tool	STORMWATER FUND	TREATMENT	83.03
	shop injection cleaner	STORMWATER FUND	TREATMENT	13.35
			TOTAL:	963.80
BOLTON & MENK INC	staff mtgs	GENERAL FUND	STREETS	120.00
	update street maps	GENERAL FUND	STREETS	376.00
	staff mtgs	GENERAL FUND	PARKS	96.00
	standard park entrance sig	GENERAL FUND	PARKS	785.00
	parks master plan park siz	GENERAL FUND	PARKS	294.00
	marlow easement	GENERAL FUND	ECONOMIC DEVMT	240.00
	wash ave link	PERM IMPROVMENT RE	STREETS	1,140.00
	2014 old mn/ st julien	PERM IMPROVMENT RE	STREETS	886.00
	staff mtgs	WATER	ADMIN AND GENERAL	48.00
	watermain spec updates	WATER	ADMIN AND GENERAL	325.00
	staff mtgs	WASTE WATER FUND	ADMIN AND GENERAL	48.00
	staff mtgs	ENVIRON SERVICES F	ADMIN AND GENERAL	48.00
	staff mtgs	ELECTRIC FUND	ADMIN AND GENERAL	120.00
	dgr row & cad	ELECTRIC FUND	ADMIN AND GENERAL	94.00
	revise concrete details	ELECTRIC FUND	ADMIN AND GENERAL	846.00
	2012 brown st basin	STORMWATER FUND	CAPITAL-COLL SYS/LIFT	325.00
	erosion sediment ctrl spec	STORMWATER FUND	COLLECTIONS/LIFT STATI	130.00
	halletts pond basin OHW	STORMWATER FUND	COLLECTIONS/LIFT STATI	300.00
			TOTAL:	6,221.00
BORDER STATES ELECTRIC SUPPLY	shrink wire end cap	ELECTRIC FUND	POWER DISTRIBUTION	780.29
			TOTAL:	780.29
BRANDT LAW OFFICE	civil services march 2015	GENERAL FUND	LEGAL SERVICES	3,210.00
	criminal services march 20	GENERAL FUND	LEGAL SERVICES	7,382.00
	tanis	REVOLVING LOAN FUN	ECONOMIC DEVMT	45.00
	430 ritt st	TORNADO DISASTER R	ECONOMIC DEVMT	360.00
	lambert	PARK LAND DEDICATI	PARKS	390.00
	assessments	WATER	ADMIN AND GENERAL	90.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	schafer	STORMWATER FUND	COLLECTIONS/LIFT STATI	45.00
			TOTAL:	11,522.00
TAMI CALDWELL	uniform allowance	GENERAL FUND	POLICE	58.00
			TOTAL:	58.00
CARQUEST AUTO PARTS STORES	auto parts	GENERAL FUND	STREETS	2.10
	tip cleaner, lights, anten	GENERAL FUND	STREETS	220.65
	hold down bolt	GENERAL FUND	PARKS	3.67
	auto parts	GENERAL FUND	PARKS	2.10
	auto parts	WATER	DISTRIBUTION AND STORA	1.05
	cla-val	WATER	DISTRIBUTION AND STORA	6.76
	#69 fog light	WATER	ADMIN AND GENERAL	6.64
	flint (dbl paid)	WASTE WATER FUND	SOURCE/TREATMENT	3.56-
	lamp	WASTE WATER FUND	SOURCE/TREATMENT	15.80
	oil (dbl paid)	WASTE WATER FUND	SOURCE/TREATMENT	155.80-
	lubricant, drain, filter	WASTE WATER FUND	SOURCE/TREATMENT	252.50
	auto parts	WASTE WATER FUND	SOURCE/TREATMENT	1.05
	fuse for lab dishwasher	WASTE WATER FUND	SOURCE/TREATMENT	2.39
	auto parts	ENVIRON SERVICES F	REFUSE DISPOSAL	1.05
	air hose blow gun, ball mo	ENVIRON SERVICES F	REFUSE DISPOSAL	33.80
	auto parts	ELECTRIC FUND	POWER DISTRIBUTION	2.10
	gravity tester, hydrometer	ELECTRIC FUND	POWER DISTRIBUTION	20.97
	auto parts	STORMWATER FUND	TREATMENT	1.05
	oil	TRANSIT	TRANSIT/TRANSPORTATION	75.36
			TOTAL:	489.68
CDW GOVERNMENT, INC.	mouse/bag for new laptop	LIBRARY FUND	LIBRARY	29.60
	replacement laptop for lib	LIBRARY FUND	LIBRARY	1,017.44
			TOTAL:	1,047.04
CENTERPOINT ENERGY MINNEGASCO	march gas service	GENERAL FUND	FIRE	664.31
	march gas service	GENERAL FUND	STREETS	583.58
	march gas service	GENERAL FUND	SWIMMING POOL	43.00
	march gas service	GENERAL FUND	PARKS	466.87
	march gas service	LIBRARY FUND	LIBRARY	1,402.96
	march gas service	COMMUNITY CENTER	COMMUNITY CENTER	3,188.77
	gas bill for ritt st	TORNADO DISASTER R	ECONOMIC DEVMT	236.84
	march gas service	WATER	PURIFICATION AND TREAT	1,589.23
	march gas service	WATER	PURIFICATION AND TREAT	199.01
	march gas service	WATER	ADMIN AND GENERAL	233.43
	march gas service	WASTE WATER FUND	COLLECTOR/LIFT STAT	15.00
	march gas service	WASTE WATER FUND	SOURCE/TREATMENT	9,080.10
	march gas service	WASTE WATER FUND	ADMIN AND GENERAL	233.43
	march gas service	ENVIRON SERVICES F	ADMIN AND GENERAL	233.44
	march gas service	ELECTRIC FUND	ADMIN AND GENERAL	583.58
			TOTAL:	18,753.55
CHEMSEARCH	lubricant contract	GENERAL FUND	STREETS	112.92
	lubricant contract	GENERAL FUND	PARKS	112.92
	lubricant contract	WATER	DISTRIBUTION AND STORA	56.46
	lubricant contract	WASTE WATER FUND	SOURCE/TREATMENT	56.46
	lubricant contract	ENVIRON SERVICES F	REFUSE DISPOSAL	56.46
	lubricant contract	ELECTRIC FUND	POWER DISTRIBUTION	112.92
	lubricant contract	STORMWATER FUND	TREATMENT	56.48
			TOTAL:	564.62

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
ERIC CHRISTENSEN	mileage	GENERAL FUND	FIRE	27.60
	per diem for class @ sctc	GENERAL FUND	FIRE	70.00
	TOTAL:			97.60
CINTAS CORPORATION #754	march uniform cleaning	ELECTRIC FUND	ADMIN AND GENERAL	578.73
	TOTAL:			578.73
CINTAS FIRST AID & SAFETY	bandaids, cabintet clean s	GENERAL FUND	STREETS	15.15
	bandaids, cabintet clean s	GENERAL FUND	PARKS	12.12
	first aid supplies	LIBRARY FUND	LIBRARY	55.39
	bandaids, cabintet clean s	WATER	ADMIN AND GENERAL	6.06
	restock first aid kit	WASTE WATER FUND	ADMIN AND GENERAL	130.68
	bandaids, cabintet clean s	WASTE WATER FUND	ADMIN AND GENERAL	6.06
	bandaids, cabintet clean s	ENVIRON SERVICES F	ADMIN AND GENERAL	6.07
	bandaids, cabintet clean s	ELECTRIC FUND	ADMIN AND GENERAL	15.15
	TOTAL:			246.68
COLE PAPERS INC	paper products for fire ha	GENERAL FUND	FIRE	60.45
	dish soap & wipes	GENERAL FUND	STREETS	33.24
	dish soap & wipes	GENERAL FUND	PARKS	33.24
	wax for spccc day care	COMMUNITY CENTER	COMMUNITY CENTER	172.26
	dish soap & wipes	WATER	DISTRIBUTION AND STORA	16.62
	dish soap & wipes	WASTE WATER FUND	SOURCE/TREATMENT	16.62
	dish soap & wipes	ENVIRON SERVICES F	REFUSE DISPOSAL	16.62
	dish soap & wipes	ELECTRIC FUND	POWER DISTRIBUTION	33.24
	dish soap & wipes	STORMWATER FUND	TREATMENT	16.63
	TOTAL:			398.92
COMPUTER TECHNOLOGY SOLUTIONS, INC.	anti virus renewal	GENERAL FUND	CITY ADMINISTRATION	162.11
	anti virus renewal	GENERAL FUND	FINANCE	583.68
	anti virus renewal	GENERAL FUND	POLICE	745.81
	anti virus renewal	GENERAL FUND	FIRE	97.28
	anti virus renewal	GENERAL FUND	BUILDING INSPECTOR	97.28
	anti virus renewal	GENERAL FUND	PUBLIC WORKS ADMIN	226.98
	anti virus renewal	GENERAL FUND	STREETS	64.85
	anti virus renewal	GENERAL FUND	RECREATION/LEISURE SER	421.54
	anti virus renewal	GENERAL FUND	PARKS	32.43
	anti virus renewal	GENERAL FUND	ECONOMIC DEVMT	64.85
	anti virus renewal	LIBRARY FUND	LIBRARY	1,037.65
	anti virus renewal	PUBLIC ACCESS	PUBLIC ACCESS	32.43
	anti virus renewal	COMMUNITY CENTER	COMMUNITY CENTER	32.43
	anti virus renewal	WATER	ADMIN AND GENERAL	162.13
	anti virus renewal	WASTE WATER FUND	ADMIN AND GENERAL	97.28
	anti virus renewal	ENVIRON SERVICES F	REFUSE DISPOSAL	32.43
	anti virus renewal	ELECTRIC FUND	ADMIN AND GENERAL	423.36
	anti virus renewal	STORMWATER FUND	ADMINISTRATION AND GEN	64.85
	anti virus renewal	TRANSIT	TRANSIT/TRANSPORTATION	30.63
TOTAL:			4,410.00	
CONSTRUCTION MIDWEST INC.	natural stone treatment	ENVIRON SERVICES F	REFUSE DISPOSAL	570.40
	TOTAL:			570.40
CREDIT RIVER TOOLS	socket holder & cable cutt	GENERAL FUND	STREETS	33.26
	shop blowgun & inflator	GENERAL FUND	STREETS	22.85
	socket holder & cable cutt	GENERAL FUND	PARKS	33.26
	shop blowgun & inflator	GENERAL FUND	PARKS	22.85

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	socket holder & cable cutt	WATER	DISTRIBUTION AND STORA	16.63
	shop blowgun & inflator	WATER	DISTRIBUTION AND STORA	11.43
	socket holder & cable cutt	WASTE WATER FUND	SOURCE/TREATMENT	16.63
	shop blowgun & inflator	WASTE WATER FUND	SOURCE/TREATMENT	11.43
	socket holder & cable cutt	ENVIRON SERVICES F	REFUSE DISPOSAL	16.63
	shop blowgun & inflator	ENVIRON SERVICES F	REFUSE DISPOSAL	11.43
	socket holder & cable cutt	ELECTRIC FUND	POWER DISTRIBUTION	33.26
	shop blowgun & inflator	ELECTRIC FUND	POWER DISTRIBUTION	22.85
	socket holder & cable cutt	STORMWATER FUND	TREATMENT	16.63
	shop blowgun & inflator	STORMWATER FUND	TREATMENT	11.41
			TOTAL:	280.55
CROP PRODUCTION SERVICES	hervbicide	ENVIRON SERVICES F	REFUSE DISPOSAL	202.00
			TOTAL:	202.00
CRYSTEEL TRUCK EQUIPMENT INC	#556a cutting edge kit	GENERAL FUND	STREETS	488.00
	#47 vibrator cover	GENERAL FUND	STREETS	122.00
			TOTAL:	610.00
JASON DAHL	clothing allowance	WASTE WATER FUND	ADMIN AND GENERAL	134.00
			TOTAL:	134.00
DGR ENGINEERING	distrubution design	ELECTRIC FUND	CAPITAL-DISTRIBUTION S	1,006.50
	broadway generation plant	ELECTRIC FUND	CAPITAL-DISTRIBUTION S	255.00
	spcc plan update	ELECTRIC FUND	POWER DISTRIBUTION	323.00
	nic co gen review & faults	ELECTRIC FUND	POWER DISTRIBUTION	301.00
	gac heating plant upgrade	ELECTRIC FUND	POWER DISTRIBUTION	85.50
	electric mapping	ELECTRIC FUND	POWER DISTRIBUTION	10,229.50
			TOTAL:	12,200.50
EARL F ANDERSEN INC	street sign tubing	GENERAL FUND	STREETS	146.82
	traffic cones	GENERAL FUND	STREETS	248.00
	traffic cones	GENERAL FUND	PARKS	198.40
	traffic cones	WATER	ADMIN AND GENERAL	99.20
	traffic cones	WASTE WATER FUND	ADMIN AND GENERAL	99.20
	traffic cones	ENVIRON SERVICES F	ADMIN AND GENERAL	99.20
	traffic cones	ELECTRIC FUND	ADMIN AND GENERAL	248.00
			TOTAL:	1,138.82
EMERGENCY RESPONSE SOLUTIONS	helmet shield	GENERAL FUND	FIRE	49.03
			TOTAL:	49.03
ERA LABORATORIES, INC	nutrients	WASTE WATER FUND	SOURCE/TREATMENT	178.89
			TOTAL:	178.89
FASTENAL COMPANY	paint for blacktopping	GENERAL FUND	STREETS	10.31
	extractor	WATER	DISTRIBUTION AND STORA	5.79
	bolts & washers	WASTE WATER FUND	SOURCE/TREATMENT	13.82
	concrete anchors	ELECTRIC FUND	POWER DISTRIBUTION	2.22
			TOTAL:	32.14
FOUR SEASONS OVERHEAD DOOR, LLC	repair door #5	GENERAL FUND	STREETS	42.19
	repair door #5	GENERAL FUND	PARKS	33.75
	repair door #5	WATER	ADMIN AND GENERAL	16.88
	repair door #5	WASTE WATER FUND	ADMIN AND GENERAL	16.88
	repair door #5	ENVIRON SERVICES F	ADMIN AND GENERAL	16.86

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	repair door #5	ELECTRIC FUND	ADMIN AND GENERAL	42.19
			TOTAL:	168.75
FREEDOM VALUE CENTERS, INC.	march fuel	WATER	DISTRIBUTION AND STORA	117.47
	march fuel	WASTE WATER FUND	COLLECTOR/LIFT STAT	105.10
	march fuel	STORMWATER FUND	TREATMENT	38.77
	fuel for march 2015	TRANSIT	TRANSIT/TRANSPORTATION	2,725.81
			TOTAL:	2,987.15
GENERATIONS PHOTOGRAPHY & VINYL CREATI	#215 city logo	GENERAL FUND	STREETS	15.00
			TOTAL:	15.00
GRAINGER	led flashlight	GENERAL FUND	FIRE	65.38
			TOTAL:	65.38
GRAYBAR ELECTRIC COMPANY INC	#681 120v 1200w wire in co	ELECTRIC FUND	NON-DEPARTMENTAL	147.70
			TOTAL:	147.70
GREAT NORTHERN ENVIRONMENTAL LLC	uv lamp	WASTE WATER FUND	SOURCE/TREATMENT	262.00
			TOTAL:	262.00
MATT GROCHOW	meal 4/8/15 media training	GENERAL FUND	POLICE	34.04
			TOTAL:	34.04
GUSTAVUS ADOLPHUS COLLEGE P.O.	postage for march 2015	GENERAL FUND	CITY ADMINISTRATION	17.96
	postage for march 2015	GENERAL FUND	CITY CLERK	12.72
	postage for march 2015	GENERAL FUND	ELECTIONS	4.10
	postage for march 2015	GENERAL FUND	FINANCE	149.99
	postage for march 2015	GENERAL FUND	POLICE	44.62
	postage for march 2015	GENERAL FUND	FIRE	4.63
	postage for march 2015	GENERAL FUND	BUILDING INSPECTOR	23.44
	postage for march 2015	GENERAL FUND	PUBLIC WORKS ADMIN	7.01
	postage for march 2015	GENERAL FUND	STREETS	5.83
	postage for march 2015	GENERAL FUND	RECREATION/LEISURE SER	9.54
	postage for march 2015	GENERAL FUND	PARKS	9.01
	postage for march 2015	GENERAL FUND	ECONOMIC DEVMT	101.58
	postage for march 2015	LIBRARY FUND	LIBRARY	1.27
	postage for march 2015	COMMUNITY CENTER	COMMUNITY CENTER	2.65
	postage for march 2015	WATER	ADMIN AND GENERAL	7.07
	postage for march 2015	WATER	CUSTOMER ACCOUNTS	13.83
	postage for march 2015	WASTE WATER FUND	ADMIN AND GENERAL	3.01
	postage for march 2015	WASTE WATER FUND	CUSTOMER ACCOUNTS	13.83
	postage for march 2015	ENVIRON SERVICES F	ADMIN AND GENERAL	7.53
	postage for march 2015	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	13.83
	postage for march 2015	ELECTRIC FUND	ADMIN AND GENERAL	1.59
	postage for march 2015	ELECTRIC FUND	CUSTOMER ACCOUNTS	13.84
	postage for march 2015	STORMWATER FUND	ADMINISTRATION AND GEN	19.08
	postage for march 2015	TRANSIT	TRANSIT/TRANSPORTATION	12.72
			TOTAL:	500.68
HACH COMPANY	chemicals	WASTE WATER FUND	SOURCE/TREATMENT	97.88
	phosphorus	WASTE WATER FUND	SOURCE/TREATMENT	102.50
	phosphorus	WASTE WATER FUND	SOURCE/TREATMENT	120.29
	chemicals	WASTE WATER FUND	SOURCE/TREATMENT	285.64
			TOTAL:	606.31

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
HAWKINS, INC.	injection check valve	GENERAL FUND	SWIMMING POOL	373.28
	caustic soda	WATER	PURIFICATION AND TREAT	1,365.00
	po 4355; aqua hawk	WASTE WATER FUND	SOURCE/TREATMENT	5,060.00
	sulfuric acid	WASTE WATER FUND	SOURCE/TREATMENT	<u>192.01</u>
	TOTAL:			6,990.29
HILLYARD/HUTCHINSON	repair rider floor scrubbe	COMMUNITY CENTER	COMMUNITY CENTER	<u>829.60</u>
			TOTAL:	829.60
HOLIDAY COMMERCIAL	march fuel 2015	WATER	CUSTOMER ACCOUNTS	31.61
	march fuel 2015	WASTE WATER FUND	CUSTOMER ACCOUNTS	31.61
	march fuel 2015	ELECTRIC FUND	CUSTOMER ACCOUNTS	<u>31.62</u>
		TOTAL:		94.84
HYDRO TECH SERVICE	service call to repair cla	WATER	SOURCE OF SUPPLY	<u>1,000.00</u>
			TOTAL:	1,000.00
I & S GROUP	sp school prop develop cos	GENERAL FUND	CITY ADMINISTRATION	<u>5,000.00</u>
			TOTAL:	5,000.00
IMPACT	march utility bills - prin	WATER	CUSTOMER ACCOUNTS	159.86
	march 2015 bills postage	WATER	CUSTOMER ACCOUNTS	367.35
	march utility bills - prin	WASTE WATER FUND	CUSTOMER ACCOUNTS	159.86
	march 2015 bills postage	WASTE WATER FUND	CUSTOMER ACCOUNTS	367.35
	march utility bills - prin	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	159.86
	march 2015 bills postage	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	367.35
	march utility bills - prin	ELECTRIC FUND	CUSTOMER ACCOUNTS	159.85
	march 2015 bills postage	ELECTRIC FUND	CUSTOMER ACCOUNTS	367.35
	march 2015 flyer	ELECTRIC FUND	CUSTOMER ACCOUNTS	<u>282.83</u>
		TOTAL:		2,391.66
	INGRAM BOOK COMPANY	library materials	LIBRARY FUND	LIBRARY
			TOTAL:	359.17
ITRON, INC	annual handheld&software m	WATER	CUSTOMER ACCOUNTS	828.07
	annual handheld&software m	WASTE WATER FUND	CUSTOMER ACCOUNTS	828.07
	annual handheld&software m	ELECTRIC FUND	CUSTOMER ACCOUNTS	<u>1,656.15</u>
		TOTAL:		3,312.29
JOHNSON AGGREGATES	front end loader rental	GENERAL FUND	STREETS	<u>2,565.00</u>
			TOTAL:	2,565.00
JRK SEED & TURF SUPPLY	field conditioner vets #1	GENERAL FUND	PARKS	<u>378.00</u>
			TOTAL:	378.00
JT SERVICES	poly line replacement stri	ELECTRIC FUND	ADMIN AND GENERAL	<u>313.45</u>
			TOTAL:	313.45
AMY KAMM	class b wastewater cert re	STORMWATER FUND	ADMINISTRATION AND GEN	<u>23.00</u>
			TOTAL:	23.00
KEN KOCMICK	phone case	ELECTRIC FUND	ADMIN AND GENERAL	<u>100.00</u>
			TOTAL:	100.00
KWIK TRIP INC	fuel for march 2015	GENERAL FUND	POLICE	1,206.56
	pre paid car washes	GENERAL FUND	POLICE	212.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT	
	fuel for march 2015	GENERAL FUND	BUILDING INSPECTOR	31.59	
	parks march fuel	GENERAL FUND	PARKS	136.05	
	fuel for march 2015	WATER	ADMIN AND GENERAL	24.70	
	diesel fuel for march 2015	TRANSIT	TRANSIT/TRANSPORTATION	170.98	
			TOTAL:	1,781.88	
LAGER'S INC	#143 sp wiring	WATER	CAPITAL-GENERAL PLANT	4.96	
	#143 sp wiring	WASTE WATER FUND	CAPITAL-GENERAL PLANT	4.96	
	#143 sp wiring	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	4.96	
	#143 sp wiring	ELECTRIC FUND	CAPITAL-GENERAL PLANT	9.36	
	#143 sp wiring	STORMWATER FUND	CAPITAL-GENERAL PLANT	4.96	
			TOTAL:	29.20	
LE SUEUR COUNTY SOLID WASTE OFFICE	compost permit 4/30/15-5/1	ENVIRON SERVICES F	ADMIN AND GENERAL	200.00	
			TOTAL:	200.00	
LEAGUE OF MINNESOTA CITIES	2015 annual conference - t	GENERAL FUND	CITY ADMINISTRATION	355.00	
			TOTAL:	355.00	
LJP ENTERPRISES INC	march garbage & recycling	COMMUNITY CENTER	COMMUNITY CENTER	444.46	
	march garbage & recycling	WATER	PURIFICATION AND TREAT	99.43	
	march garbage & recycling	WASTE WATER FUND	SOURCE/TREATMENT	218.29	
	march garbage & recycling	ENVIRON SERVICES F	REFUSE DISPOSAL	982.69	
	refuse pickup&disposal mar	ENVIRON SERVICES F	REFUSE DISPOSAL	19,136.20	
			TOTAL:	20,881.07	
LOCATORS & SUPPLIES, INC.	safety gloves	GENERAL FUND	STREETS	55.14	
	safety gloves	GENERAL FUND	PARKS	44.11	
	safety gloves	WATER	ADMIN AND GENERAL	22.06	
	safety gloves	WASTE WATER FUND	ADMIN AND GENERAL	22.06	
	safety gloves	ENVIRON SERVICES F	ADMIN AND GENERAL	22.05	
	safety gloves	ELECTRIC FUND	ADMIN AND GENERAL	55.14	
			TOTAL:	220.56	
MANKATO TENT & AWNING CO.	jeff field bench tarps rep	GENERAL FUND	PARKS	15.00	
			TOTAL:	15.00	
MATHESON TRI-GAS INC	aceylene oxyogen tank	GENERAL FUND	STREETS	23.92	
	aceylene oxyogen tank	GENERAL FUND	PARKS	23.92	
	143 torch, hp lease 5yr, n	WATER	CAPITAL-GENERAL PLANT	87.84	
	aceylene oxyogen tank	WATER	DISTRIBUTION AND STORA	11.96	
	143 torch, hp lease 5yr, n	WASTE WATER FUND	CAPITAL-GENERAL PLANT	87.84	
	aceylene oxyogen tank	WASTE WATER FUND	SOURCE/TREATMENT	11.96	
	143 torch, hp lease 5yr, n	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	87.84	
	aceylene oxyogen tank	ENVIRON SERVICES F	REFUSE DISPOSAL	11.96	
	143 torch, hp lease 5yr, n	ELECTRIC FUND	CAPITAL-GENERAL PLANT	165.34	
	aceylene oxyogen tank	ELECTRIC FUND	POWER DISTRIBUTION	23.92	
	143 torch, hp lease 5yr, n	STORMWATER FUND	CAPITAL-GENERAL PLANT	87.84	
	aceylene oxyogen tank	STORMWATER FUND	TREATMENT	11.97	
			TOTAL:	636.31	
MENARDS	tape,mat,brush,supplies	GENERAL FUND	FIRE	142.31	
	waste basket, batteries	GENERAL FUND	FIRE	33.96	
			TOTAL:	176.27	
MISC VENDOR	GOEBEL, TERRI	refund room rental	GENERAL FUND	NON-DEPARTMENTAL	44.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
JAEGER, PATRICK	dot physical	TRANSIT	TRANSIT/TRANSPORTATION	138.00
MAD SCIENCE OF IOWA	mad science of iowa progra	LIBRARY FUND	LIBRARY	369.00
PAVING MAINT SPLY	paint cans white marker	GENERAL FUND	STREETS	291.00
WANOUS, LUVERNE	entertainment for senior d	GENERAL FUND	SENIOR COORDINATOR	170.00
WEBER, ROBERT	mn square pavilion drawing	COMMUNITY CENTER	COMMUNITY CENTER	100.00
			TOTAL:	1,112.00
MN BUREAU OF CRIMINAL APPREHENSION	cdjn connection qtr 1 2015	GENERAL FUND	POLICE	270.00
			TOTAL:	270.00
MN DEPT OF LABOR & INDUSTRY	1st qtr state surcharge	GENERAL FUND	BUILDING INSPECTOR	1,013.92
			TOTAL:	1,013.92
MN MUNICIPAL UTILITIES ASSOCIATION	underground school pat m	ELECTRIC FUND	ADMIN AND GENERAL	440.00
	underground school jerry h	ELECTRIC FUND	ADMIN AND GENERAL	440.00
			TOTAL:	880.00
MN PIPE & EQUIPMENT	sewer tee & plug n 3rd st	GENERAL FUND	STREETS	293.55
			TOTAL:	293.55
MN POLLUTION CONTROL AGENCY	annual air emissions wwtp	WASTE WATER FUND	ADMIN AND GENERAL	443.44
	annual air emissions 1308	ELECTRIC FUND	ADMIN AND GENERAL	315.12
			TOTAL:	758.56
MN WASTE PROCESSING	march disposal	ENVIRON SERVICES F	REFUSE DISPOSAL	14,274.82
			TOTAL:	14,274.82
MN WASTEWATER OPERATORS ASSOC.	mwoa lab workshop - dahl	WASTE WATER FUND	ADMIN AND GENERAL	125.00
			TOTAL:	125.00
PETE MOULTON	mileage 4/6	GENERAL FUND	PUBLIC WORKS ADMIN	12.08
	mileage 4/8 smmpa	GENERAL FUND	PUBLIC WORKS ADMIN	14.38
	lion dues	WATER	ADMIN AND GENERAL	80.00
	mileage 3/31 solar work sm	ELECTRIC FUND	ADMIN AND GENERAL	121.90
	mileage 4/7	ELECTRIC FUND	ADMIN AND GENERAL	13.23
	mileage 3/30/15	STORMWATER FUND	ADMINISTRATION AND GEN	13.23
	mileage 4/9 parking lot, w	STORMWATER FUND	ADMINISTRATION AND GEN	10.35
			TOTAL:	265.17
MVTL LABORATORIES INC	wwtf testing	WASTE WATER FUND	SOURCE/TREATMENT	32.00
	fecal coliform testing	WASTE WATER FUND	SOURCE/TREATMENT	12.00
	wwtf salty dis testing	WASTE WATER FUND	SOURCE/TREATMENT	150.00
	wwtf nitrogen study testin	WASTE WATER FUND	SOURCE/TREATMENT	77.00
			TOTAL:	271.00
NAPA AUTO PARTS OF ST PETER	#1372 oil filters	GENERAL FUND	NON-DEPARTMENTAL	33.60
	squad cleaning supplies	GENERAL FUND	POLICE	21.15
	air filters, plugs, brake	GENERAL FUND	POLICE	427.42
	shop supplies	GENERAL FUND	FIRE	39.85
	steering damper #507	GENERAL FUND	FIRE	33.68
	belt	GENERAL FUND	FIRE	39.37
	shop supplies	GENERAL FUND	FIRE	2.32
	u bolts, cup brush, degrea	GENERAL FUND	FIRE	15.00
	u-bolt	GENERAL FUND	STREETS	0.49
	brake cleaner	GENERAL FUND	STREETS	11.95
	vista beam, air filters	GENERAL FUND	STREETS	62.87

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	u-bolt	GENERAL FUND	PARKS	0.49
	brake cleaner	GENERAL FUND	PARKS	11.95
	roller ball bearing, spark	GENERAL FUND	PARKS	49.61
	u-bolt	WATER	DISTRIBUTION AND STORA	0.25
	brake cleaner	WATER	DISTRIBUTION AND STORA	5.98
	air filters	WATER	DISTRIBUTION AND STORA	8.44
	battery, air filters	WASTE WATER FUND	COLLECTOR/LIFT STAT	110.35
	u-bolt	WASTE WATER FUND	SOURCE/TREATMENT	0.25
	brake cleaner	WASTE WATER FUND	SOURCE/TREATMENT	5.98
	u-bolt	ENVIRON SERVICES F	REFUSE DISPOSAL	0.25
	brake cleaner	ENVIRON SERVICES F	REFUSE DISPOSAL	5.98
	sprayer battery	ENVIRON SERVICES F	REFUSE DISPOSAL	40.92
	u-bolt	ELECTRIC FUND	POWER DISTRIBUTION	0.49
	brake cleaner	ELECTRIC FUND	POWER DISTRIBUTION	11.95
	u-bolt	STORMWATER FUND	TREATMENT	0.24
	brake cleaner	STORMWATER FUND	TREATMENT	5.97
	hose clamps	TRANSIT	TRANSIT/TRANSPORTATION	2.13
			TOTAL:	948.93
RON NEARY JR.	mileage for sctc school	GENERAL FUND	FIRE	27.60
	per diems	GENERAL FUND	FIRE	140.00
			TOTAL:	167.60
NELSON PRINTING COMPANY	purchase orders #4501-5000	GENERAL FUND	FINANCE	178.80
	credit carried from 2014	GENERAL FUND	FIRE	65.55-
	hanging rack&folders	GENERAL FUND	FIRE	45.81
	2 hole punch	GENERAL FUND	FIRE	12.61
	ups	GENERAL FUND	FIRE	14.89
	purchase orders #4501-5000	LIBRARY FUND	LIBRARY	25.00
	purchase orders #4501-5000	COMMUNITY CENTER	COMMUNITY CENTER	25.00
	purchase orders #4501-5000	WATER	ADMIN AND GENERAL	44.70
	door hangers	WATER	ADMIN AND GENERAL	141.25
	ink ribbon	WASTE WATER FUND	BIOSOLIDS	11.94
	purchase orders #4501-5000	WASTE WATER FUND	ADMIN AND GENERAL	44.70
	ups	WASTE WATER FUND	ADMIN AND GENERAL	15.36
	purchase orders #4501-5000	ENVIRON SERVICES F	ADMIN AND GENERAL	44.70
	purchase orders #4501-5000	ELECTRIC FUND	ADMIN AND GENERAL	44.70
	ups	ELECTRIC FUND	ADMIN AND GENERAL	31.19
			TOTAL:	615.10
NEW ULM QUARTZITE QUARRIES	seal coat stone	GENERAL FUND	STREETS	1,270.59
			TOTAL:	1,270.59
NICOLLET CTY PUBLIC HEALTH	senior center coord march	GENERAL FUND	SENIOR COORDINATOR	2,441.40
			TOTAL:	2,441.40
NICOLLET COUNTY BANK	ach payroll march 2015	GENERAL FUND	FINANCE	7.88
	ach payroll march 2015	WATER	ADMIN AND GENERAL	1.98
	ach utility bills march 20	WATER	CUSTOMER ACCOUNTS	12.18
	ach payroll march 2015	WASTE WATER FUND	ADMIN AND GENERAL	1.98
	ach utility bills march 20	WASTE WATER FUND	CUSTOMER ACCOUNTS	12.18
	ach payroll march 2015	ENVIRON SERVICES F	ADMIN AND GENERAL	1.98
	ach utility bills march 20	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	12.18
	ach payroll march 2015	ELECTRIC FUND	ADMIN AND GENERAL	1.98
	ach utility bills march 20	ELECTRIC FUND	CUSTOMER ACCOUNTS	12.16
			TOTAL:	64.50

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
NORTH CENTRAL LABORATORIES	chemicals	WASTE WATER FUND	SOURCE/TREATMENT	126.09
	ph meter	WASTE WATER FUND	SOURCE/TREATMENT	459.16
	lab testing supplies	WASTE WATER FUND	SOURCE/TREATMENT	<u>220.89</u>
			TOTAL:	806.14
NORTHERN SAFETY TECHNOLOGY, INC.	#143 11' amber stud mount	WATER	CAPITAL-GENERAL PLANT	37.77
	#143 11' amber stud mount	WASTE WATER FUND	CAPITAL-GENERAL PLANT	37.77
	#143 11' amber stud mount	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	37.77
	#143 11' amber stud mount	ELECTRIC FUND	CAPITAL-GENERAL PLANT	71.10
	#143 11' amber stud mount	STORMWATER FUND	CAPITAL-GENERAL PLANT	<u>37.77</u>
		TOTAL:	222.18	
NORTHLAND BUSINESS SYSTEMS, INC.	phone & radio recorder	GENERAL FUND	POLICE	<u>9,725.00</u>
			TOTAL:	9,725.00
NORTHWESTERN POWER EQUIPMENT CO INC	cla-val repair	WATER	SOURCE OF SUPPLY	<u>601.87</u>
			TOTAL:	601.87
OFFICEMAX	wireless mouse	GENERAL FUND	FINANCE	9.99
	external usb hard drive/sp	GENERAL FUND	POLICE	<u>89.98</u>
			TOTAL:	99.97
PET EXPO DIST.	routine aquarium maintenanc	LIBRARY FUND	LIBRARY	<u>62.50</u>
			TOTAL:	62.50
QUICK MART ST PETER	fuel for march 2015	GENERAL FUND	FIRE	88.69
	fuel for february 2015	GENERAL FUND	FIRE	<u>64.50</u>
			TOTAL:	153.19
RAMADA	hotel for holsapple 5/5-5/	ELECTRIC FUND	ADMIN AND GENERAL	<u>322.20</u>
			TOTAL:	322.20
RED WING SHOE STORE	safety boots - McCarthy	GENERAL FUND	STREETS	182.74
	safety boots - Blackman	ENVIRON SERVICES F	REFUSE DISPOSAL	203.99
	safety boots - Shellum	ELECTRIC FUND	ADMIN AND GENERAL	<u>178.49</u>
			TOTAL:	565.22
RIVER'S EDGE HOSPITAL & CLINIC	blood test	GENERAL FUND	POLICE	41.50
	pre employment physical	WATER	CUSTOMER ACCOUNTS	56.25
	pre employment physical	WASTE WATER FUND	CUSTOMER ACCOUNTS	56.25
	pre employment physical	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	56.25
	pre employment physical	ELECTRIC FUND	CUSTOMER ACCOUNTS	<u>56.25</u>
			TOTAL:	266.50
ROAD MACHINERY & SUPPLIES	felling ft-24-2LP trailer	2015 EQUIPMENT CER	STREETS	<u>18,368.10</u>
			TOTAL:	18,368.10
ROCHESTER MIDLAND CORPORATION	bathroom supplies	COMMUNITY CENTER	COMMUNITY CENTER	<u>76.01</u>
			TOTAL:	76.01
ROYAL TIRE, INC	#47 tire disposal	GENERAL FUND	STREETS	26.00
	#47 wheel repair	GENERAL FUND	STREETS	71.90
	#69 tire repair	WATER	DISTRIBUTION AND STORA	<u>337.33</u>
			TOTAL:	435.23
RYAN ELECTRIC OF ST PETER	repair generator & transfe	WASTE WATER FUND	SOURCE/TREATMENT	225.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	repair #2 vfd & keypad	WASTE WATER FUND	SOURCE/TREATMENT	450.00
			TOTAL:	675.00
SCHWICKERT'S, INC.	city hall a/c unit repair	GENERAL FUND	MUNICIPAL BUILDING	705.00
			TOTAL:	705.00
KEITH SHERWOOD	room 125 repairs-childcare	COMMUNITY CENTER	COMMUNITY CENTER	985.00
			TOTAL:	985.00
SOUTH CENTRAL COLLEGE	1st responder training	GENERAL FUND	POLICE	881.04
			TOTAL:	881.04
SOUTHERN MN MUNICIPAL POWER AGENCY	purchased power march 2015	ELECTRIC FUND	POWER SUPPLY	558,543.85
			TOTAL:	558,543.85
SPRINT SOLUTIONS, INC.	phone bill for mar-apr 201	GENERAL FUND	FIRE	16.88
	phone bill march-apr 2015	COMMUNITY CENTER	COMMUNITY CENTER	16.57
	data plan mar-apr 2015	WATER	ADMIN AND GENERAL	39.99
	phone bill march-apr 2015	WATER	ADMIN AND GENERAL	16.57
	phone bill march-apr 2015	WASTE WATER FUND	ADMIN AND GENERAL	17.57
	phone bill march-apr 2015	ELECTRIC FUND	ADMIN AND GENERAL	44.46
			TOTAL:	152.04
ST PETER AREA CHAMBER OF COMMERCE	chamber bucks for annivers	GENERAL FUND	RECREATION/LEISURE SER	25.00
	chamber bucks for annivers	WASTE WATER FUND	ADMIN AND GENERAL	50.00
	chamber bucks for annivers	ELECTRIC FUND	ADMIN AND GENERAL	100.00
			TOTAL:	175.00
ST PETER HERALD	progress edition ad	GENERAL FUND	MAYOR & COUNCIL	195.00
	sealcoating bids	GENERAL FUND	STREETS	159.40
	daycare permit public noti	GENERAL FUND	ECONOMIC DEVMT	51.40
	p/t bldg sup job ad	COMMUNITY CENTER	COMMUNITY CENTER	109.67
			TOTAL:	515.47
STAPLES ADVANTAGE	calculator	GENERAL FUND	FINANCE	130.99
	pens, clips, highlighters	GENERAL FUND	STREETS	15.47
	office supplies	GENERAL FUND	RECREATION/LEISURE SER	101.14
	lanyards	GENERAL FUND	RECREATION/LEISURE SER	36.49
	pens, clips, highlighters	GENERAL FUND	PARKS	12.38
	office supplies	COMMUNITY CENTER	COMMUNITY CENTER	25.28
	pens, clips, highlighters	WATER	ADMIN AND GENERAL	6.19
	pens, clips, highlighters	WASTE WATER FUND	ADMIN AND GENERAL	6.19
	pens, clips, highlighters	ENVIRON SERVICES F	ADMIN AND GENERAL	6.19
	pens, clips, highlighters	ELECTRIC FUND	ADMIN AND GENERAL	15.47
			TOTAL:	355.79
STREICHER'S	uniform allowance 1917	GENERAL FUND	POLICE	59.98
			TOTAL:	59.98
TEREX UTILITIES, INC.	#28 bucket truck repair	ENVIRON SERVICES F	REFUSE DISPOSAL	4,761.00
			TOTAL:	4,761.00
TOUGH RUGGED LAPTOPS	replacement laptop	WATER	ADMIN AND GENERAL	894.20
			TOTAL:	894.20
TOWMASTER, INC.	#143 util box, lift gate c	WATER	CAPITAL-GENERAL PLANT	5,595.89

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	#143 pin hitch mount	WATER	CAPITAL-GENERAL PLANT	22.98
	#143 util box, lift gate c	WASTE WATER FUND	CAPITAL-GENERAL PLANT	5,595.89
	#143 pin hitch mount	WASTE WATER FUND	CAPITAL-GENERAL PLANT	22.98
	#143 util box, lift gate c	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	5,595.89
	#143 pin hitch mount	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	22.98
	#143 util box, lift gate c	ELECTRIC FUND	CAPITAL-GENERAL PLANT	10,533.44
	#143 pin hitch mount	ELECTRIC FUND	CAPITAL-GENERAL PLANT	43.26
	#143 util box, lift gate c	STORMWATER FUND	CAPITAL-GENERAL PLANT	5,595.89
	#143 pin hitch mount	STORMWATER FUND	CAPITAL-GENERAL PLANT	22.99
			TOTAL:	33,052.19
TRUGREEN CHEMLAWN	ornamental bed weed contro	ENVIRON SERVICES F	REFUSE DISPOSAL	250.00
			TOTAL:	250.00
TYLER TECHNOLOGIES	ar forms maint contract (3	GENERAL FUND	FINANCE	15.75
			TOTAL:	15.75
UTILITY CONSULTANTS, INC.	coliform march	WATER	PURIFICATION AND TREAT	121.00
			TOTAL:	121.00
VAN IWAARDEN ASSOCIATES	medical actuarial	GENERAL FUND	FINANCE	5,300.00
			TOTAL:	5,300.00
VERIZON WIRELESS	cell phone plan mar 2015	GENERAL FUND	POLICE	341.00
	hot spots	GENERAL FUND	BUILDING INSPECTOR	70.04
	hot spots	GENERAL FUND	STREETS	13.33
	hot spots	GENERAL FUND	PARKS	13.33
	hot spots	WATER	DISTRIBUTION AND STORA	6.66
	march water jet pack	WATER	ADMIN AND GENERAL	35.01
	hot spots	WASTE WATER FUND	SOURCE/TREATMENT	6.66
	hot spots	ENVIRON SERVICES F	REFUSE DISPOSAL	6.66
	hot spots	ELECTRIC FUND	POWER DISTRIBUTION	13.33
	hot spots	STORMWATER FUND	TREATMENT	6.66
			TOTAL:	512.68
VISA	plumbing parts for cla-val	WATER	SOURCE OF SUPPLY	124.39
	elbow - parts for cla-vals	WATER	SOURCE OF SUPPLY	35.06
			TOTAL:	159.45
VON ESSEN TOWING	towing	GENERAL FUND	POLICE	80.00
	tire repair	GENERAL FUND	POLICE	20.00
	mount tires	GENERAL FUND	PARKS	50.00
			TOTAL:	150.00
VWR INTERNATIONAL	canister cane replacement	WASTE WATER FUND	SOURCE/TREATMENT	123.34
	d.o. cartridges	WASTE WATER FUND	SOURCE/TREATMENT	232.74
	pressure washer	WASTE WATER FUND	SOURCE/TREATMENT	168.45
			TOTAL:	524.53
WATER CONSRVATION SERVICE, INC.	locate leak south 7th st	WATER	DISTRIBUTION AND STORA	541.00
			TOTAL:	541.00
WESCO DISTRIBUTION INC	#560 4s meters	ELECTRIC FUND	NON-DEPARTMENTAL	178.50
	#679 9s meters	ELECTRIC FUND	NON-DEPARTMENTAL	445.60
	#637 photoeye	ELECTRIC FUND	NON-DEPARTMENTAL	116.75
	scotchkote coating	ELECTRIC FUND	ADMIN AND GENERAL	243.00

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
				TOTAL: 983.85
ZARNOTH BRUSH WORKS INC	#214, 310 broom	GENERAL FUND	STREETS	1,045.00
				TOTAL: 1,045.00

===== FUND TOTALS =====

101	GENERAL FUND	58,315.94
211	LIBRARY FUND	6,259.62
213	PUBLIC ACCESS	43.85
217	COMMUNITY CENTER	6,045.26
230	REVOLVING LOAN FUND	45.00
240	TORNADO DISASTER REV LOAN	596.84
401	PERM IMPROVMENT REVOLVING	2,026.00
404	PARK LAND DEDICATION	390.00
475	2015 EQUIPMENT CERTIFICAT	18,368.10
601	WATER	16,149.14
602	WASTE WATER FUND	27,386.08
603	ENVIRON SERVICES FUND	47,894.32
604	ELECTRIC FUND	593,318.31
606	STORMWATER FUND	6,993.75
610	TRANSIT	3,155.63

GRAND TOTAL:		786,987.84

TOTAL PAGES: 14



Waconia Office
2078 Feather Circle
Waconia, MN 55387
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April 20, 2015

City of Saint Peter
Attn: Paula O'Connell, Finance Director
224 South Front Street
Saint Peter, MN 56082

RE: Refinance of Electric Revenue Bonds

Honorable Mayor, Council Members, Administrator Prafke and Mrs. O'Connell:

We have recently discussed with staff potential debt service savings that may be available through the refinance of the 2006B and 2010C Electric Revenue Bonds. If the City Council determines that it is appropriate to initiate the refinance of these bonds, our recommendations for the structure and sale of bonds would include the following:

Project Cost:

Cost of Calling Existing Bonds	\$7,454,318.00
Underwriting	140,000.00
Finance & Legal	46,000.00
Rating Fee	\$16,000.00
Debt Service Reserve Fund	691,530.00
Rounding (surplus funds)	3,683.00
TOTAL PROJECT COST:	\$8,347,338.00

The funding sources to be utilized to finance project costs are summarized below:

Electric Revenue Refunding Bonds	\$7,660,000.00
Debt Service Reserve Fund from Prior Bonds	691,530.00
TOTAL FUNDING SOURCES:	\$8,347,338.00

Method of Sale:

Given the size of the issue and the ability of the City to obtain a credit rating for this bond issue we recommend a competitive sale for the purpose of obtaining the lowest overall cost of borrowing. A negotiated sale authorized by a triggering resolution would enable the City to act more quickly on pricing the bonds. This would also reduce the risks associated with purchasing a credit rating that could then become worthless if interest rates increased. We intend to reduce this risk by timing the rating process to occur in close proximity to the bid date for a competitive sale.

Rate Sensitivity:

As the purpose of the issue is to refinance debt for interest savings, the City needs to be aware that this issue is sensitive to fluctuations in interest rates. An increase of .25% on the attached preliminary analysis that uses a 2.74% net interest cost would reduce the net present value savings from an estimated \$492,007 to \$363,939.

Debt Covenants:

As the covenants on this bond issue will need to mirror the covenants associated with electric revenue debt that remains outstanding, the City will need to continue to maintain a debt service reserve for the

proposed bond issue and will be required to meet debt coverage tests if it intends to issue additional electric revenue debt in the future.

Extraordinary Call of Build America Bonds:

The 2010C Bonds were issued as Build America Bonds utilizing a temporary stimulus program offered by the federal government. Under the initial terms of the program the City was to receive an interest reimbursement payment from the federal government of 35% of the annual interest payments. After bonds were issued the federal government reduced the annual reimbursement to 32.445%. There is extraordinary call language in the original bond resolution indicating that bonds can be prepaid in the event of nonpayment by the federal government. A number of issuers have relied on this provision to refinance Build American Bonds in advance of call dates. Briggs & Morgan has indicated that the City should be aware that there is possibility of a lawsuit by bond investors in relying on this language.

Payment and Revenue Requirements:

The City of Saint Peter will be required to apply electric utility revenues for the repayment of this bond issue. Estimated revenues needed to service this bond issue are projected on the attached preliminary debt service schedule (Exhibit 1), and we show a comparison to the existing issues being refinanced with projected interest rates on the attached savings analysis (Exhibit 2). The final revenue requirements/savings will be determined once bids are received for the purchase of the bonds.

\$7,660,000 Electric Revenue Refunding Bonds, Series 2015A:

If the Council chooses to refinance its existing debt as proposed, David Drown Associates, Inc. recommends the following structure:

- Bonds callable anytime after 2/1/2022.
- Sale of bonds utilizing a competitive sales process.
- We do recommend purchasing a Moody's Rating

Schedule and Issuance:

If determined to be appropriate to proceed, the proposed schedule would be as follows:

April 27, 2015	Authorize Sale Process
May 26, 2015	Award Sale of Bond Issue
July 1, 2015	Closing

Attached you will find a resolution initiating the bond sale process. We recommend that the City Council approve this resolution if it is determined to be appropriate to proceed with the refinance of existing debt as proposed. Please feel free to contact me with any questions regarding this information.

Sincerely,



Shannon Sweeney
David Drown Associates, Inc.

\$7,660,000
Electric Revenue Refunding Bonds, Series 2015A

Uses of Funds

Cost of Call		7,355,000
Accrued Interest to Closing		99,318
Total Project Costs		7,454,318
Underwriter's Discount Allowance	1.83%	140,000.00
Unused Underwriter's Discount Allowance		-
Fiscal Fee		32,000
Bond Counsel		12,000
Pay Agent/Registrar		750
Printing & Misc		1,250
Rating Agency Fee		16,000
Debt Service Reserve Fund		691,530
Surplus Funds		3,683
Bond Premium		-
		<u>8,351,530</u>

Sources of Funds

Bond Issue	7,660,000
Debt Service Reserve Funds (Prior Bond Issues)	691,530
Rounding	-
	<u>8,351,530</u>

Bond Details

Set Sale Date	4/27/2015
Sale Date	5/26/2015
Dated Date	7/1/2015
Closing Date	7/1/2015
1st Interest Payment	2/1/2016
Proceeds spent by:	12/31/2015
	<i>to Dated Date</i>
Purchase Price	7,520,000.00
Net Interest Cost	1,450,840.21
Net Effective Rate	2.7424%
Average Coupon	2.5011%
Average Life	7.573
WAM Prior Bonds (aggregate)	8.012
Call Option	2/1/2022
Purchaser	Preliminary
Bond Counsel	Briggs & Morgan, P.A.
Pay Agent	US Bank, N.A.
Tax Status	Tax Exempt, Bank Qualified
Continuing Disclosure	Full
Rebate	

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Payment Schedule & Cashflow

		<i>Payment Schedule</i>				<i>Pledged Revenues</i>			<i>Account Balances</i>	
12-Month	Principal	Rate	Interest	Payment Total	plus 25% Coverage	Collection Year	Electric Revenues	Other Revenue	Surplus (deficit)	Account Balance
6/15/2015	-		-	-						
2/1/2016	300,000	0.750%	96,033	396,033	495,041	2015	495,041	-	-	-
2/1/2017	525,000	1.100%	162,378	687,378	859,222	2016	859,222	-	-	-
2/1/2018	530,000	1.350%	156,603	686,603	858,253	2017	858,253	-	-	-
2/1/2019	535,000	1.550%	149,448	684,448	855,559	2018	855,559	-	-	-
2/1/2020	550,000	1.750%	141,155	691,155	863,944	2019	863,944	-	-	-
2/1/2021	560,000	1.900%	131,530	691,530	864,413	2020	864,413	-	-	-
2/1/2022	565,000	2.100%	120,890	685,890	857,363	2021	857,363	-	-	-
2/1/2023	570,000	2.250%	109,025	679,025	848,781	2022	848,781	-	-	-
2/1/2024	590,000	2.400%	96,200	686,200	857,750	2023	857,750	-	-	-
2/1/2025	600,000	2.500%	82,040	682,040	852,550	2024	852,550	-	-	-
2/1/2026	610,000	2.600%	67,040	677,040	846,300	2025	846,300	-	-	-
2/1/2027	625,000	2.750%	51,180	676,180	845,225	2026	845,225	-	-	-
2/1/2028	265,000	2.900%	33,993	298,993	373,741	2027	373,741	-	-	-
2/1/2029	275,000	3.050%	26,308	301,308	376,634	2028	376,634	-	-	-
2/1/2030	280,000	3.150%	17,920	297,920	372,400	2029	372,400	-	-	-
2/1/2031	280,000	3.250%	9,100	289,100	361,375	2030	361,375	-	-	-
	<u>7,660,000</u>		<u>1,450,840</u>	<u>9,110,840</u>	<u>11,388,550</u>		<u>11,388,550</u>	<u>-</u>		<u>-</u>

City of Saint Peter, Minnesota
Savings Analysis - 2015A Electric Revenue Refunding Bonds

2006B Bond Schedule
Current Payment Schedule

Period ending	Principal	Rate	Interest	Payment Total
7/1/2015	<i>Comparison Date</i>			
12/1/2015	-		69,899	69,899
6/1/2016	225,000	4.00%	69,899	294,899
12/1/2016	-		65,399	65,399
6/1/2017	235,000	4.00%	65,399	300,399
12/1/2017	-		60,699	60,699
6/1/2018	245,000	4.00%	60,699	305,699
12/1/2018	-		55,799	55,799
6/1/2019	255,000	4.00%	55,799	310,799
12/1/2019	-		50,699	50,699
6/1/2020	265,000	4.00%	50,699	315,699
12/1/2020	-		45,399	45,399
6/1/2021	280,000	4.00%	45,399	325,399
12/1/2021	-		39,799	39,799
6/1/2022	285,000	4.05%	39,799	324,799
12/1/2022	-		34,028	34,028
6/1/2023	305,000	4.05%	34,028	339,028
12/1/2023	-		27,851	27,851
6/1/2024	315,000	4.10%	27,851	342,851
12/1/2024	-		21,394	21,394
6/1/2025	330,000	4.10%	21,394	351,394
12/1/2025	-		14,629	14,629
6/1/2026	345,000	4.15%	14,629	359,629
12/1/2026	-		7,470	7,470
6/1/2027	360,000	4.15%	7,470	367,470
	3,445,000		986,125	4,431,125

2010C Bond Schedule
Current Payment Schedule

Period ending	Principal	Rate	Interest	Fed Reimb	Payment Total
2/1/2015	<i>Comparison Date</i>				
8/1/2015	-		105,201	(34,133)	71,069
2/1/2016	185,000	3.30%	105,201	(34,133)	256,069
8/1/2016	-		102,149	(33,142)	69,007
2/1/2017	190,000	3.80%	102,149	(33,142)	259,007
8/1/2017	-		98,539	(31,971)	66,568
2/1/2018	195,000	4.35%	98,539	(31,971)	261,568
8/1/2018	-		94,298	(30,595)	63,703
2/1/2019	200,000	4.65%	94,298	(30,595)	263,703
8/1/2019	-		89,648	(29,086)	60,561
2/1/2020	210,000	4.85%	89,648	(29,086)	270,561
8/1/2020	-		84,555	(27,434)	57,121
2/1/2021	220,000	5.00%	84,555	(27,434)	277,121
8/1/2021	-		79,055	(25,649)	53,406
2/1/2022	225,000	5.15%	79,055	(25,649)	278,406
8/1/2022	-		73,261	(23,770)	49,492
2/1/2023	230,000	5.25%	73,261	(23,770)	279,492
8/1/2023	-		67,224	(21,811)	45,413
2/1/2024	245,000	5.50%	67,224	(21,811)	290,413
8/1/2024	-		60,486	(19,625)	40,861
2/1/2025	255,000	5.50%	60,486	(19,625)	295,861
8/1/2025	-		53,474	(17,350)	36,124
2/1/2026	265,000	5.75%	53,474	(17,350)	301,124
8/1/2026	-		45,855	(14,878)	30,977
2/1/2027	275,000	6.00%	45,855	(14,878)	305,977
8/1/2027	-		37,605	(12,201)	25,404
2/1/2028	285,000	6.10%	37,605	(12,201)	310,404
8/1/2028	-		28,913	(9,381)	19,532
2/1/2029	300,000	6.15%	28,913	(9,381)	319,532
8/1/2029	-		19,688	(6,388)	13,300
2/1/2030	310,000	6.25%	19,688	(6,388)	323,300
8/1/2030	-		10,000	(3,245)	6,756
2/1/2031	320,000	6.25%	10,000	(3,245)	326,756
	3,910,000		2,099,898	(681,312)	5,328,586

New Bonds
Projected Payment Schedule

Period ending	Principal	Rate	Interest	Payment Total	Gross Savings	PV Savings
7/1/2015	<i>Dated Date</i>					
8/1/2015	-		13,719	13,719		
2/1/2016	300,000	0.75%	82,314	382,314	1,003	989
8/1/2016	-		81,189	81,189		
2/1/2017	525,000	1.10%	81,189	606,189	933	899
8/1/2017	-		78,301	78,301		
2/1/2018	530,000	1.35%	78,301	608,301	2,631	2,475
8/1/2018	-		74,724	74,724		
2/1/2019	535,000	1.55%	74,724	609,724	4,455	4,096
8/1/2019	-		70,578	70,578		
2/1/2020	550,000	1.75%	70,578	620,578	1,465	1,316
8/1/2020	-		65,765	65,765		
2/1/2021	560,000	1.90%	65,765	625,765	3,810	3,344
8/1/2021	-		60,445	60,445		
2/1/2022	565,000	2.10%	60,445	625,445	11,119	9,537
8/1/2022	-		54,513	54,513		
2/1/2023	570,000	2.25%	54,513	624,513	8,785	7,362
8/1/2023	-		48,100	48,100		
2/1/2024	590,000	2.40%	48,100	638,100	16,505	13,516
8/1/2024	-		41,020	41,020		
2/1/2025	600,000	2.50%	41,020	641,020	18,928	15,146
8/1/2025	-		33,520	33,520		
2/1/2026	610,000	2.60%	33,520	643,520	26,231	20,509
8/1/2026	-		25,590	25,590		
2/1/2027	625,000	2.75%	25,590	650,590	27,873	21,295
8/1/2027	-		16,996	16,996		
2/1/2028	265,000	2.90%	16,996	281,996	404,286	301,801
8/1/2028	-		13,154	13,154		
2/1/2029	275,000	3.05%	13,154	288,154	37,756	27,540
8/1/2029	-		8,960	8,960		
2/1/2030	280,000	3.15%	8,960	288,960	38,680	27,568
8/1/2030	-		4,550	4,550		
2/1/2031	280,000	3.25%	4,550	284,550	44,411	30,928
	7,660,000		1,450,840	9,110,840	652,553	492,007

28

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 –

STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)

**RESOLUTION PROVIDING FOR THE COMPETITIVE NEGOTIATED SALE OF \$7,660,000
ELECTRIC REVENUE REFUNDING BONDS, SERIES 2015A**

WHEREAS, the City Council of the City of Saint Peter, Minnesota, has heretofore determined that it is necessary and expedient to issue the City's \$7,660,000 Electric Revenue Refunding Bonds, Series 2015A (the "Bonds"), to refinance the 2016 – 2027 maturities of the City's \$5,045,000 Electric Revenue Advance Refunding Bonds, Series 2006B and the 2016 – 2031 maturities of the City's \$4,435,000 Taxable Electric Revenue Bonds, Series 2010C (Build America Bonds); and

WHEREAS, the City has retained David Drown Associates, in Minneapolis, Minnesota ("David Drown"), as its independent financial advisor for the Bonds and David Drown therefore is authorized to sell the Bonds by a competitive negotiated sale in accordance with Minnesota Statutes, Section 475.60, Subdivision 2(9); and

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

1. Authorization. The Council hereby authorizes David Drown to solicit bids for the competitive negotiated sale of the Bonds.
2. Meeting; Bid Opening. The Council shall meet at the time and place specified in the Terms of Offering attached hereto as Exhibit A for the purpose of considering sealed bids for, and awarding the sale of, the Bonds. The City Administrator, or designee, shall open bids at the time and place specified in such Terms of Offering.
3. Terms of Offering. The terms and conditions of the Bonds and the negotiation thereof are fully set forth in the "Terms of Offering" attached hereto as Exhibit A and hereby approved and made a part hereof.
5. Official Statement. In connection with said competitive negotiated sale, the officers or employees of the City are hereby authorized to cooperate with David Drown and participate in the preparation of an official statement for the Bonds and to execute and deliver it on behalf of the City upon its completion.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April, 2015.

ATTEST:

Charles Zieman
Mayor pro tem

Todd Prafke
City Administrator

APPENDIX A
TERMS OF OFFERING
City of Saint Peter, Minnesota
\$7,660,000
Electric Revenue Refunding Bonds, Series 2015A
(BOOK ENTRY ONLY)

TERMS OF PROPOSAL

Proposals for the Bonds will be received on Tuesday, May 26, 2015 at 11:00 a.m. Central Time, at the offices of David Drown Associates, Inc., 5029 Upton Avenue South, Minneapolis, Minnesota, after which time they will be opened and tabulated. Consideration for award of the Bonds will be by the City Council at 7:00 P.M., Central Time, on that same date.

SUBMISSION OF PROPOSALS

Proposals may be submitted in a sealed envelope or by fax (612) 605-2375 to David Drown Associates, Inc. Signed Proposals, without final price or coupons, may be submitted to David Drown Associates, Inc. prior to the time of sale. The bidder shall be responsible for submitting to David Drown Associates, Inc. the final Proposal price and coupons, by telephone (612) 920-3320 or fax (612) 605-2375 for inclusion in the submitted Proposal. David Drown Associates, Inc. will assume no liability for the inability of the bidder to reach David Drown Associates, Inc. prior to the time of sale specified above.

Notice is hereby give that electronic proposals will be received via PARITY[®], in the manner described below, until 11:00 A.M., local time on May 26th, 2015. Bids my be submitted electronically via PARITY[®] pursuant to this Notice until 11:00 A.M., local time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in PARITY[®] conflict with this Notice, the terms of this Notice shall control. For further information about PARITY[®], potential bidders may contact David Drown Associates, Inc. or PARITY[®] at (212) 806-8304.

Neither the City of Saint Peter nor David Drown Associates, Inc. assumes any liability if there is a malfunction of PARITY. All bidders are advised that each Proposal shall be deemed to constitute a contract between the bidder and the City to purchase the Bonds regardless of the manner of the Proposal submitted.

DETAILS OF THE BONDS

The Bonds will be dated July 1, 2015, as the date of original issue, and will bear interest payable on February 1 and August 1 of each year, commencing February 1, 2016. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

The Bonds will mature February 1 in the years and amounts as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
	\$		
2016	300,000	2024	\$ 590,000
2017	525,000	2025	600,000
2018	530,000	2026	610,000
2019	535,000	2027	625,000
2020	550,000	2028	265,000
2021	560,000	2029	275,000
2022	565,000	2030	280,000
2023	570,000	2031	280,000

TERM BOND OPTION

Bids for the bonds may contain a maturity schedule providing for a combination of serial bonds and term bonds; provided that no serial bond may mature on or after the first mandatory sinking fund redemption date of any term bond. All term bonds shall be subject to mandatory sinking fund redemption and must conform to the maturity schedule set forth above at a price of par plus accrued interest to the date of redemption. In order to designate term bonds, the bid must specify as provided on the Proposal Form.

BOOK ENTRY SYSTEM

The Bonds will be issued by means of a book entry system with no physical distribution of Bonds made to the public. The Bonds will be issued in fully registered form and one Bond, representing the aggregate principal amount of the Bonds maturing in each year, will be registered in the name of Cede & Co. as nominee of The Depository Trust Company ("DTC"), New York, New York, which will act as securities depository of the Bonds. Individual purchases of the Bonds may be made in the principal amount of \$5,000 or any multiple thereof of a single maturity through book entries made on the books and records of DTC and its participants. Principal and interest are payable by the registrar to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants will be the responsibility of such participants and other nominees of beneficial owners. The purchaser, as a condition of delivery of the Bonds, will be required to deposit the Bonds with DTC.

REGISTRAR

The City will name US Bank, NA, St. Paul, MN, as registrar for the Bonds. US Bank shall be subject to applicable SEC regulations. The City will pay for the services of the registrar.

OPTIONAL REDEMPTION

The City may elect on February 1, 2022 and on any day thereafter, to prepay Bonds due on or after February 1, 2023. Redemption may be in whole or in part and if in part at the option of the City and in such manner as the City shall determine. If less than all Bonds of a maturity are called for redemption, the City will notify DTC of the particular amount of such maturity to be prepaid. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interests in

such maturity to be redeemed. All prepayments shall be at a price of par plus accrued interest.

SECURITY AND PURPOSE

The Bonds will be special obligations of the City payable solely from net revenues of the City's electric utility as such terms are defined in the Bond Resolution and shall not constitute a debt for which the full faith and credit or taxing powers of the City will be pledged.

The Bonds are being issued to current refinance the 2016 – 2027 maturities of the City's \$5,045,000 Electric Revenue Advance Refunding Bonds, Series 2006B and the 2016 – 2031 maturities of the City's \$4,435,000 Taxable Electric Revenue Bonds, Series 2010C (Build America Bonds).

The 2010C Bonds are Build America Bonds and are being refinanced as a current refunding utilizing the extraordinary call protection provided in the resolution authorizing the sale of the original Bonds. The 2015A Bonds will become tax-exempt.

The 2006B and 2010C Bonds will both be called on the closing date of July 1, 2015.

TYPE OF PROPOSALS

Proposals shall be for not less than \$7,520,000.00 (1.83%) and accrued interest on the total principal amount of the Bonds. The apparent low-bidder as notified by David Drown Associates, Inc. shall wire, to a designated account, a good faith amount of \$153,200 by 3:00 p.m. on the date of sale. If the good faith wire transfer is not in process prior to the award, the City shall retain the right to reject the bid. In the event the purchaser fails to comply with the accepted proposal, said amount will be retained by the City. No proposal can be withdrawn or amended after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made. Rates shall be in integral multiples of 5/100 or 1/8 of 1%. Rates must be in ascending order. Bonds of the same maturity shall bear a single rate from the date of the Bonds to the date of maturity. No conditional proposals will be accepted.

AWARD

The Bonds will be awarded on the basis of the lowest interest rate to be determined on a net interest cost (NIC) basis. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling. The City will reserve the right to waive non-substantive informalities of any proposal or of matters relating to the receipt of proposals and award of the Bonds, reject all proposals without cause, and reject any proposal which the City determines to have failed to comply with the terms herein.

BOND INSURANCE AT PURCHASER'S OPTION

If the Bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the underwriter, the purchase of any such insurance policy or the issuance of any such commitment shall be at the sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the City has requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any other rating agency fees shall be the responsibility of the purchaser. Failure of the municipal bond insurer to

issue the policy after Bonds have been awarded to the purchaser shall not constitute cause for failure or refusal by the purchaser to accept delivery on the Bonds.

CUSIP NUMBERS

If the Bonds qualify for assignment of CUSIP numbers such numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bond nor any error with respect thereto will constitute cause for failure or refusal by the purchaser to accept delivery of the Bonds. The purchaser shall pay the CUSIP Service Bureau charge for the assignment of CUSIP identification numbers.

SETTLEMENT

Within 40 days following the date of their award, the Bonds will be delivered without cost to the purchaser at a place mutually satisfactory to the City and the purchaser. Delivery will be subject to receipt by the purchaser of an approving legal opinion of bond counsel, and of customary closing papers, including a no-litigation certificate. On the date of settlement payment for the Bonds shall be made in federal, or equivalent, funds which shall be received at the offices of the City or its designee not later than 12:00 Noon, Central Time. Except as compliance with the terms of payment for the Bonds shall have been made impossible by action of the City, or its agents, the purchaser shall be liable to the City for any loss suffered by the City by reason of the purchaser's non-compliance with said terms for payment.

FULL CONTINUING DISCLOSURE

On the date of the actual issuance and delivery of the Bonds, the City will execute and deliver a Continuing Disclosure Undertaking where under the City will covenant to provide, or cause to be provided, annual financial information, including audited financial statements of the City, and notices of certain material events, as specified in and required by SEC Rule 15c2-12(b)(5).

OFFICIAL STATEMENT

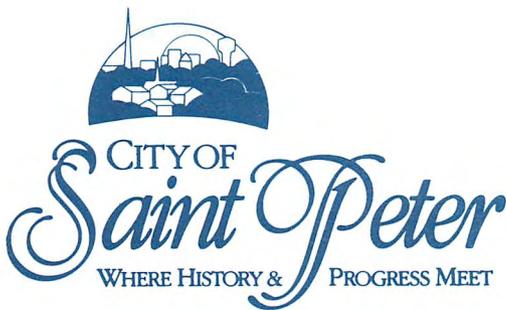
The City has authorized the preparation of an Official Statement containing pertinent information relative to the Bonds, and said Official Statement will serve as a nearly final Official Statement within the meaning of Rule 15c2-12 of the Securities and Exchange Commission. For copies of the Official Statement or for any additional information prior to sale, any prospective purchaser is referred to the Financial Advisor to the City, David Drown Associates, Inc., 5029 Upton Avenue South, Minneapolis, Minnesota 55410, and telephone (612) 920-3320.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law, shall constitute a "Final Official Statement" of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. By awarding the Bonds to any underwriter or underwriting syndicate submitting a proposal therefor, the City agrees that, no more than seven business days after the date of such award, it shall provide without cost to the senior managing underwriter of the syndicate to which the Bonds are awarded 90 copies of the Official Statement and the addendum or addenda described above. The City designates the senior managing underwriter of the syndicate to which the Bonds are awarded as its agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter delivering a proposal with respect to the Bonds agrees thereby that if its proposal is accepted by the City (i) it shall accept such designation and (ii) it shall enter into a

contractual relationship with all Participating Underwriters of the Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

Dated: 27 April, 2015

BY ORDER OF THE CITY COUNCIL
/s/ Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATE: April 21, 2015

FROM: Paula O'Connell
Director of Finance

RE: 2015 Water Fund Budget/Rate Increase

ACTION/RECOMMENDATION

Approve the 2015 water budget and rate changes.

BACKGROUND

The Water Fund provides for the operation of the City's wells/aquifers, water treatment facilities, two elevated water towers and two ground storage reservoirs, as well as the distribution system with over 50 miles of pipe throughout Saint Peter.

Since 2011, the City has used reverse osmosis treatment. This has increased plant maintenance and operation cost of the new water plants, but has brought a much higher quality of water to our customers. We will need to continue the review and modification of rates to support our operations and debt obligations into the future.

The 2015 operating budget is very similar to what the Council approved in 2014. It is slightly higher than the 2014 actual due to the unknown cost of repair and maintenance that may be needed within the year. In 2014 we closed the downtown tax increment district which was anticipated to cover as much of the Highway 169 utility improvements as allowed. These funds were transferred to the Water Fund due to the decertification of this district. This results in an injection of cash to the fund which will be drawn down to pay that debt over the next number of years.

2015 Budget Changes:

- The budgeted revenues do not contemplate any increase in revenue because of increased consumption. Another way of saying that is we do not expect to sell more water to our current customers. The 2015 budget includes sales of \$2,979,406. The 2016 budget will be the start of additional consumption sales due to new construction.
- Two rate increases (June 1 and December 1) will generate an additional \$181,175 for six months of billings in 2015 and an additional \$492,938 in 2016 for 12 months of billings. See

below for greater detail of the rate proposal and other options.

- Residential irrigation meters continue to be installed and are required in all new construction. Residential irrigation meters will continue to have no monthly base charges applied, but do include a slightly higher cost per 1,000 gallons than the domestic rate.
- The Water Fund transfers 6.5% of sales to the General Fund (\$193,661 is allocated to transfer to the General Fund in 2015). This percentage has been in place for a number of years which is based on \$2,979,406 in total 2015 sales. This is an area where we must be watchful when we are to the end of our debt service. Under our current system, lower rates will mean a decrease in funds transferred to the General Fund. If the transfer changes significantly in any year, the General Fund levy would need to be adjusted accordingly.
- The water reserve goal has been discussed and set at \$1.4 million. This goal will not be reached for 2015, and will maintain a balance of approximately \$800,000 until it decreases in 2021. The cash balance is identified in three categories; membrane replacement, bond payments and one without an identifier which is available for use in operations or capital. The two balances have been called out to unofficially earmark funding, which provides for the large cost of replacement of membranes in the reverse osmosis treatment and bond coverage which is tax increment and intended to cover the Highway 169 water improvements from 2010.
- We have proposed no changes in Water Access Charges (WAC). These charges do not have a significant impact on our budget. They are based on a rate philosophy that newcomers should help pay and catch up a bit for the investment previous rate payers made in infrastructure.
- This 2015 budget anticipates capital costs to be funded from reserves of \$72,500. \$75,000 of the capital plan is for a water meter station which will be funded by the City but repaid by the Regional Treatment Center.
 - St Julien filter rehabilitation engineering \$35,000
 - Well improvement engineering \$2,000
 - Annual hydrant replacement \$10,000
 - Replace 2001 Dodge van \$9,000 of 27,000
 - Mowing trailer \$3,500 of \$7,000
 - Ferris mower replacement \$13,000

Current Debt issues:

- G.O. Water Revenue Refunding Bonds, 2011B (water tower)
 - 2015 Debt Service \$122,280; remaining principal \$1,130,000;
 - Final payment 2026
- G.O. Water Revenue Refunding Bonds, 2012C
 - 2015 Debt Service \$75,173; remaining principal \$550,000;
 - Final payment 2023

- PFA G.O. Water Revenue Bonds (2009 treatment facilities)
 - 2015 Debt Service \$1,031,138; remaining principal \$14,208,000;
 - Final payment 2029
- PFA G.O. Water Revenue Bonds (2009 wells)
 - 2015 Debt Service \$90,284; remaining principal \$995,000;
 - Final payment 2028
- PFA G.O. Water Revenue Bonds (hwy 169 watermain)
 - 2015 Debt Service \$51,628; remaining principal \$640,000;
 - Final payment 2029
- \$870,000 Taxable GO utility revenue and TIF Bonds, Series 2010B (improvements)
 - 2015 Debt Service \$17,501; remaining principal \$42,160;
 - Final payment 2020

Other Budget information:

- Wages and benefits are recorded in the areas of work actually performed. For budget purposes, the wage and benefits are allocated based on a percentage.
- Approval of the budget does not allow for purchases over \$7,500 to be made without additional City Council approval.
- Since 2014, the operating expense budget includes repairs that used to be reflected in the capital budget. Since we don't know which repairs will be necessary, an estimated amount has been identified as a place holder. This is done so that the budget does not reflect a greater fund balance as these pieces of equipment get closer to the end of their useful life.
- This budget does not include any revenues or expenses for the development of a service line insurance program.

Including the proposed rate increase, the total ending fund balance of the Water Fund in 2015 is projected to be \$894,558 and, as indicated earlier, our goal fund balance is \$1,400,000. With the onset of greater debt service and continued fine-tuning of our new operations, we are recommending an increase in rates which is described below.

Our base charges provide income of approximately \$672,000. During construction of the water plant we developed a goal to increase base charges to collect revenues to include 70% of the new debt. The 2015 customer service budget and 70% of our debt is \$1,013,825, which means we still have an increase of \$341,825 in base charges (\$8.91 per month per customer) to attain that goal. This is why we believe that modifications to the base rate will be the focus of any future rate increase proposal. The reason for this goal is to reduce volatility in revenues that come with a per gallon rate increase. Again, tying base charges in some meaningful way to fixed cost meets the goal of reducing volatility.

In 2013, the City Council approved rate changes. The \$1.00 rate for a customer's first one thousand gallons was phased out which allowed us to meet the Department of Natural Resources (DNR) declining block rules. We also implemented an additional rate increase of \$.50 per thousand which was put into effect in August, 2014. The modified base charge was also put in place based on the hydraulic flow capacity.

The budget you see includes rate changes to adjust to the \$298,000 additional debt principal that is in place for 2015. There will be another substantial debt service increase in 2019 of \$243,000.

Rate Options:

This list of options includes what the Council has discussed and reviewed. It also includes other modifications that could be made, but those alone do not meet the needs of the fund.

- o The increase discussed by Council at the last workshop calculates as a \$1.75 increase on the base charge spread every six months for four times and would leave the 2016 year at a fund balance at \$534,000. The amount of fund balance will fluctuate but will continue in the positive range, ending 2029 at \$573,443. The reason for looking to the 2029 year is that it represents the end of the current major debt issues.
- o Also discussed at the workshop, we presented a proposed rate increase to residential base rates of \$5.00 and a flow increase of \$.35/1,000 gallons of domestic use and \$.50/1,000 gallons of irrigation use. This increase is budgeted to be in effect as of June 1, 2015. A second increase is proposed to be effective December 1, 2015 and includes an additional \$.25/1,000 gallons of domestic use and \$.35/1,000 gallons of irrigations use. The second base charge increase on December 1, 2015 has been removed. We will continue to analyze the fund balance in each budget projection.

Current rates and proposed rates are:

MONTHLY BASE CHARGE - DOMESTIC SERVICES

		Current	June 1	Dec 1
5/8" X 3/4"	Meters	\$ 11.24	\$ 16.24	
1"	Meters	\$ 11.24	\$ 16.24	
1 1/4"	Meters	\$ 20.07	\$ 29.00	
1 1/2 "	Meters	\$ 32.52	\$ 46.98	
2"	Meters	\$ 68.64	\$ 99.18	
3"	Meters	\$ 191.88	\$ 277.24	
4"	Meters	\$ 360.48	\$ 520.84	
6"	Meters	\$ 611.78	\$ 883.92	
8"	Meters	\$ 690.46	\$ 997.60	
10"	Meters	\$ 712.13	\$ 1,028.92	
12"	Meters	\$ 718.56	\$ 1,038.20	

MONTHLY BASE CHARGE - IRRIGATION SERVICES

Residential 5/8 meters

No Charge

All meters except residential 5/8 meters:

		Current	June 1	Dec 1
5/8" X 3/4"	Meters	\$ 11.24	\$ 16.24	
1"	Meters	\$ 11.24	\$ 16.24	
1 1/4"	Meters	\$ 20.07	\$ 29.00	
1 1/2 "	Meters	\$ 32.52	\$ 46.98	
2"	Meters	\$ 68.64	\$ 99.18	
3"	Meters	\$ 191.88	\$ 277.24	
4"	Meters	\$ 360.48	\$ 520.84	
6"	Meters	\$ 611.78	\$ 883.92	
8"	Meters	\$ 690.46	\$ 997.60	
10"	Meters	\$ 712.13	\$ 1,028.92	
12"	Meters	\$ 718.56	\$ 1,038.20	

COMMODITY OUTPUT CHARGE - 5/8" X 3/4" METERS

(all residential housing, and Commercial 5/8" x 3/4")

10,000 gallons and under used each month per 1,000 gallons	\$ 6.20	\$ 6.55	\$ 6.80
Over 10,000 Gallons used each month per 1,000 gallons	\$ 6.50	\$ 6.85	\$ 7.10

COMMODITY OUTPUT CHARGE - 1" AND LARGER METERS

First 10,000 Gallons used each month per 1,000 gallons	\$ 6.20	\$ 6.55	\$ 6.80
Over 10,000 Gallons used each month per 1,000 gallons	\$ 6.50	\$ 6.85	\$ 7.10

IRRIGATION OUTPUT CHARGE - All METERS

\$6.40 per 1,000 Gallons	\$ 6.40	\$ 6.90	\$ 7.25
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HYDRANT OUTPUT CHARGE

\$7.00 per 1,000 Gallons	\$ 7.00	\$ 7.50	\$ 7.85
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- o The City utilizes the top 5 irrigation meters in place which are 6" and 4" and Gustavus has a couple 4" meters which are removed after each season. To stay in line with our flow rate of base charges, the size of service will determine the additional base fee in each category, as seen above.
- o The proposed rate increases are in line or below the anticipated rate increases necessary to build the new plants and install reverse osmosis. Changing only consumption rates increases volatility in our structure and revenue stream. Our consumption highs and lows since 2012 are shown on the graph included.
- o Adjust the proposed rates. A one dollar change in base charge means the budget will fluctuate \$59,832/year. For every \$.10 increase or reduction in the flow rate means the budget will fluctuate \$32,288/year.

While discussing the funding for the installation of reverse osmosis and the improvements, rates in 2015 were going to be at \$18.58 for a base rate and \$5.68/1,000 of consumption. Any of the proposed rate increases are in line or below the projected rates necessary to install reverse osmosis. See attachment.

The proposed rates would be reflected on the bills due August 2015 and February 2016.

The projected budgets have a number of assumptions:

1. There is a 1.5% increase in operating expenditures.
2. Revenue is increased only by the proposed rate change and doesn't include any additional customers or consumption beyond 2017. As well as it doesn't decrease consumption either. This says....depending on your growth philosophy, the fund balances will increase from what we show.
3. The on-going capital continues to years beyond the 10-year plan.
4. The 10-year capital plan is included.
5. There is a bond issued in 2017 for capital needs from 2016 and 2017 of \$1,297,000, starting repayment in 2018.
6. \$200,000 of housing subdivision water improvements would be funded from tax increment.
7. \$450,000 capital improvements in 2023 are funded from reserves.
8. The membrane improvements happen in 2018, 2024 and 2030 in the amount of \$180,000 each. All other years projects annual replacement of \$36,000.

The approval of the 2015 budget will give the City a plan to work toward. Again, the actual purchase or initiation of projects over \$7,500 will be presented individually to the City Council for authorization along with the funding mechanism.

FISCAL IMPACT:

The proposed 1" base rate increase of \$5.00 and a flow increase of \$.35/1,000 gallons of domestic use and \$.50/1,000 gallons of irrigation use. This increase is budgeted to be in effect as of June 1, 2015. A second increase is proposed to be effective December 1, 2015 and includes an additional \$.25/1,000 gallons of domestic use and \$.35/1,000 gallons of irrigations use.

The monthly \$5.00 increase that is proposed on the 1" meter will increase according to the hydraulic flow capacity that was developed on the larger meter sizes according to the rate table above.

The base and flow increases will generate an additional \$181,175 for the remaining 2015 budget and an additional \$492,938 per year in the following years.

ALTERNATIVES AND VARIATIONS:

Do not act. Staff will wait for additional direction. There is no law that requires an approved budget. However, it is important to planning and measurements of operation to have the discussion and understanding of the costs and revenues. A budget represents that effort to our auditors. Reserves will continue to decrease the longer we wait on implementing rate

increases.

Negative vote: Staff will await recommendation from the City Council.

Modification of the resolution: This is always an option of the City Council.

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

PO/

	B	C	D	E	F	T	U	V	W	X	Y	Z
2					WATER FUND							
3												
4					Water Revenues					2015	2016	2017
5						2012	2013	2014	2014	Proposed	Proposed	Proposed
6						Actual	Actual	Budget	Actual	Budget	Budget	Budget
7	601	37110			Residential/Commercial Sales	1,341,400	1,455,394	1,673,034	1,799,197	1,945,918	1,945,918	1,945,918
8	601	37120			Bulk Sales	799	474	700	691	691	691	691
9	601	37130			Industrial Sales <i>New Rate Value</i>	0	0	0	0	181,175	492,938	492,938
10	601	37131			Private Sales - GAC	284,214	275,109	323,872	316,067	344,944	344,944	344,944
11	601	37132			Institutional Sales - RTC	134,968	157,737	157,708	190,002	204,325	273,971	482,911
12	601	37140			Sales to Other Public Authorities	69,106	87,990	89,800	95,320	95,320	95,320	95,320
13	601	37141			Interdepartmental Sales	205,823	184,576	216,400	197,372	197,372	197,372	197,372
14	601	37180			Fire Service Line	9,181	9,327	9,230	9,708	9,230	9,230	9,230
15	601	37181			Fire Service Line to Public Authority	288	288	288	288	288	288	288
16	601	37182			Interdepartmental Fire Service	144	144	144	144	144	144	144
17					Sub-Total: Water Sales	2,045,923	2,171,039	2,471,176	2,608,789	2,979,406	3,360,815	3,569,755
18												
19	601	37145			Service Fees	1,000	1,000	1,000	1,000	1,000	1,000	1,000
20	601	37150			Connection Fees	275	500	500	425	500	500	500
21	601	37155			Water Access Charge	26,000	97,650	50,000	62,540	50,000	50,000	20,000
22	601	37157			Leases	34,842	34,737	35,000	37,802	35,000	35,000	35,000
23	601	37160			Penalty Revenues	11,316	12,687	12,000	17,035	16,000	16,000	16,000
24	601	37170			Miscellaneous	33,076	105,250	28,000	31,153	28,000	28,000	28,000
25	601	36250			Refunds & Reimbursements	0	0	0	0	75,000	0	0
26					Sub-Total: Other Oper. Rev.	106,509	251,824	126,500	149,955	205,500	130,500	100,500
27												
28	601	33422			Other State Grants & Aids	10,651	756	756	756	756	756	756
29	601	36101			Special Assessments	55,004	39,839	25,000	12,994	25,000	25,000	25,000
30	601	36102			Special Assessments - Interest	0	0	0	0	0	0	0
31	601	36210			Interest Earned	10,848	4,549	6,000	4,393	4,000	4,000	4,000
32	601	39101			Sale of Fixed Assets	(2,736)	1,653	0	889	0	0	0
33	601	39200			Transfers from other funds	0	0	0	625,220	0	0	0
34					Sub-Total: Non-Operating Rev.	73,767	46,797	31,756	644,252	29,756	29,756	29,756
35												
36					TOTAL OPERATING REVENUES	2,152,432	2,422,863	2,597,676	2,758,744	3,184,906	3,491,315	3,670,255
37												
38					TOTAL REVENUES	2,226,199	2,469,660	2,629,432	3,402,996	3,214,662	3,521,071	3,700,011
39												
40					Water Expenditures					2015	2016	2017
41						2012	2013	2014	2014	Proposed	Proposed	Proposed
42					Source of Supply	Actual	Actual	Budget	Actual	Budget	Budget	Budget
43	601	49400	100		Wages	20,575	20,089	19,973	20,572	19,575	19,869	20,167
44	601	49400	101		Temporary Wages	4,769	2,646	2,050	3,276	2,291	2,325	2,360
45	601	49400	102		Overtime	0	0	256	555	340	345	350
46	601	49400	112		Car Allowance	360	90	0	0	0	0	0
47	601	49400	121		PERA	1,452	1,326	1,467	1,480	1,494	1,516	1,539
48	601	49400	122		FICA	1,551	1,289	1,381	1,455	1,377	1,398	1,419
49	601	49400	126		Medicare	363	302	323	340	322	327	332
50	601	49400	131		Health Insurance	3,376	2,896	3,853	3,415	3,657	3,712	3,768
51	601	49400	132		Dental Insurance	185	223	249	328	254	258	262
52	601	49400	133		Life Insurance	6	6	7	8	7	7	7
53	601	49400	151		Worker's Compensation	723	612	869	723	1,018	1,033	1,049
54	601	49400	210		Operating Supplies	78	0	2,000	62	2,000	2,030	2,060
55	601	49400	211		Motor Fuels	2,837	2,371	3,000	1,304	1,800	1,827	1,854
56	601	49400	220		Repair and Maintenance Supp.	0	0	2,000	0	1,000	1,015	1,030
57	601	49400	300		Professional Services	3,060	2,006	1,500	0	1,500	1,523	1,545
58	601	49400	310		Contractual Labor	0	0	200	0	200	203	206
59	601	49400	360		Insurance	2,742	9,133	10,162	8,387	8,390	8,516	8,644
60	601	49400	380		Utilities	21,455	20,942	20,000	22,718	22,000	22,330	22,665
61	601	49400	401		Repair & Maint. - Buildings	0	0	1,000	0	500	508	515
62	601	49400	404		Repair & Maint.-Equip. & Mach.	614	0	1,000	2,526	2,000	2,030	2,060
63	601	49400	405		Repair & Maint. - Wells	5,316	2,922	20,000	4,955	20,000	20,300	20,605
64	601	49400	415		Equipment Rental	4	46	500	524	650	660	670
65	601	49400	430		Miscellaneous	0	0	500	0	500	508	515
66	601	49400	433		Dues and Subscriptions	4,660	5,816	5,000	5,459	7,000	7,105	7,212
67					Sub-Total: Source	74,126	72,715	97,290	78,087	97,875	99,343	100,833

	B	C	D	E	F	T	U	V	W	X	Y	Z
68										2015	2016	2017
69						2012	2013	2014	2014	Proposed	Proposed	Proposed
70					Purification & Treatment	Actual	Actual	Budget	Actual	Budget	Budget	Budget
71	601	49420	100		Wages	112,759	114,629	147,717	99,258	116,461	118,208	119,981
72	601	49420	101		Temporary Wages	0	116	2,050	152	2,291	2,325	2,360
73	601	49420	102		Overtime	8,252	6,156	11,389	5,761	10,455	10,612	10,771
74	601	49420	112		Car Allowance	360	90	0	0	0	0	0
75	601	49420	121		PERA	8,702	8,530	11,535	7,497	9,519	9,662	9,807
76	601	49420	122		FICA	7,235	7,073	9,992	6,272	8,011	8,131	8,253
77	601	49420	126		Medicare	1,692	1,654	2,337	1,467	1,874	1,902	1,931
78	601	49420	131		Health Insurance	28,164	27,443	40,707	23,766	29,824	30,271	30,725
79	601	49420	132		Dental Insurance	1,485	1,465	2,199	1,657	1,781	1,808	1,835
80	601	49420	133		Life Insurance	50	49	64	42	49	50	50
81	601	49420	151		Worker's Compensation	2,036	5,440	6,158	5,126	5,790	5,877	5,965
82	601	49420	210		Operating Supplies	123,780	126,064	125,000	140,189	135,000	137,025	139,080
83	601	49420	211		Motor Fuels	1,484	2,523	2,000	2,380	2,200	2,233	2,266
84	601	49420	220		Repair & Maintenance Supplies	127	0	5,000	0	1,000	1,015	1,030
85	601	49420	300		Professional Services	4,776	6,791	5,000	7,604	5,000	5,075	5,151
86	601	49420	310		Contractual Labor	0	0	500	0	500	508	515
87	601	49420	360		Insurance	994	5,811	8,132	6,610	6,615	6,714	6,815
88	601	49420	380		Utilities	390,288	471,723	390,000	494,607	475,000	482,125	489,357
89	601	49420	401		Repair & Maint. - Buildings	2,271	3,445	4,500	7,149	4,500	4,568	4,636
90	601	49420	404		Repair & Maint.-Equip. & Mach.	29,533	21,670	82,000	35,609	65,000	65,975	66,965
91	601	49420	410		Repair & Maint.-SCADA System	0	0	2,000	395	1,000	1,015	1,030
92	601	49420	415		Equipment Rental	0	0	1,000	0	500	508	515
93	601	49420	430		Miscellaneous	0	0	500	0	500	508	515
94					Sub-Total: Treatment	723,988	810,672	859,780	845,541	882,870	896,113	909,555
95					Distribution & Storage							
96	601	49430	100		Wages	112,505	136,387	88,402	151,933	140,701	142,812	144,954
97	601	49430	101		Temporary Wages	895	2,529	2,050	3,134	2,291	2,325	2,360
98	601	49430	102		Overtime	3,538	2,190	2,156	12,268	3,559	3,612	3,667
99	601	49430	112		Car Allowance	360	90	0	0	0	0	0
100	601	49430	121		PERA	8,298	9,562	6,565	11,748	10,819	10,981	11,146
101	601	49430	122		FICA	6,958	8,066	5,742	9,993	9,086	9,222	9,361
102	601	49430	126		Medicare	1,627	1,887	1,343	2,337	2,125	2,157	2,189
103	601	49430	131		Health Insurance	23,999	29,855	20,174	32,083	31,879	32,357	32,843
104	601	49430	132		Dental Insurance	1,663	1,824	1,245	2,227	2,009	2,039	2,070
105	601	49430	133		Life Insurance	43	56	36	58	55	56	57
106	601	49430	142		Unemployment-Direct Pay	0	0	0	0	0	0	0
107	601	49430	151		Worker's Compensation	5,121	2,532	3,596	2,993	6,695	6,795	6,897
108	601	49430	210		Operating Supplies	8,215	8,906	10,000	7,824	10,000	10,150	10,302
109	601	49430	211		Motor Fuels	8,807	8,830	9,000	8,415	9,000	9,135	9,272
110	601	49430	220		Repair & Maintenance Supplies	4,678	7,901	5,000	1,906	4,000	4,060	4,121
111	601	49430	300		Professional Services	3,806	1,231	12,500	4,311	10,000	10,150	10,302
112	601	49430	310		Contractual Labor	0	0	2,500	0	500	508	515
113	601	49430	360		Insurance	2,021	2,187	4,210	2,487	2,500	2,538	2,576
114	601	49430	380		Utilities	40,400	81,022	80,000	56,275	65,000	65,975	66,965
115	601	49430	401		Repair & Maint-Building	75	318	500	163	500	508	515
116	601	49430	402		Repair & Maint-storage Facilities	4,481	3,480	5,000	329	4,000	4,060	4,121
117	601	49430	404		Repair & Maint-Equip. & Mach.	4,970	8,518	14,000	9,460	12,000	12,180	12,363
118	601	49430	406		Repair & Maint - Mains	13,084	24,581	14,000	28,321	14,000	14,210	14,423
119	601	49430	407		Repair & Maint - Meters	14,755	25,766	40,000	53,191	35,000	35,525	36,058
120	601	49430	408		Repair & Maint - Hydrants	2,110	40,867	40,000	23,518	40,000	40,600	41,209
121	601	49430	410		Repair & Maint.-SCADA System	0	0	2,500	0	1,500	1,523	1,545
122	601	49430	430		Miscellaneous	0	0	500	0	500	508	515
123					Sub-Total: Dist & Storage	272,409	408,585	371,019	424,974	417,719	423,985	430,345

	B	C	D	E	F	T	U	V	W	X	Y	Z
124										2015	2016	2017
125						2012	2013	2014	2014	Proposed	Proposed	Proposed
126					Administrative and General	Actual	Actual	Budget	Actual	Budget	Budget	Budget
127	601	49440	100		Wages	43,135	44,795	44,865	44,959	46,631	47,330	48,040
128	601	49440	101		Temporary Wages	0	0	0	0	0	0	0
129	601	49440	102		Overtime	142	225	288	187	293	297	302
130	601	49440	112		Car Allowance	363	206	0	153	0	0	0
131	601	49440	121		PERA	3,096	3,143	3,267	3,141	3,513	3,566	3,619
132	601	49440	122		FICA	2,494	2,519	2,799	2,546	2,909	2,953	2,997
133	601	49440	126		Medicare	583	589	655	595	680	690	701
134	601	49440	131		Health Insurance	12,560	13,151	14,624	12,231	13,252	13,451	13,653
135	601	49440	132		Dental Insurance	1,097	925	748	1,001	791	803	815
136	601	49440	133		Life Insurance	19	21	22	22	22	22	23
137	601	49440	151		Worker's Compensation	555	529	709	590	857	870	883
138	601	49440	200		Office Supplies	4,741	4,457	4,000	2,024	4,000	4,060	4,121
139	601	49440	205		Misc. Employee Expenses	8,367	5,609	6,500	6,438	6,500	6,598	6,696
140	601	49440	210		Operating Supplies	827	1,219	1,500	552	1,500	1,523	1,545
141	601	49440	211		Motor Fuels	71	103	205	478	205	208	211
142	601	49440	220		Repair & Maint. Supplies	2,849	1,041	2,500	1,275	2,500	2,538	2,576
143	601	49440	300		Professional Services	49,304	13,619	12,000	11,343	12,000	12,180	12,363
144	601	49440	321		Telephone	5,478	5,841	5,400	5,025	5,400	5,481	5,563
145	601	49440	322		Postage	110	201	550	414	550	558	567
146	601	49440	331		Travel & Training	6,184	6,883	7,000	3,922	7,000	7,105	7,212
147	601	49440	340		Advertising	368	147	1,100	207	1,100	1,117	1,133
148	601	49440	351		Legal Notices & Publications	0	0	100	0	100	102	103
149	601	49440	354		Printing & Binding	0	150	1,000	148	1,000	1,015	1,030
150	601	49440	360		Insurance	5,805	2,242	15,789	2,418	2,450	2,487	2,524
151	601	49440	380		Utilities	2,735	3,192	4,000	3,528	4,000	4,060	4,121
152	601	49440	401		Repair & Maint. - Buildings	1,137	1,412	1,500	1,345	1,500	1,523	1,545
153	601	49440	404		Repair & Maint. - Equipment	1,891	2,253	6,000	4,746	6,000	6,090	6,181
154	601	49440	430		Miscellaneous	0	0	50	0	50	51	52
155	601	49440	433		Dues and Subscriptions	1,291	1,213	1,450	895	1,450	1,472	1,494
156					Sub-Total: Administration	155,202	115,685	138,621	110,183	126,253	128,147	130,069
157					Customer Accounts							
158	601	49445	100		Wages	16,695	14,683	15,573	14,874	18,673	18,953	19,237
159	601	49445	102		Overtime	163	5	316	0	322	327	332
160	601	49445	121		PERA	953	1,022	1,152	1,011	1,425	1,446	1,468
161	601	49445	122		FICA	874	857	985	855	1,178	1,196	1,214
162	601	49445	126		Medicare	204	201	230	200	275	279	283
163	601	49445	131		Health Insurance	3,136	3,512	3,575	4,549	5,518	5,601	5,685
164	601	49445	132		Dental Insurance	161	238	166	225	175	178	180
165	601	49445	133		Life Insurance	5	5	5	5	5	5	5
166	601	49445	151		Worker's Compensation	85	81	101	84	142	144	146
167	601	49445	200		Office Supplies	1,024	1,353	1,225	687	1,225	1,243	1,262
168	601	49445	211		Motor Fuels	407	648	650	602	650	660	670
169	601	49445	300		Professional Services	1,886	2,089	3,000	2,333	3,000	3,045	3,091
170	601	49445	322		Postage	5,235	5,354	5,100	5,488	5,100	5,177	5,254
171	601	49445	331		Travel & Training	0	13	100	0	100	102	103
172	601	49445	354		Printing & Binding	977	0	1,000	0	1,000	1,015	1,030
173	601	49445	360		Insurance	140	298	719	430	430	436	443
174	601	49445	404		Repair & Maint. - Equipment	1,772	2,520	2,800	2,516	2,800	2,842	2,885
175	601	49445	430		Miscellaneous	0	0	0	0	0	0	0
176	601	49445	904		Bad Debt Expense	245	(35)	200	2	200	203	206
177					Sub-Total: Customer Accounts	33,962	32,844	36,897	33,861	42,218	42,851	43,494
178												
179					Operating Expenses	1,259,687	1,440,501	1,503,607	1,492,646	1,566,935	1,590,439	1,614,296
180												
181					Operating Income (loss):	892,745	982,362	1,094,069	1,266,098	1,617,971	1,900,876	2,055,959
182												
183					Depreciation							
184	601	49970	420		Depreciation	1,044,931	1,206,620	1,200,000	1,198,377	1,200,000	1,200,000	1,200,000
185					Interest Payments							
186	601	49980	611		Bond Interest Payments	529,059	506,431	495,815	495,815	483,004	461,488	439,407
187												
188					Transfers							
189	601	49990	720		Operating Transfer -	146,288	149,670	160,626	188,303	193,661	218,453	232,034
190	601	49990	722		Contributed Utility Services	63,752	91,882	70,000	93,872	90,000	91,350	92,720
191					Sub-Total: Transfers & Contrib.	210,040	241,552	230,626	282,175	283,661	309,803	324,754
192												
193					Expenditure Total for Income Statement	3,043,717	3,395,104	3,430,048	3,469,013	3,533,600	3,561,730	3,578,457
194												
195					NET INCOME:	(817,518)	(925,444)	(800,616)	(66,017)	(318,938)	(40,659)	121,554

15entWater

	B	C	D	E	F	T	U	V	W	X	Y	Z
197												
198						2012	2013	2014	2014	2015	2016	2017
199					Capital - Source of Supply	Actual	Actual	Budget	Actual	Proposed Budget	Proposed Budget	Proposed Budget
200	601	48110	300		Professional Services	0	0	2,000	0	2,000	2,500	2,500
201	601	48110	510		Land Acquisition	0	0	0	0	0	0	0
202	601	48110	520		Building & Structural Improvement	0	0	0	0	0	0	0
203	601	48110	540		Heavy Machinery	0	0	0	0	0	0	0
204	601	48110	532		Utility Infrastructure	14,371	0	0	0	0	0	0
205						14,371	0	2,000	0	2,000	2,500	2,500
206					Capital - Water Treatment							
207	601	48120	300		Professional Services	16,640	0	2,000	0	35,000	5,000	5,000
208	601	48120	510		Land Acquisition	0	0	0	0	0	0	0
209	601	48120	520		Building & Structural Improvement	5,755	0	0	0	0	0	0
210	601	48120	580		Other Equipment	0	0	0	0	0	0	0
211						22,395	0	2,000	0	35,000	5,000	5,000
212					Capital - Water Distribution							
213	601	48130	300		Professional Services	47,076	0	55,000	195	0	55,000	60,000
214	601	48130	520		Building & Structural Improvement	655,061	0	1,500	0	0	0	0
215	601	48130	532		Infrastructure: Water Mains	0	25,180	287,400	155,353	85,000	347,000	1,367,000
216	601	48130	533		Infrastructure: Customer Services	9,836	23,984	0	0	0	0	0
217	601	48130	540		Heavy Machinery	0	0	0	0	0	0	0
218	601	48130	580		Other Equipment	3,835	1,702	0	1,450	0	7,000	0
219						715,808	50,866	343,900	156,998	85,000	409,000	1,427,000
220					Capital - General Plant							
221	601	48140	520		Building/Structural Improvements	0	0	0	0	0	27,000	5,000
222	601	48140	540		Heavy Machinery	0	0	0	0	0	0	0
223	601	48140	550		Motor Vehicles	0	5,451	16,500	9,599	9,000	24,000	30,000
224	601	48140	580		Other Equipment	8,735	9,671	0	0	16,500	31,000	0
225						8,735	15,122	16,500	9,599	25,500	82,000	35,000
226												
227												
228					Bond Principal Payments							
229					Principal Payments on Bonds	1,925,530	623,065	594,125	594,125	905,000	918,160	935,160
230												
231												
232												
233												
234					WATER FUND							
235					Statement of Sources and Applications of Cash							
236										2015	2016	2017
237						2012	2013	2014	2014	Proposed	Proposed	Proposed
238						Actual	Actual	Budget	Actual	Budget	Budget	Budget
239					Sources of Cash:							
240												
241					Net Income (loss)	(\$817,518)	(\$925,444)	(\$800,616)	(\$66,017)	(\$318,938)	(\$40,659)	\$121,554
242					Add depreciation	1,044,931	1,206,620	1,200,000	1,198,377	1,200,000	1,200,000	1,200,000
243												
244					Total	227,413	281,176	399,384	1,132,360	881,062	1,159,341	1,321,554
245												
246					Application of cash:							
247												
248					Purchase of fixed assets	(761,309)	(65,988)	(364,400)	(166,597)	(147,500)	(498,500)	(1,469,500)
249												
250					Change in assets and liabilities	71,082	(10,599)	0	0	0	0	0
251												
252					Bond Proceeds	745,000	0	0	0	0	0	1,297,000
253												
254					Principal payments of long-term debt	(520,530)	(623,065)	(594,125)	(594,125)	(905,000)	(918,160)	(935,160)
255												
256					Capital contributed by other sources	0	0	0	0	0	0	0
257												
258					Total	(465,758)	(699,652)	(958,525)	(760,722)	(1,052,500)	(1,416,660)	(1,107,660)
259												
260					Net increase (decrease) in cash	(238,345)	(418,476)	(559,141)	371,638	(171,438)	(257,319)	213,894
261												
262												
263					Cash balance - January 1	1,351,179	1,112,834	694,358	694,358	1,065,996	894,558	637,239
264												
265					Cash balance - December 31							
266					Unrestricted Cash (membrane)	\$225,000	\$264,000	\$264,000	\$264,000	\$339,000	\$318,000	\$357,000
267					Unrestricted Cash (Bond Reserve)	\$0	\$0	\$0	\$625,220	\$570,220	\$514,220	\$457,220
268					Unrestricted Cash	\$887,834	\$430,358	(\$128,783)	\$176,776	(\$14,662)	(\$194,981)	\$36,913
269					Percent of next year operations	25.6%	12.5%	-3.6%	5.0%			
270					Percent of same year operations					-0.4%	-5.5%	1.0%

Water Utility Capital Plan

Planning Issue:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
601.48110 Source of Supply										
300 Professional Services	\$2,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
532 STJU Well Meter Replacement									\$12,000	
532 Broadway Well Meter Replacement					\$14,000					
601.48110 TOTAL SOURCE OF SUPPLY	\$ 2,000	\$ 2,500	\$ 2,500	\$ 2,500	\$ 16,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 14,500	\$ 2,500
601.48120 Water Treatment										
300 Professional Services	\$35,000	\$5,000	\$5,000	\$5,500	\$5,500	\$5,500	\$6,000	\$6,000	\$6,000	\$6,000
601.48120 TOTAL WATER TREATMENT	\$35,000	\$5,000	\$5,000	\$5,500	\$5,500	\$5,500	\$6,000	\$6,000	\$6,000	\$6,000
601.48130 Water Distribution and Storage										
300 Professional Services		\$55,000	\$60,000	\$6,000	\$7,000	\$7,000	\$7,000	\$8,000	\$8,000	\$8,000
520 Greenhill Reservoir Improvements	2014				\$6,700					\$7,000
532 Sunrise Drive Elevated Tower	2015	\$50,000							\$450,000	
532 Broadway Avenue Water Tower	2016		\$450,000	\$20,000						
532 Annual Hydrant Replacements (4)		\$10,000	\$16,000	\$16,000	\$18,000	\$18,000	\$20,000	\$20,000	\$20,000	\$20,000
532 STJU Roundabout			\$88,000							
532 City / School Residential			\$200,000							
532 Gardner Road 12" Loop			\$232,000							
532 Subdivision/Over sizing Construction		\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$17,000	\$17,000
532 St Julien Plant Filter Rehabilitation			\$350,000							
532 Water Meter Station @ SPRTC (Lower Campus)		\$75,000								
532 Watermain Upgrades	(1 block)	\$16,000	\$16,000	\$17,000	\$16,000	\$18,000	\$15,000	\$16,000	\$18,000	\$18,000
532 School District/ Park Property Development		\$250,000	\$0							
533 Water Meters (Meters and Reading System)			\$0	\$0	\$0					
580 Valve Operator - purchased 2002		\$7,000							\$7,000	
601.48130 TOTAL WATER DISTRIBUTION AND STORAGE	\$85,000	\$409,000	\$1,427,000	\$74,000	\$62,700	\$58,000	\$57,000	\$59,000	\$520,000	\$70,000
601.48140 General Plant Water	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
300 Professional Services <i>Master Planning</i>		\$22,000								
520 Public Works Improvements		\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
550 Replace Unit #1(2003) (33% of \$30,000) - 2013										
550 Replace Unit #5 2004 - 2014	100%			\$33,000						
550 Replace Unit #36 (2001);(33% of \$27,000) - 2013		\$9,000								
550 Replace Unit #22 2001 - 2014	100%	\$24,000								
550 Replace Unit #106 2006 - 2016	100%		\$30,000							
550 Replace Light Tower 2010 - 2015										
580 Backhoe Replacement 40% of \$50,000		\$20,000								
580 Jackhammer for Backhoe - 5 years	2004 - 2014	\$11,000				\$14,000				
580 Mowing Trailer (50 % of \$7,000)		\$3,500								
580 Ferris Mower Replacement		\$13,000					\$20,000			
601.48140 TOTAL GENERAL PLANT WATER	\$25,500	\$82,000	\$35,000	\$38,000	\$5,000	\$19,000	\$25,000	\$5,000	\$5,000	\$5,000
CAPITAL IMPROVEMENTS TOTAL COST	\$147,500	\$498,500	\$1,469,500	\$120,000	\$89,700	\$85,000	\$90,500	\$72,500	\$545,500	\$83,500
Bond Debt Service Payments	\$1,434,184	\$1,431,125	\$1,428,134	\$1,421,664	\$1,677,014	\$1,681,430	\$1,674,311	\$1,683,724	\$1,683,724	\$1,683,724
Capital Plus Bond Debt	\$1,581,684	\$1,929,625	\$2,897,634	\$1,541,664	\$1,766,714	\$1,766,430	\$1,764,811	\$1,756,224	\$2,229,224	\$1,767,224
New Bonding option			\$1,297,000							

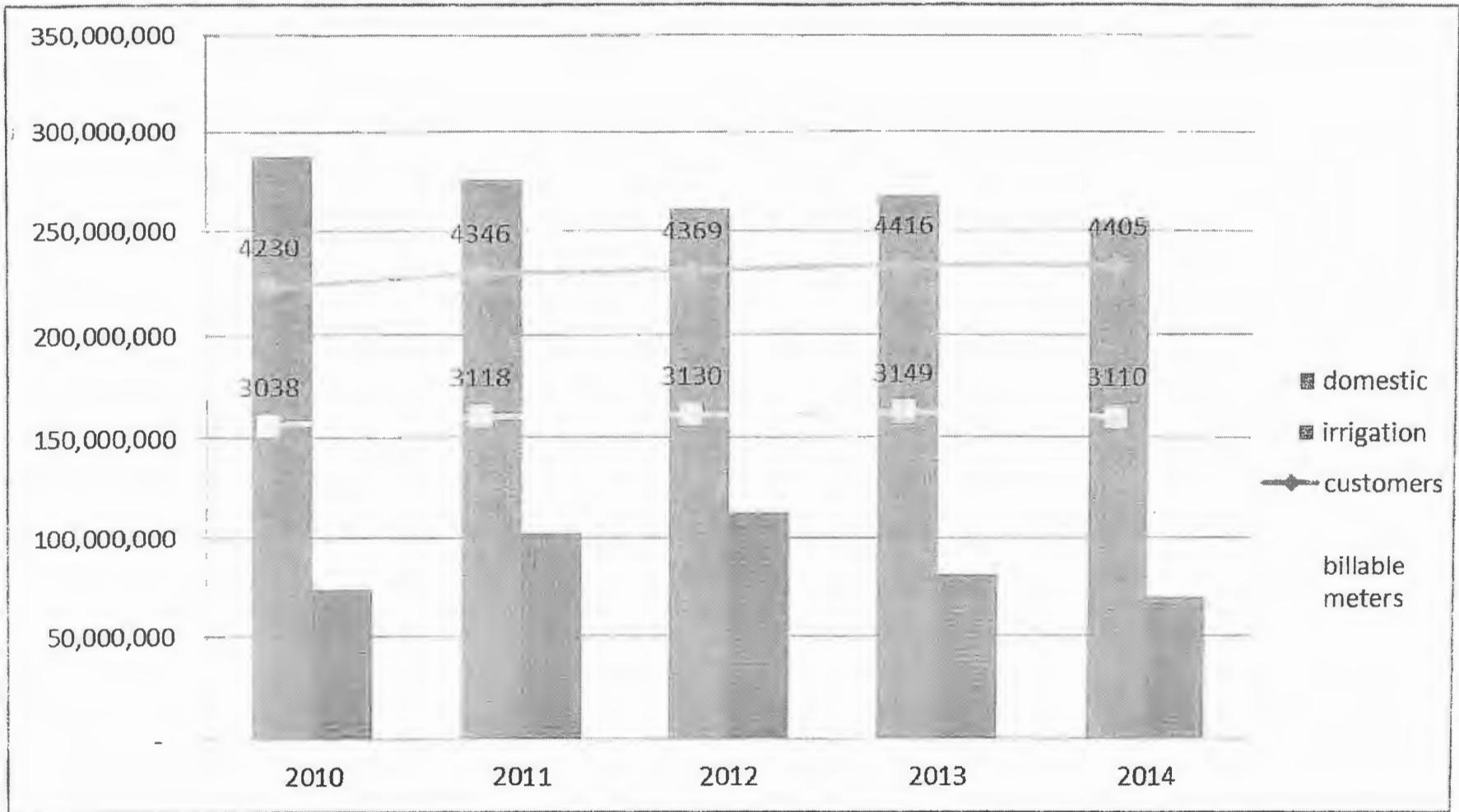
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Water Utility Capital Plan

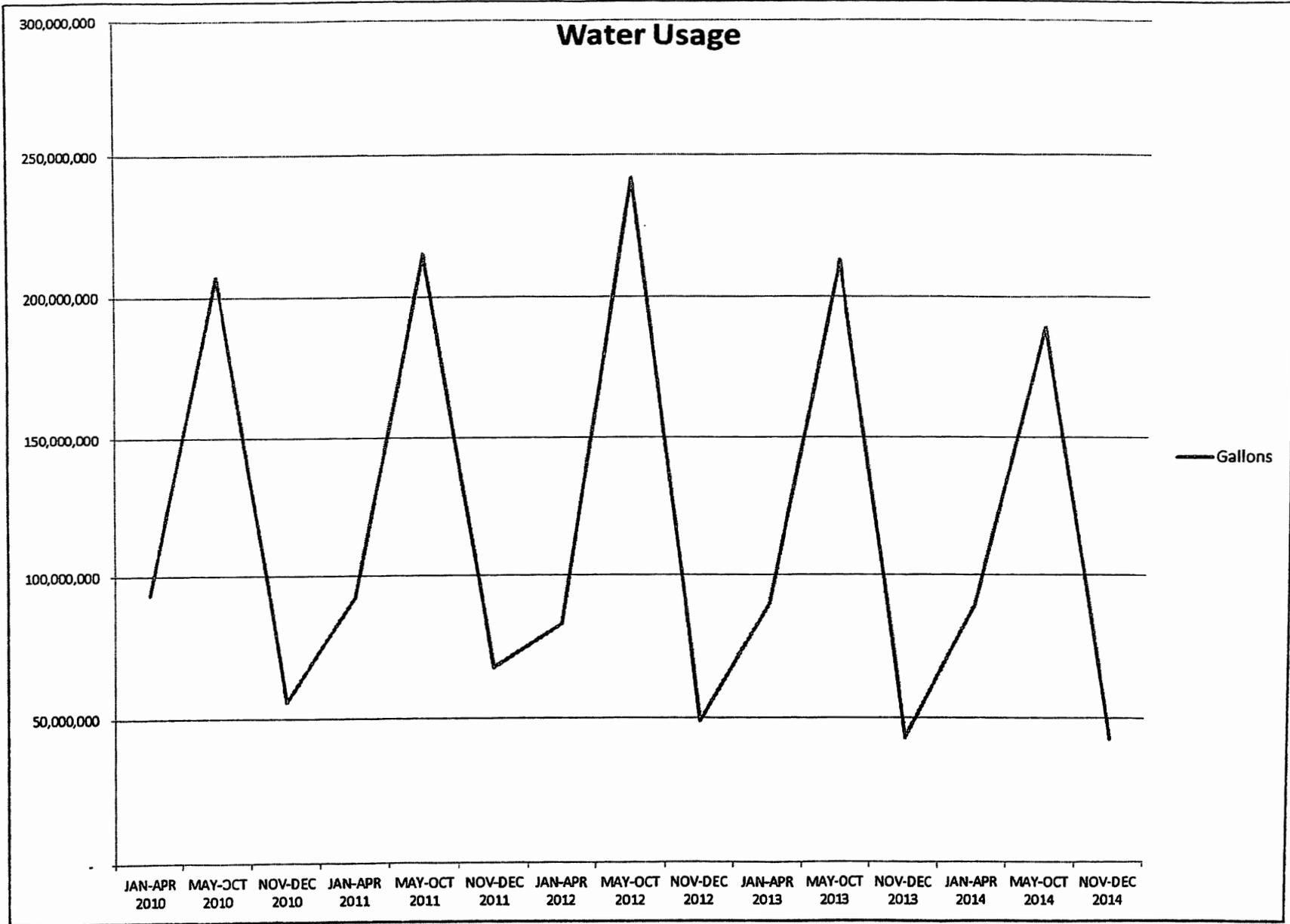
		Cost	FUNDING SOURCE:								Total
Planning Issue:		2015	2016	2017	RESERVES/ CASH	ASSESS/ Developer	TIF Funding	State Aid	BOND (Finance)		
601.48110	Source of Supply										
300	Professional Services	\$2,000	\$2,500	\$2,500	\$7,000						
601.48110	TOTAL SOURCE OF SUPPLY	\$ 2,000	\$ 2,500	\$ 2,500	\$ 7,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,000
601.48120	Water Treatment										
300	Professional Services	\$35,000	\$5,000	\$5,000	\$45,000						
601.48120	TOTAL WATER TREATMENT	\$ 35,000	\$ 5,000	\$ 5,000	\$ 45,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,000
601.48130	Water Distribution and Storage										
300	Professional Services		\$55,000	\$60,000					\$ 115,000		
532	Sunrise Drive Elevated Tower	2015	\$50,000						\$ 50,000		
532	Broadway Avenue Water Tower	2016		\$450,000					\$ 450,000		
532	Annual Hydrant Replacements (4)		\$10,000	\$16,000	\$42,000						
532	STJU Roundabout			\$88,000	\$88,000						
532	City / School Residential		\$0	\$200,000					\$ 200,000		
532	Gardner Road 12" Loop			\$232,000					\$ 232,000		
532	Subdivision/Over sizing Construction		\$15,000	\$15,000	\$30,000						
532	St Julien Plant Filter Rehabilitation			\$350,000	\$350,000						
532	Water Meter Station @ SPRTC (Lower Campus)		\$75,000			\$ 75,000					
532	Watermain Upgrades	(1 block)		\$16,000	\$16,000						
532	School District/ Park Property Development			\$250,000					\$ 250,000		
533	Water Meters (Meters and Reading System)										
580	Valve Operator - purchased 2002		\$7,000		\$7,000						
601.48130	TOTAL WATER DISTRIBUTION / STORAGE	\$ 85,000	\$ 409,000	\$ 1,427,000	\$ 549,000	\$ 75,000	\$ -	\$ -	\$ 1,297,000	\$ 1,921,000	
601.48140	General Plant Water										
300	Professional Services <i>Master Planning</i>		\$22,000		\$22,000						
520	Public Works Improvements		\$5,000	\$5,000	\$10,000						
550	Replace Unit #1(2003) (33% of \$30,000) - 2013										
550	Replace Unit #5 2004 - 2014	100%									
550	Replace Unit #36 (2001) (33% of \$27,000) - 2013		\$9,000		\$9,000						
550	Replace Unit #22 2001 - 2014	100%		\$24,000	\$24,000						

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		2010	2011	2012	2013	2014	2015	2016	2017	2018	
INCREASE IN RATE EACH YEAR	FLOW										
	oper	0.44	0.44	-	-	-	-	-	-	-	
	debt	-	0.25	0.40	0.40	-	-	-	-	-	
	BASE	-	-	-	1.00	3.79	3.79	2.93	2.93	2.93	
CUMMULATIVE RATE											
	5/8" base	10	10.00	10.00	10.00	11.00	14.79	18.58	21.51	24.44	27.37
	1-3,000	1	1.44	2.13	2.53	2.93	2.93	2.93	2.93	2.93	2.93
	next 7,000	3.75	4.19	4.88	5.28	5.68	5.68	5.68	5.68	5.68	5.68
	over 10,000	4	4.44	5.13	5.53	5.93	5.93	5.93	5.93	5.93	5.93
	Over 5/8" Base	various									
	first 10,000	3.75	4.19	4.88	5.28	5.68	5.68	5.68	5.68	5.68	5.68
	over 10,000	4	4.44	5.13	5.53	5.93	5.93	5.93	5.93	5.93	5.93
	Irrigation	4	4.44	5.13	5.53	5.93	5.93	5.93	5.93	5.93	5.93

COMPARISONS NEW RATES COMPARED TO OLD RATE
 BASED ON 7/24/08 BILLS (SERVICE FROM JUN TO JULY)

		MONTHLY Rate													
		Current	Proposed												
5/8"															
WATER USAGE	2,800 GALLONS	\$ 12.80	\$ 14.03	\$ 15.97	\$ 17.09	\$ 19.22	\$ 23.00	\$ 26.79	\$ 29.72	\$ 32.65	\$ 35.58				
IRRIGATION	1,600	\$ 6.40	\$ 7.10	\$ 8.21	\$ 8.85	\$ 9.49	\$ 9.49	\$ 9.49	\$ 9.49	\$ 9.49	\$ 9.49				
	Total	\$ 19.20	\$ 21.14	\$ 24.18	\$ 25.94	\$ 28.71	\$ 32.50	\$ 36.29	\$ 39.22	\$ 42.15	\$ 45.08				
	difference		\$ 1.94	\$ 3.04	\$ 1.77	\$ 2.77	\$ 3.79	\$ 3.79	\$ 2.93	\$ 2.93	\$ 2.93				
5/8"															
WATER USAGE	5,400 GALLONS	\$ 22.00	\$ 24.38	\$ 28.11	\$ 30.28	\$ 33.44	\$ 37.23	\$ 41.02	\$ 43.95	\$ 46.88	\$ 49.81				
IRRIGATION	7,700	\$ 30.80	\$ 34.19	\$ 39.51	\$ 42.60	\$ 45.69	\$ 45.69	\$ 45.69	\$ 45.69	\$ 45.69	\$ 45.69				
	Total	\$ 52.80	\$ 58.56	\$ 67.62	\$ 72.88	\$ 79.14	\$ 82.93	\$ 86.72	\$ 89.65	\$ 92.58	\$ 95.51				
	difference		\$ 5.76	\$ 9.06	\$ 5.26	\$ 6.26	\$ 3.79	\$ 3.79	\$ 2.93	\$ 2.93	\$ 2.93				

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	B	C	D	E	F	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	
						2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
						Proposed Budget													
236																			
237																			
238																			
239	Sources of Cash:																		
240																			
241					Net Income (loss)	(\$61,141)	\$117,591	\$222,784	\$128,597	\$135,316	\$142,740	(\$29,077)	\$159,293	\$167,066	\$173,527	\$182,119	\$191,238	\$198,808	
242					Add depreciation	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	
243																			
244					Total	1,138,859	1,317,591	1,422,784	1,328,597	1,335,316	1,342,740	1,170,923	1,359,293	1,367,066	1,373,527	1,382,119	1,391,238	1,398,808	
245																			
246	Application of cash:																		
247																			
248					Purchase of fixed assets	(120,000)	(89,700)	(85,000)	(90,500)	(72,500)	(545,500)	(83,500)	(75,500)	(75,500)	(75,500)	(75,500)	(75,500)	(75,500)	
249																			
250					Change in assets and liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	
251																			
252					Bond Proceeds														
253																			
254					Principal payments of long-term debt	(1,016,316)	(1,282,996)	(1,319,996)	(1,340,156)	(1,381,156)	(1,412,156)	(1,373,156)	(1,409,156)	(1,440,156)	(1,482,156)	(1,518,156)	(1,470,156)	(61,156)	
255																			
256					Capital contributed by other sources	0	0	0	0	0	0	0	0	0	0	0	0	0	
257																			
258					Total	(1,136,316)	(1,372,696)	(1,404,996)	(1,430,656)	(1,453,656)	(1,957,656)	(1,456,656)	(1,484,656)	(1,515,656)	(1,557,656)	(1,593,656)	(1,545,656)	(136,656)	
259																			
260					Net increase (decrease) in cash	2,543	(55,105)	17,788	(102,059)	(118,340)	(614,916)	(285,733)	(125,363)	(148,590)	(184,129)	(211,537)	(154,418)	1,262,152	
261																			
262																			
263					Cash balance - January 1	851,133	853,676	798,571	816,359	714,300	595,960	(18,956)	(304,689)	(430,051)	(578,641)	(762,769)	(974,307)	(1,128,725)	
264																			
265					Cash balance - December 31														
266					Unrestricted Cash (membrane)	\$252,000	\$291,000	\$330,000	\$369,000	\$408,000	\$447,000	\$342,000	\$381,000	\$420,000	\$459,000	\$498,000	\$537,000	\$432,000	
267					Unrestricted Cash (Bond Reserve)	\$400,220	\$342,220	\$283,220	\$224,220	\$164,220	\$103,220	\$41,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0
268					Unrestricted Cash	\$201,456	\$165,351	\$203,139	\$121,080	\$23,740	(\$569,176)	(\$687,909)	(\$811,051)	(\$998,641)	(\$1,221,769)	(\$1,472,307)	(\$1,665,725)	(\$298,573)	

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CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

STATE OF MINNESOTA)
COUNTY OF NICOLLET
CITY OF SAINT PETER)

RESOLUTION ADOPTING THE 2015 WATER FUND BUDGET

BE RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the following budget for the Water Fund of the City of Saint Peter is adopted for 2015:

Water Fund	\$3,681,100
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Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April 2015.

Timothy Strand
Mayor

ATTEST:

Todd Prafke
City Administrator

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

**STATE OF MINNESOTA)
COUNTY OF NICOLLET
CITY OF SAINT PETER)**

RESOLUTION ADOPTING WATER RATES

WHEREAS, there is additional debt service payments to be made for the water treatment facility construction; and

WHEREAS, in 2013 there was a change in philosophy to calculate the base charges based on the capacity of flow for each size meter; and

WHEREAS, there is an increase in debt service of \$298,000 in 2015, and

WHEREAS, the additional revenues that are generated from the increased rates are necessary to operate with a positive fund balance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the following rate schedule be approved for the cost of services provided in the Water Fund:

WATER RATE SCHEDULE

Effective: June 1 (bill due 8/15/15), and December 1 (bill due 2/15/16)

MONTHLY BASE CHARGE - DOMESTIC SERVICES

<u>6/1/15</u>		
5/8" X 3/4"	Meters	\$16.24
1"	Meters	\$16.24
1 1/4"	Meters	\$29.00
1 1/2 "	Meters	\$46.98
2"	Meters	\$99.18
3"	Meters	\$277.24
4"	Meters	\$520.84
6"	Meters	\$883.92
8"	Meters	\$997.60
10"	Meters	\$1,028.92
12"	Meters	\$1,038.20

MONTHLY BASE CHARGE - IRRIGATION SERVICES

Residential 5/8 meters No charge

All meters except residential 5/8 meters:

<u>6/1/15</u>		
5/8" X 3/4"	Meters	\$16.24
1"	Meters	\$16.24
1 1/4"	Meters	\$29.00
1 1/2 "	Meters	\$46.98
2"	Meters	\$99.18
3"	Meters	\$277.24

1 1/4"	Meters	\$29.00
1 1/2 "	Meters	\$46.98
2"	Meters	\$99.18
3"	Meters	\$277.24
4"	Meters	\$520.84
6"	Meters	\$883.92
8"	Meters	\$997.60
10"	Meters	\$1,028.92
12"	Meters	\$1,038.20

FLOW RATE:

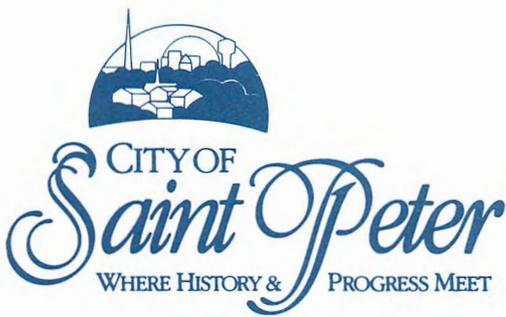
<u>COMMODITY OUTPUT CHARGE - 5/8" X 3/4" METERS</u> (all residential housing, and Commercial 5/8" x 3/4")	<u>6/1/15</u>	<u>12/1/15</u>
10,000 gallons and under used each month per 1,000 gallons	\$6.55	\$6.80
Over 10,000 Gallons used each month per 1,000 gallons	\$6.85	\$7.10
<u>COMMODITY OUTPUT CHARGE - 1" AND LARGER METERS</u>		
First 10,000 Gallons used each month per 1,000 gallons	\$6.55	\$6.80
Over 10,000 Gallons used each month per 1,000 gallons	\$6.85	\$7.10
<u>IRRIGATION OUTPUT CHARGE - All METERS</u> per 1,000 Gallons	\$6.90	\$7.25
<u>HYDRANT OUTPUT CHARGE</u> per 1,000 Gallons	\$7.50	\$7.85

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April 2015.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATED: April 22, 2015

FROM: Paula O'Connell
Finance Director

RE: Authorize solicitation of a 2015 Equipment Certificate.

ACTION/RECOMMENDATION

Authorize solicitation of bids for a \$245,000 Equipment Certificate.

BACKGROUND

Each year for the past 20+ years, the City has issued equipment certificates for the purchase of larger capital equipment with an expected life span of more than 5 years. The 2015 needs for equipment certificates have been discussed and the 2015 budgets were approved last December.

The General Fund equipment needs anticipated capital expenditures of this type totaling about \$298,303. Of that sum, about \$245,000 would be funded through Equipment Certificate debt, plus the use of \$53,303 in cash from the General Fund budgets (paid by this year's levy). This is the same list the Council saw as a part of the budgeting process that took place last December. The possible purchases from that original budget which are not prioritized in any particular order included the following:

\$ 72,000 2 Squad cars (\$64,000) with Equipment set up (\$8,000)
\$175,000 Asphalt paver
\$ 10,000 pool chemical controllers
??? Document management program software
\$ 14,400 Transit bus
\$271,400 TOTAL

Due to changes in our purchases that have been approved by Council and refining of the numbers through use of actual purchase amounts, the amount needed has been reduced to \$245,000 and looks like this.

\$ 62,650 2 Squad cars with Equipment set up
\$175,000 Asphalt paver
\$ 7,350 Pool chemical controllers
\$245,000 TOTAL

The first step in this process is for the Council to authorize solicitation of bids for the equipment certificate debt issuance. As with any purchases made by staff, equipment certificate purchasing would follow the process outlined in the City's Purchasing Policy. Next, maybe during multiple meetings, the Council would be asked to authorize bids on those items requiring bids based on the rules contained in the Purchasing Policy.

Six years ago, we tried to tighten the timelines in an effort to save interest costs. That means we are buying and have bought some of the items in the budget prior to issuance of the debt. Our goal here is to put the issuance of the debt as close to the need for cash as possible which in some instances, because of the relative size, may be after the purchase. Therefore, once we move forward and the Council establishes the budget, stopping mid-stream and not approving an issuance will cause difficulty. The alternative is to approve the budget and issuance and only purchase after acceptance of the bids for the debt issuance. That alternative costs more and can throw our timing off relative to State bid prices and anticipated increases in costs. This does not mean the Council has to make the budgeted purchase; however it does mean if we get bad bids or the Council changes their mind on the purchase, those dollars will be held to pay off the debt. We may lose some money because of transaction costs, but I would not anticipate the loss to be significant and could certainly be measured against any larger than anticipated bid.

We anticipate the total yearly debt to be about \$52,000 in each of the next five years based on last year's interest rate. Again, that amount was planned for as a part of the 2015 budget.

You should note that any purchases that require bidding will go through the normal bid process and any money left over from the certificate will be reported to the Council who would then designate use of that money. In most instances excess funds have used it to pay other equipment certificate debt. The Council should also note that only items included in the approved budget would be considered. If there is a need for modification to that list for any reason that modification must first be approved by the Council.

Upon approval of the resolution I will send bid forms to our local banks and notice of the request for bids will be included in the public notices section of the City's website. Bids will be analyzed and presented at a future City Council meeting for Council consideration to award the bid.

FISCAL IMPACT:

Depending on the interest rates at the time of the sale of these equipment certificates, the tax levy impact is anticipated to average \$52,000 per year for a five-year period. This levy will cover the purchase of the items listed above.

ALTERNATIVES/VARIATIONS:

Do not act: Staff will await recommendation from the City Council.

Negative votes: Alternative funding will need to be determined for previously approved equipment certificate purchases.

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.

PO/

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

STATE OF MINNESOTA
COUNTY OF NICOLLET
CITY OF SAINT PETER

RESOLUTION AUTHORIZING SOLICITATION OF BIDS FOR \$245,000 EQUIPMENT CERTIFICATE

WHEREAS, Minnesota Statutes, Section 412.301 authorizes the City Council of the City of Saint Peter, Minnesota (the "City"), to issue certificates of indebtedness within existing debt limits for the purpose of purchasing capital equipment; and

WHEREAS, said statute also provides that if the amount of the certificates to be issued to finance such equipment does not exceed 0.25% of the market value of the City, said certificates can be issued without publication or referendum; and

WHEREAS, the Council contemplates issuing General Obligation Equipment Certificates, Series 2015 (the "Certificates") for said purposes in an amount which does not exceed 0.25% of the market value of the City, excluding money and credits; and

WHEREAS, the City occasionally purchases equipment which is best funded through the issuance of equipment certificates.

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

1. Necessity to Issue Certificates. That it is necessary, and expedient for the City Council to issue the Certificates, pursuant to Minnesota Statutes, Section 412.301 in the amount of \$245,000 for the purpose of financing the acquisition of certain capital equipment for the City.
2. Certificates NOT in Excess of 0.25% of Market Value of City. The amount of said Certificates is hereby determined and declared to be less than 0.25% of the market value of the City, excluding money and credits.
3. The Director of Finance is hereby instructed to solicit bids on a competitive basis for a 2015 Equipment Certificate of Indebtedness in the amount of \$245,000 to purchase the following equipment:

4. <u>Equipment</u>	<u>Amount</u>
a. Squad cars with Equipment set up	\$ 62,650
b. Asphalt paver	\$175,000
c. Pool chemical controllers	<u>\$ 7,350</u>
Total	\$245,000

5. The Equipment Certificate shall be repaid over a period not to exceed five (5) years.

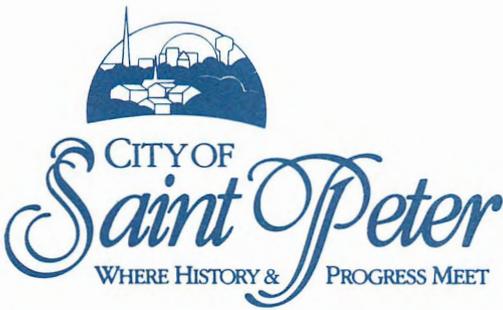
Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April, 2015.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator

66



Memorandum

TO: Todd Prafke
City Administrator

DATE: 04/24/15

FROM: Russ Wille
Community Development Director

RE: Chelsie Salonek (Generations Boutique) – Revolving Loan Request

ACTION/RECOMMENDATION

Adopt the attached resolution approving a \$7,000 revolving loan to Chelsie Salonek to partially finance the costs of opening Generations Boutique at 326 South Minnesota Avenue.

BACKGROUND

Ms. Chelsie Salonek has made application seeking \$5,000 from the revolving loan fund to partially finance the costs of opening Generations Boutique at 326 South Minnesota Avenue.

Over the last four years, Ms. Salonek has worked in retail sales. She has worked for florists, boutiques and athletic wear retailers. Most recently, Ms Salonek has managed the Women's Athletic wear department at Scheel's All Sport in the River Hills Mall (Mankato).

At this time she would like to open her own women's boutique in the former MacKenzie/Gustafson law office at 326 South Minnesota Avenue.

To open the store, Ms Salonek has identified start-up costs of \$18,000.00. She is requesting a \$7,000 loan from the EDA. Nicollet County Bank has consented to providing a \$9,000 loan and Ms. Salonek is able to contribute the remaining \$2,000 while retaining another \$2,000 to fund operations. The source and use of funds is identified as follows:

	<u>FNB</u>	<u>CITY/EDA</u>	<u>APPLICANT</u>	
Point of Sale	\$0	\$1,000	\$0	\$1,000
Racking/Shelves	\$0	\$3,000	\$0	\$3,000
Remodel	\$0	\$800	\$0	\$800
Signage	\$0	\$1,000	\$0	\$1,000
Legal	\$0	\$200	\$0	\$200
Furnishings/Supplies	\$2,000	\$1,000	\$0	\$3,000
Inventory/Merchandise	\$7,000	\$0	\$0	\$7,000
Misc.	\$0	\$0	\$2,000	\$2,000
	<u>\$9,000</u>	<u>\$7,000</u>	<u>\$2,000</u>	<u>\$18,000</u>

To collateralize their prospective note, First National Bank would require a first security position on the fixtures, furnishings, equipment (FFE), and inventory and accounts receivable of the boutique. The EDA would be offered a second security position.

The value of the second position on the FFE, inventory and accounts receivable is negligible. As such, any EDA note would be considered to be essentially unsecured. Given the modest request, I would suggest that the loan is a risk that would be tolerable and acceptable.

The EDA has recommended that the City Council approve a \$7,000 revolving loan. The note would be charged interest at a rate of 3%. The note would be amortized on a straight 5 year schedule.

FISCAL IMPACT:

A loan of \$7,000 would be provided from the established account(s). The note would be repaid in full after 5 years.

ALTERNATIVES/VARIATIONS:

Do not act: Ms. Salonek will be notified of the Council's failure to act. Staff will wait for additional direction.

Negative Votes: Ms. Salonek will be notified of the Council's denial.

Modification of the Resolution: This is always an option of the Council. However, any modification would need to be accepted by Ms. Salonek.

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

RJW

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)

RESOLUTION APPROVING \$7,000 REVOLVING LOAN TO CHELSIE SALONEK TO PARTIALLY FINANCE THE START-UP COSTS OF GENERATIONS BOUTIQUE AT 326 SOUTH MINNESOTA AVENUE.

WHEREAS, the Economic Development Authority (EDA) administers the Revolving Loan Fund; and

WHEREAS, the EDA was granted power to administer the loan program and to make recommendations to the City Council for disbursement of new loans; and

WHEREAS, guidelines have been established which govern and determine the criteria of the revolving loan program; and

WHEREAS, Chelsie Salonek, dba Generations Boutique, has submitted an application to partially finance the start-up of a retail operation to be located at 326 South Minnesota Avenue, Saint Peter; and

WHEREAS, the project is an eligible activity of the revolving loan fund and meets the criteria of the loan program; and

WHEREAS, the EDA has reviewed the application and has made a recommendation to approve a \$7,000 revolving loan to Chelsie Salonek as per the terms contained in this resolution.

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

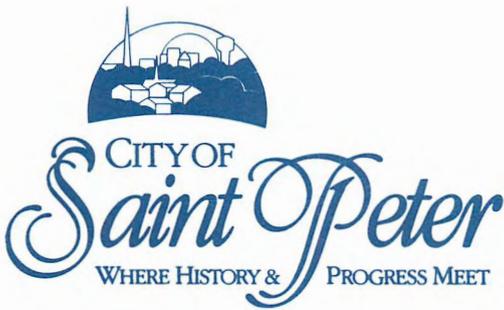
1. A loan of \$7,000 is approved for Chelsie Salonek (dba Generations Boutique) to partially finance the opening of a retail operation to be located at 326 South Minnesota Avenue, Saint Peter.
2. The annual interest on the loan shall be fixed for the duration of the loan at 3%.
3. The loan shall be amortized on a five (5) year schedule.
4. The loan shall be secured by a security agreement on the fixtures, furnishings, equipment, inventory and accounts receivable of Generations Boutique. Such security may be subordinate to that held by First National Bank.
5. The loan shall become immediately due should the operations of Generations Boutique be partially or wholly moved outside of the City of Saint Peter.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April, 2015.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 4/23/2015

FROM: Todd Prafke
City Administrator

RE: Solar Initiative/Ameresco

ACTION/RECOMMENDATION

Approve the attached resolution directing the City Administrator to enter into an agreement with Ameresco to complete a preliminary feasibility analysis for City facilities and other City wide assets.

BACKGROUND

At your last workshop the City Council discussed energy issues and planning for the future of changes in energy needs and production. As a part of that discussion, which was one of many, the Council discussed goals for any effort and provided some additional definition of the intent for any future activity that supports alternative energy, including solar power, either on a system-wide or distributed basis.

The solar goals that were discussed include:

- No financial subsidies over the long term
- Ease City operations
- Reduce costs to customer and the City
- Positively impact cost of energy supply
- Community based opportunity
- Sustainability

While I am not asking the Council to adopt those goals at this meeting, the goals represent a very good place to start our thinking and can be used as a way to evaluate future opportunities.

The recommendation that is part of this action is to enter into an agreement with Ameresco to complete a preliminary feasibility analysis of our facilities for energy saving opportunities and opportunities for solar photo voltaic systems. It is important to note that, based on the goals above, this analysis is not just about saving energy, but is also about saving money in the long run. Additionally, due to your energy supply contract, there are organizational and legal issues that will need to be addressed if the generation of solar power is in our future. We have a team to make that type of review as well.

There are a number of groups such as Ameresco that can do this type of work. We have not solicited proposals, primarily due to our realization that any project is still very amorphous and very challenging to clearly define, so the preliminary analysis with a company with a strong track record of sustainable projects in our region, expertise that is pretty close by, and which many of you have met before, seems like a good fit.

Your previous discussion with Ameresco focused on LED street lights and energy savings. You may note that while we did not initiate a project, (we chose to do LED streetlights through attrition and project work), the opportunity for use of solar has evolved substantially and is likely to evolve into the near future. While this may not result in a solar project and we need to weigh any project on its merits, it will certainly make us smarter about how this works into your total operation, what impact it can have on the community, and the financial implications for your customers and the City.

One final note on the cost of development of solar generation....much of the data we see still clearly indicates that solar energy is not financially self-supporting and the cost of development still means costs per Kwh that are in excess of what we would purchase power for in the open market. But the cost continues to change dramatically and even without the tax incentives that are currently in place, (but soon to end unless reauthorized), we see significant reductions in the cost. Again, this may not result in a project in the near future, but it certainly puts us in a place where we can better evaluate opportunities as the dynamic in the market place and regulations continue to evolve.

FISCAL IMPACT:

There is no direct fiscal impact to this action; however, the data you receive and results of the work may lead to action on the part of the Council. We will expend time and resources on helping Ameresco complete this preliminary analysis.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will wait for further direction. Time is not of the essence here and whether you do this today or a year from now may not have an impact on your future activities. It does seem like an appropriate time however to review and discuss this issue. You may wish to solicit other vendors to do this analysis, but I am not sure exactly how a Request for Proposals (RFP) might look at this point.

Negative vote. Staff will wait for further direction.

Modification of the resolution. This is always an option of the Council.

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

TP/bal



Letter of Authorization

The City of St Peter is authorizing Ameresco to complete a preliminary feasibility analysis for it facilities and other city-wide assets. The analysis will focus on finding energy and other cost reduction opportunities including the installation of a solar photo voltaic system(s).

Both Ameresco and the City of St Peter understand that:

1. Ameresco shall dedicate its resources to develop a Preliminary Feasibility Analysis of a Potential Project for the City.
2. The City will work with Ameresco to complete the preliminary feasibility analysis and will provide the necessary resources to support Ameresco. The City will also provide historical utility and operating expenses as requested to complete the assessment.
3. The purpose of the preliminary analysis is to establish the foundation for completing a Potential Project under an energy savings performance contract. An Energy Efficiency project is a negotiated agreement as defined in Minnesota Statute 471.345
4. Upon completion of the feasibility analysis, a meeting will be held to discuss and present the preliminary findings and to define the next steps, if any, in the development of the potential project.
5. Ameresco will not charge a fee for this preliminary analysis and will complete the preliminary analysis and report within 30-60 days or as agreed upon.

The below approval authorizes Ameresco to begin the preliminary facility assessment.

City of St Peter:

Authorized Signature

Name: _____

Title: _____

Date: _____

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

**STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

**RESOLUTION AUTHORIZING EXECUTION OF FEASIBILITY ANALYSIS AGREEMENT
WITH AMERESCO**

WHEREAS, the City Council has previously discussed energy issues and planning for the future of changes in energy needs and production; and

WHEREAS, staff has been in discussions with Ameresco regarding completion of a feasibility analysis of the City's facilities and city-wide assets; and

WHEREAS, completion of the feasibility study does not commit the City to proceeding with an alternative energy project; and

WHEREAS, completion of the analysis would provide a foundation for completion of a potential energy savings project.

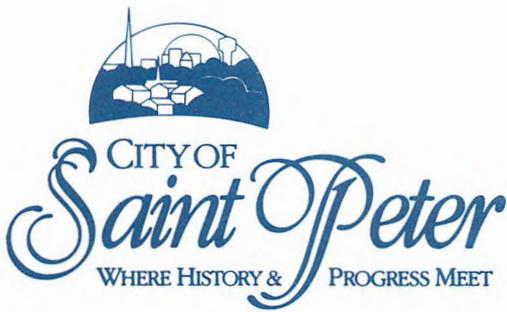
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: staff is directed to proceed with execution of a "Letter of Authorization" with Ameresco for completion of a preliminary feasibility analysis at no cost to the City.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April, 2015.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATE: 4/08/2015

FROM: Pete Moulton
Director of Public Works

RE: Electric Distribution System Conduit Installation Blanket Purchase Orders

ACTION/RECOMMENDATION

Authorize issuance of blanket purchase orders to Jordan Drilling for \$36,350 and Geldner Underground Inc. for \$13,500.

BACKGROUND

The Electric crew installs new underground wiring and replacement wiring throughout the City every summer. There are numerous locations where installing conduit (interduct) by boring is necessary to avoid disturbing surface items such as streets and alleys or private property. Installing electric distribution wire in conduit is also cost-effective where we anticipate future surface items to be installed. It is also cost-effective to install conduit by boring rather than open cutting and restoring surface structures.

Areas where directional boring and plowing is anticipated to occur this year include:

- 1) Minnesota Security Hospital – new primary
- 2) Lloyd Lane and Winona Street – 1000'
- 3) Ames Street to Swift Street on Dodd Road – 750'
- 4) Church Street and Allison Street to Greenhill – 1000'
- 5) Dodd Road behind North Riggs Road – 500'
- 6) Easement south of Hendrickson Organ – 100'
- 7) Armory North 5th Street to transformer – 500'
- 8) Armory Transformer to Swift Street – 500' (complete loop)

The City does not own a boring machine; therefore we contract work each year. Requests for formal written proposals were distributed with six (6) contractors being directly contacted to provide proposals; however only two responded as follows:

2" boring with City supplied interduct 3,000'

<i>Jordan Drilling</i>	\$5.95 per ft. = \$17,850
Geldner Underground Inc.	\$6.00 per ft. = \$18,000

2 – 2" boring with City supplied interduct 2,000'

<i>Jordan Drilling</i>	\$6.50 per ft. = \$13,000
Geldner Underground Inc.	\$6.50 per ft. = \$13,000

4" boring with City supplied interduct 1,000'
Geldner Construction Inc. \$7.00 per ft. = \$7,000
 Jordan Drilling \$7.25 per ft. = \$7,250

4" plowing with City supplied interduct 2,000'
Jordan Drilling \$3.50 per ft. = \$7,000
 Geldner Underground Inc. \$7.00 per ft. = \$14,000

2 – 4" plowing with City supplied interduct 1,000'
Jordan Drilling \$5.00 per ft. = \$5,000
 Geldner Underground Inc. \$10.00 per ft. = \$10,000

Summary of Contractors:

Jordan Drilling		Geldner Underground Inc.	
2" Boring	\$17,850	2 – 2" Boring	\$6,500
2 – 2" Boring	\$ 6,500	4" Boring	\$7,000
4" Plowing	\$ 7,000		
2 – 4" Plowing	\$ 5,000		
Total	\$36,350		\$13,500

Staff recommends that Jordan Drilling be authorized to complete up to \$36,350 worth of planned work and Geldner Underground Inc. up to \$13,500.

FISCAL IMPACT:

Funds are allocated for this work in the 2015 Electric Utility Fund Budget.

ALTERNATIVES/VARIATIONS:

Do not act: No further action will be taken without additional direction from the Council.
 Negative vote: No further work will be done without additional action from the City Council.
 Modification of the Resolution: This is always an option of the City Council.

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

PM/KK/amg

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2015 -

**STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

**RESOLUTION AUTHORIZING GELDNER CONSTRUCTION AND JORDAN DRILLING TO
INSTALL ELECTRIC DISTRIBUTION SYSTEM CONDUIT**

WHEREAS, the City works to provide a reliable source of electricity for all of the City's electric customers; and

WHEREAS, the City planned for directional boring and plowing in eight different areas around the community including the Minnesota Security Hospital, Lloyd Lane and Winona Street; Ames Street to Swift Street on Dodd Road; Church Street and Allison Street to Greenhill; Dodd Road behind North Riggs Road; an easement south of Hendrickson Organ; from the National Guard Armory North 5th Street to transformer; and the Armory transformer to Swift Street; and

WHEREAS, the City does not own a boring machine and needs to contract this work each year; and

WHEREAS, the City contacted six contractors to request formal proposals for the work; and

WHEREAS, proposals were received from Jordan Drilling (\$36,350 for a portion of the work) and Geldner Underground, Inc. (\$13,500 for the remaining portion of the work); and

WHEREAS, the purchase of materials is within the 2015 electric budget.

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

1. The formal proposals from Jordan Drilling and Geldner Underground, Inc. are hereby accepted amounts up to \$36,350 for Jordan Drilling and up to \$13,500 for Geldner Underground.
2. Funding for the work shall be from the Electric Utility Fund.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 27th day of April, 2015.

Charles Zieman
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator