

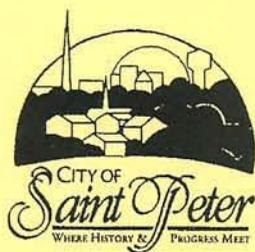
**CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING**

Regular City Council Meeting of Monday, December 8, 2014
Community Center Governors' Room - 7:00 p.m. - 600 South Fifth Street

- 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
 - 1. Public Works Director Retirement Presentation
 - 2. Others
- V. **APPROVAL OF CONSENT AGENDA ITEMS**
- VI. **UNFINISHED BUSINESS**

None scheduled.
- VII. **NEW BUSINESS**
 - A. 2014 Tax Levy/Payable 2015
 - B. 2015 General Fund Budgets
 - C. 2015 Electric Fund Budget
 - D. 2015 Non-Union/Non-Contract Employee Wages
 - E. 2015 Union Contracts
 - 1. Police
 - 2. Communications Technician
 - 3. Parks
 - 4. Streets
 - 5. Utilities
 - F. Nicollet County Library Services Contract
 - G. Joint Park/Campus Memorandum of Understanding
 - H. Council Out Of State Travel Request
 - I. 2015 Equipment Certificate Purchase: Paver
 - J. Water Plant Chemicals Purchase
- VIII. **REPORTS**
 - A. **MAYOR**
 - B. **CITY ADMINISTRATOR**
 - 1. City Office Closures
 - 2. Others
- IX. **ADJOURNMENT**

Office of the City Administrator
Todd Prafke



I. CALL TO ORDER

Mayor pro tem Brand 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 November 24, 2014 regular 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**

1. **PUBLIC WORKS DIRECTOR RETIREMENT RECOGNITION**

Mayor pro tem Brand will recognize retiring Public Works Director Giesking at this time.

2. **OTHERS**

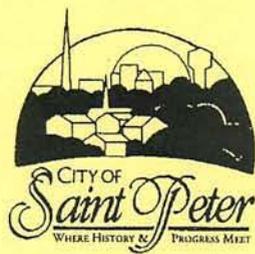
Members of the audience wishing to address the Council concerning items not on the agenda may do so at this time.

V. APPROVAL OF CONSENT AGENDA ITEMS

The consent agenda, including approval of the schedule of disbursements for November 6, 2014 through December 3, 2014, is attached. Please see the attached staff reports and RESOLUTION.

VI. UNFINISHED BUSINESS

None scheduled.



VII. NEW BUSINESS

A. ADOPTION OF A RESOLUTION ADOPTING 2014 TAX LEVY PAYABLE IN 2015

Staff recommends adoption of the 2014 tax levy (payable 2015), which has been reduced from the preliminary levy amount adopted in September, 2014. Please see the attached staff report and RESOLUTION.

B. ADOPTION OF A RESOLUTION ADOPTING GENERAL FUND AND SPECIAL REVENUE FUND BUDGETS FOR 2015

Following adoption of the tax levy, staff recommends adoption of the 2015 general fund and special revenue fund budgets. Please see the attached staff report and RESOLUTION.

C. ADOPTION OF A RESOLUTION ADOPTING 2015 ELECTRIC FUND BUDGET

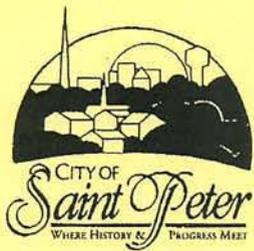
Staff recommends approval of the 2015 budget for the Electric Fund. Please see the attached staff report and RESOLUTION.

D. ADOPTION OF A RESOLUTION ADOPTING NON-UNION/NON-CONTRACT EMPLOYEES WAGES FOR 2015

Staff recommends approval of a two percent (2%) wage increase for all non-union, non-contract employees effective January 1, 2015. Probationary employees would receive the wage increase at the end of their probationary period. Please see the attached staff report and RESOLUTION.

E. ADOPTION OF RESOLUTIONS APPROVING 2015 UNION CONTRACTS FOR POLICE, COMMUNICATIONS TECHNICIANS, PARKS, STREETS, AND UTILITIES UNIONS

Following a period of negotiations, staff recommends approval of the 2015 union contracts with the LELS Locals 241 (Police), LELS Local 242 (Communications Technicians), and International Union of Operating Engineers Local No. 70 (Parks, Streets and Utilities). Separate resolutions have been prepared for each action. Please see the attached staff reports and RESOLUTIONS.



F. ADOPTION OF A RESOLUTION APPROVING EXECUTION OF NICOLLET COUNTY LIBRARY SERVICES CONTRACT

Staff recommends approval for execution of the annual library services contract with Nicollet County. The payment received from the County is for services provided at the City's library to rural County residents. Please see the attached staff report and RESOLUTION.

G. ADOPTION OF A RESOLUTION DIRECTING STAFF ACTION RELATED TO CONTINUED DISCUSSION ON JOINT PARK/CAMPUS

Staff recommends the Council take action related to continued discussion on a joint park/campus with School District #508. Please see the attached staff report and RESOLUTION.

H. ADOPTION OF A RESOLUTION APPROVING COUNCIL OUT OF STATE TRAVEL REQUEST

Councilmembers Carlin and Parras wish to travel to Washington D.C. in March, 2015 as part of the American Public Power Association legislative rally. Such travel requires Council approval by resolution. Please see the attached staff report and RESOLUTION.

I. ADOPTION OF A RESOLUTION APPROVING 2015 EQUIPMENT CERTIFICATE PURCHASE: PAVER

Staff recommends purchase of a new paver and trailer to be funded by the 2015 equipment certificate. Please see the attached staff report and RESOLUTION.

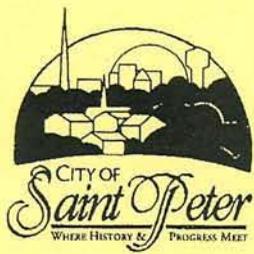
J. ADOPTION OF A RESOLUTION APPROVING PURCHASE OF CHEMICALS FOR WATER PLANT

Proposals were received for purchase of chemicals for the water plant for 2015. One of the purchases exceeds \$30,000 and as provided for under the City's purchasing policy, must be considered as a separate agenda item. Staff recommends approval. 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

1. CITY OFFICE CLOSURES

A report will be provided at this time on upcoming City office closures related to the Christmas and New Year's holidays.

2. OTHERS

Any further 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
NOVEMBER 24, 2014**

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 November 24, 2014.

A quorum present, Mayor Strand called the meeting to order at 7:01 p.m. The following members were present: Councilmembers Zieman, Kvamme, Brand, Parras, Grams and Mayor Strand. Absent was Councilmember Carlin. The following officials were present: City Administrator Prafke, City Attorney Brandt, and City Engineers Domras and Loose.

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

Public Hearing: Refunding Bonds – Ecumen Second Century Project - Mayor Strand opened the public hearing on the proposed issuance of refunding bonds for the Ecumen Second Century Project at 7:04 p.m.

Councilmember Carlin arrived at 7:05 p.m.

City Administrator Prafke reported that the request was for reissuance of refunding bonds for a series of housing units (including The Wilds of Sand Prairie in Saint Peter) operated by Ecumen Second Century for which the City was a host community. Prafke noted the reissuance was to take advantage of lower interest rates and there would be no cost to the City for the action and no legal or moral obligation for repayment of the bonds by the City. There being no further speakers, the hearing was declared closed at 7:06 p.m.

Public Hearing: Assessment of Unpaid Utility Charges - Mayor Strand opened the public hearing on the proposed assessment of unpaid utility charges at 7:07 p.m. Finance Director O'Connell reviewed the unpaid bills to be assessed which totaled \$6,920.36 out of \$17,971.36 in unpaid charges, and indicated the assessments would be for a one year period at 1.11% interest. Chad Salwedel of 44180 Willow Road, addressed the Council to indicate he had been told by Finance staff that he would not be liable for the unpaid bills of his tenant and objected to his being assessed for those charges now. City Administrator Prafke indicated that although mistakes might be made on occasion, the staff in the Finance Department has many years of experience with assessments and the correct information should have been relayed. There being no further speakers, the hearing was declared closed at 7:12 p.m.

Public Hearing: Assessment of Unpaid Miscellaneous Charges - Mayor Strand opened the public hearing on the proposed assessment of unpaid miscellaneous charges at 7:12 p.m. Finance Director O'Connell reviewed the proposed assessments for unpaid Community Center rental fees, preschool express charges; lawn mowing and snow removal charges; nuisance cleanup; and two properties for which water and sewer improvements were made at the request of the property owner. O'Connell noted the assessments would be at 1.11% interest and would range from 1-10 years in length as provided for in the assessment policy. There being no further speakers, the hearing was declared closed at 7:15 p.m.

Approval of Minutes – A motion was made by Brand, seconded by Grams, to approve the minutes of the November 10, 2014 regular City Council meeting. With all in favor, the motion carried and the minutes were approved. A complete copy of the minutes of the November 10,

2014 regular City Council meeting is contained in the City Administrator's book entitled Council Proceedings 19.

Visitors- Pete Rheaume, 419 West Jefferson Avenue, addressed the Council to complain about City staff having their "hands tied" when dealing with the actions of some minority individuals he felt were being verbally abusive to Transit staff; minority children being disruptive at the library; and a situation where he felt his family had their privacy rights violated in the Hospital. Rheaume questioned why the City "ties the hands of staff" in dealing with issues with minorities and expressed his belief that it wasn't fair to him as a citizen to have to deal with minorities in those situations. Rheaume also stated he felt a situation where a minority person entered the Hospital room occupied by his wife was a "human rights situation" and questioned why the Hospital Commission was allowed to turn down requests from staff for a security system. Rheaume also stated his belief that there was "reverse discrimination" in St. Peter.

Consent Agenda – In motion by Kvamme, seconded by Brand, Resolution No. 2014-166 entitled "Resolution Approving Consent Agenda" was introduced. A complete copy of Resolution No. 2014-166 is contained in the City Administrator's book entitled Council Resolutions 20.

Assessment of Unpaid Utility Charges – Finance Director O'Connell recommended approval of the assessment of unpaid utility charges in the amount of \$6,929.36 at an interest rate of 1.11% for one year. O'Connell also recommended writing off \$11,042 as bad debt. In motion by Kvamme, seconded by Zieman, Resolution No. 2014-167 entitled "Resolution Adopting Assessment For Unpaid Charges For Municipal Utilities And The Writing Off Of Bad Debt Utility Charges", was introduced. Councilmember Parras expressed concerns about the allegations that incorrect information had been provided to Mr. Salwedel by Finance Department staff. City Administrator Prafke reiterated the staff in the Finance Department was well versed in the assessment process and if a mistake had been made and the property owner was given incorrect information, it would be unusual. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-167 is contained in the City Administrator's book entitled Council Resolutions 20.

Assessment of Unpaid Miscellaneous Charges – Finance Director O'Connell recommended approval of the assessment of unpaid miscellaneous charges at 1.11% interest for a period of 1-10 years as provided in the assessment policy. O'Connell also recommended that \$2,378.81 in bad debt be written off. O'Connell also noted that even though some charges were being "written off", the collection agency would continue to try and collect the debt. In motion by Carlin, seconded by Grams, Resolution No. 2014-168 entitled "Resolution Adopting Assessments Of Unpaid Miscellaneous Charges And Write Off Of Uncollectible Charges", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-168 is contained in the City Administrator's book entitled Council Resolutions 20.

2013 North Third Street Improvement Project Final Acceptance – Water Utilities Superintendent Moulton requested final acceptance of the 2013 North Third Street Improvement Project and asked for approval of payment to the contractor in the final amount of \$60,778.30. Moulton noted the project included \$34,819 in overruns due to topsoil needing to be hauled in, additional sod; additional bituminous needed to correct utility improvements, and tree removal. Moulton also reported the final project cost was \$906,576.17 and the project would be funded from the Tax Increment Financing district. In motion by Grams, seconded by Carlin, Resolution No. 2014-169 entitled "Resolution Accepting 2013 North Third Street Project As Completed And Authorizing Final Payment To Douglas-Kerr", was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-169 is contained in the City Administrator's book entitled Council Resolutions 20.

2014 Housing Study Update Acceptance – City Administrator Prafke recommended acceptance of the 2014 housing study update. In motion by Zieman, seconded by Brand, Resolution No. 2014-170 entitled “Resolution Accepting The 2014 Saint Peter Housing Study Update”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-170 is contained in the City Administrator’s book entitled Council Resolutions 20.

Housing/Health Care Revenue Refunding Bonds – City Administrator Prafke recommended the City provide host approval for the issuance of refunding bonds for the Ecumen-Second Century project. Prafke noted that the City serves as a host community for the issuance because of The Wilds of Sand Prairie facility, but the City has no moral or legal obligation for repayment of the bonds. In motion by Kvamme, seconded by Brand, Resolution No. 2014-171 entitled “Resolution Giving Host Approval To The Issuance Of Housing And Health Care Revenue Refunding Bonds Under Minnesota Statutes, Chapter 462C, Sections 469.152 Through 469.1655 And Section 471.656 (Ecumen-Second Century And Owatonna Senior Living Project)”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-171 is contained in the City Administrator’s book entitled Council Resolutions 20.

Old Minnesota/Union Project MSA Funding – Water Utilities Superintendent Moulton requested authorization for execution of a supplemental agreement with the Minnesota Department of Transportation to allow utilization for Municipal State Aid (MSA) funds for a portion of the Old Minnesota Avenue/West St. Julien project. In motion by Kvamme, seconded by Zieman, Resolution No. 2014-172 entitled “Resolution Supporting Approval Of Supplemental Agreement With Minnesota Department Of Transportation (MnDOT) Project #14105586 Along Old Minnesota Avenue And West St. Julien”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-172 is contained in the City Administrator’s book entitled Council Resolutions 20.

Vector Truck Purchase – Water Utilities Superintendent Moulton requested approval for the purchase of a truck chassis and sewer cleaning unit for a total cost of \$340,665.63. Moulton provided information about the type of work the equipment is utilized for and staff’s review of available units. Moulton recommended the two pieces be purchased under the state bid from Ness Truck and Equipment and MacQueen Equipment and indicated the vehicle will be assembled in Illinois. In motion by Carlin, seconded by Grams, Resolution No. 2014-173 entitled “Resolution Authorizing Purchase Of Truck Chassis And Sewer Cleaning Unit To Replace Existing Vector Truck”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-173 is contained in the City Administrator’s book entitled Council Resolutions 20.

Polar Bear Plunge Request – City Administrator Prafke recommended approval of a request from Nicollet County Sheriff Lange to utilize Hallett’s Pond for the February 7, 2015 Special Olympics Polar Bear Plunge event. Prafke noted the Special Olympics would provide a certificate of insurance in the amount of \$1,500,000 for the event. In motion by Carlin, seconded by Brand, Resolution No. 2014-174 entitled “Resolution Authorizing Use Of Hallett’s Pond For Polar Bear Plunge”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-174 is contained in the City Administrator’s book entitled Council Resolutions 20.

2015 Municipal Fee Schedule – City Administrator Prafke recommended adoption of the 2015 fee schedule which would take effect on January 1, 2015 and which contained modifications to swimming pool fees, as well as language about transit fees, and Community Center room fees. In motion by Kvamme, seconded by Zieman, Resolution No. 2014-175 entitled “Resolution

Approving 2015 Municipal Fee Schedule”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-175 is contained in the City Administrator’s book entitled Council Resolutions 20.

Unbudgeted Purchase: Playground Equipment – Recreation and Leisure Services Department Director Timmerman presented a recommendation for the unbudgeted purchase of playground equipment for Ramsey Park to be installed in early spring. Timmerman reported the park abuts the Minnesota Valley Education District building and staff worked with School District #508 officials to select equipment that is usable by children with cognitive, physical, social and psychological limitations. Timmerman stated the \$25,249 cost would be funded by City (\$10,000) and School District (\$12,000) funds and an \$8,000 grant from the Carl and Verna Schmidt Foundation. Timmerman also reported the ongoing maintenance costs would be shared with School District #508. In motion by Kvamme, seconded by Grams, Resolution No. 2014-176 entitled “Resolution Approving Unbudgeted Purchase Of Playground Equipment For Ramsey Park”, was introduced. Upon roll call, with all in favor, the Resolution was declared passed and adopted. A complete copy of Resolution No. 2014-176 is contained in the City Administrator’s book entitled Council Resolutions 20.

Reports

Mayor’s Report – Mayor Strand reported on his recent activities which include attending a Region Nine Development Commission board meeting; the fall conference for the Coalition of Greater Minnesota Cities; and a quarterly Regional Treatment Center liaison meeting.

City Office Closures – City Administrator Prafke reported all non-emergency City offices would be closed for the Thanksgiving holiday on November 27-28th and offices would be closed on December 2nd from noon-3:30 p.m. for staff training.

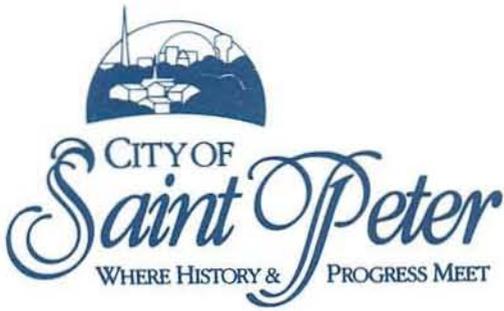
Councilmember Zieman questioned whether any applicants had taken advantage of the City’s program to fund a portion of licensing and inspection fees for new home based day cares. Timmerman responded and indicated that 2-3 contacts have been made with individuals who are interested and the Recreation and Leisure Services Department and the School’s Community Education Office were developing a class on how to start a home based day care.

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 8:41 p.m.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATE: December 1, 2014

FROM: Lew Giesking
Public Works Director

RE: Antiscalant Purchase

ACTION:

It is recommended the City Council authorize Professional Water Technologies of Vista, California to furnish and deliver antiscalant to be used in the water treatment process in the amount of \$20,000.

BACKGROUND:

Staff solicited written proposals for purchase and delivery of antiscalant for its water treatment process. Antiscalant is a sequestering agent which keeps minerals dissolved in the reverse osmosis process that will prevent the membranes from plugging and causing permanent damage.

The quote tabulation is as follows.

Chemical	Prof. Water Tech.	C. Emery Nelson	Cons. Water Solutions
Antiscalant	\$1.00 per pound	didn't respond	\$1.40 per pound

Based on the 2014 water pumping records, staff estimates the chemical usage for 2015 to be:

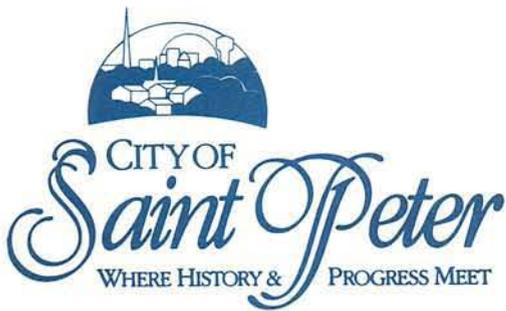
Chemical	2014 Usage	2015 Price	Estimate Cost
Antiscalant	20,000 pounds	\$1.00 per pound	\$20,000

The 2015 quoted price of \$1.05 per pound is \$.05 less than the 2014 price. Included in the price quotation from Professional Water Technologies is four service visits, assistance with a clean in place (CIP) procedure, review of operator log sheets, water sampling, and troubleshooting.

Chemical Cost	\$20,000
Freight	\$ 0
Tax	Exempt
Total Cost	\$20,000

ATT. Purchase order #4339
Bid Submittals

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Memorandum

TO: Todd Prafke
City Administrator

DATE: 11/18/14

FROM: Cindy Moulton
Administrative Secretary

RE: Renewal License Applications

ACTION/RECOMMENDATION

Provide approval of several renewal license applications.

BACKGROUND

The City has received several license applications for City Council approval.

Several businesses have submitted license applications in order to renew their Soft Drink, Tobacco, Amusement/Mechanical Device, Juke Box, Show, and Dance, as well as Solid Waste Hauler permits and Taxi Cab. The licensing period will be January 1, 2015 – December 31, 2015.

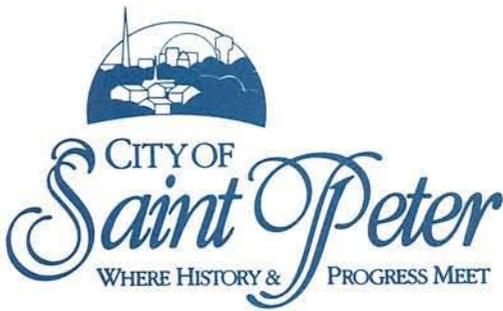
The City has received four LG220 Application for Exempt Permits, The Rocky Mt. Elks Foundation has submitted an application to hold raffles on February 21, 2015 at 400 Union Street. The Saint Peter Ambassadors have submitted two application in order to hold raffles at 229 Nassau on February 7, 2015 and March 17, 2015.

The Church of Saint Peter will be holding their annual fundraiser on March 28, 2015 at 400 Union Street. They have applied for the above stated raffle license and the following Temporary Licenses; Soft Drink and On Sale Liquor.

Please place these items on the December 8, 2015 City Council consent agenda.

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

CKM



Memorandum

TO: Todd Prafke
City Administrator

DATE: 12/03/14

FROM: Paula O'Connell
Director of Finance/Treasurer

RE: Surplus Property declaration

ACTION/RECOMMENDATION

Declare a three-station folder/insertor, a burster machine, and a decollator machine as surplus property.

BACKGROUND

In 1996 the Finance Department purchased a three-station inserter/folder machine to compile utility bills. We have not used this machine for years since we have outsourced the mailing to a third party vendor. The other two machines are also obsolete for us as we have moved away from continuous and multi copy forms.

I contacted a company in the mailing business and they were not interested in the items, so we will sell them on the state surplus bid auction.

There is no cost to this action. Any revenues derived from sale of the surplus property will be returned to the General Fund.

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

PO



*Saint Peter Volunteer Fire Department
227 West Mulberry Street, Saint Peter, Minnesota 56082
507-934-1120
Office of the Fire Chief- Ronald D. Quade*

November 21, 2014

Honorable Mayor Strand,
City of St. Peter Council Members,
Mr. Todd Prafke
227 S. Front Street
St. Peter, Minnesota 56082

Dear Mr. Mayor, City Council members and Mr. Todd Prafke:

In accordance with the By Laws of the Saint Peter Fire Department applications were posted for the officer positions of Captain 11 and Lieutenant 1 for the year 2015. These offices are the required officer positions due for hiring according to the before mentioned by laws. The following offices begin on Jan 1, 2015 for three year terms.

It is my recommendation and that of the board of fire officers not involved in hiring for year 2015 that the following members be hired for the following officer positions for the time frames stated and in accordance with the By Laws of the Saint Peter Fire Department. These applicants are the existing officer held positions, were the only applications received for each position, and we request a white ballot recommendation be set for both positions to continue for the next three year period:

- 1) Mr. Matt Ulman for the position of Captain 11 for a period of three years starting January 1, 2015 with position to reopen for applications for the year starting January 1, 2018.
- 2) Mr. Tom Roessler Jr. for the position of Lieutenant 1 for a period of three years starting January 1, 2015 with the position to reopen for applications for the year starting January 1, 2018.

Packet's with information on application have been checked for requirements by myself and I wish to report both candidates meet all requirements for positions held. These packets are also being returned for your records. Thank you for your time in this matter.

Respectfully,

Ronald D. Quade
Fire Chief



Memorandum

TO: Todd Prafke
City Administrator

Date: November 26, 2014

FROM: Jane Timmerman, Director
Recreation & Leisure Services

RE: SPPA Production Assistant Appointment

Action/Recommendation

Appoint Arlen Tackett to the position of part-time Production Assistant for St. Peter Public Access at the wage rate of \$8.17 beginning November 24, 2014.

Background

Although we employ two part time SPPA Production Assistants there have been several times recently when one of them has not been available. Although we can make things work with one production assistant the quality and production is better when there are two working. Arlen Tackett currently works for the City as a part time meter reader and has indicated his willingness to assist at city council meetings and school board meetings when needed. The Finance Department has indicated that he is a dedicated, punctual, and dependable employee.

Mr. Tackett will receive training in how to help set up for the meetings and how to operate a camera. He will not be responsible for the whole operation at any time.

After a training period for Mr. Tackett we will continue using only two production assistants to film each meeting.

I recommend appointment of Mr. Arlen Tackett to the wage rate of \$8.17 per hour. His hours will be in keeping with the budgeted amount allowed in the 2014 SPPA budget.

Fiscal Impact:

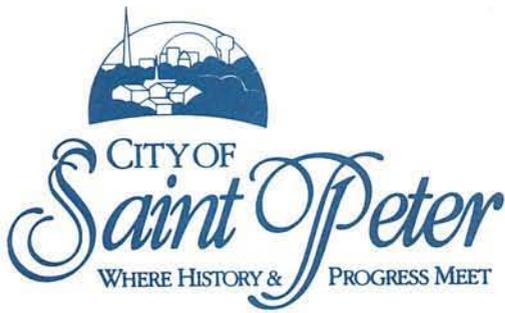
This is a position that is included in the 2014 SPPA budget.

Alternatives and Variations:

Vote in favor: Staff will contact the candidate.

Negative vote: Staff will wait for further direction.

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



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/4/2014

FROM: Todd Prafke
City Administrator

RE: Advisory Board Appointment

ACTION/RECOMMENDATION

Provide for reappointment of the following City Council advisory board members for the terms indicated.

BACKGROUND

The terms of the following advisory board members will expire on December 31, 2014. Mayor Strand has recommended reappointment of these individuals for another term.

PARKS AND RECREATION ADVISORY BOARD

Charles Burgess (2015-2017)
Lawrence Potts (2015-2017)

CIVIL SERVICE COMMISSION

Kim Spriggs (2015-2017)

HOSPITAL AND NURSING HOME COMMISSION

Margaret Nelsen (2015-2019)

TOURISM AND VISITORS BUREAU

Bob Wright (2015-2017)

HERITAGE PRESERVATION COMMISSION

Matt Borowy (2015-2017)

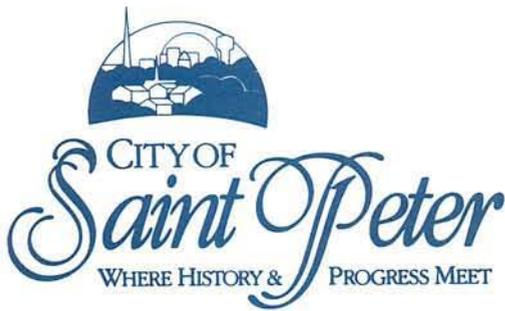
LIBRARY BOARD

Sally Geary (2015-2017)

Please include consideration of these advisory board reappointments as part of the consent agenda.

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

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/1/14

FROM: Todd Prafke
City Administrator

RE: December Meeting Schedule

ACTION/RECOMMENDATION

Consider cancellation of the second regular meeting in December and the December 29th workshop as part of the consent agenda.

BACKGROUND

The customary practice for the Council has been to cancel the second regular meeting of December (December 22, 2014) and the last workshop session of the year. Should the Council follow this practice in 2014, action has been included on the consent agenda to provide for cancellation.

Should the Council choose to cancel the December 24th meeting, payment of accounts payable would be handled as follows:

- Staff shall be directed to pay account payables prior to December 31, 2013 following review by the City Administrator, Director of Finance and Mayor.
- Staff shall prepare a disbursement list of the aforementioned end of the year accounts payable for formal consideration by the City Council at the January 12, 2015 regular Council meeting.

Please contact me if you have any questions or concerns on this agenda item.

TP/bal

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
ALPHA WIRELESS COMMUNICATIONS CO	radio install 140-141	TRANSIT	TRANSIT/TRANSPORTATION	<u>660.42</u>
			TOTAL:	660.42
AMARIL UNIFORM COMPANY	carhartts lined jackets	ELECTRIC FUND	ADMIN AND GENERAL	552.70
	carhartts lined jackets	ELECTRIC FUND	ADMIN AND GENERAL	<u>348.89</u>
			TOTAL:	901.59
AMERICAN PAYMENT CENTERS	drop box qrtly rental	WATER	CUSTOMER ACCOUNTS	19.50
	drop box qrtly rental	WASTE WATER FUND	CUSTOMER ACCOUNTS	19.50
	drop box qrtly rental	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	19.50
	drop box qrtly rental	ELECTRIC FUND	CUSTOMER ACCOUNTS	<u>19.50</u>
			TOTAL:	78.00
MIRIAM ANDREE	miriam uniform allowance	GENERAL FUND	POLICE	<u>77.00</u>
			TOTAL:	77.00
APT MACHINING & FABRICATING, INC	shaft fine screen	WASTE WATER FUND	SOURCE/TREATMENT	<u>906.00</u>
			TOTAL:	906.00
BARNES & NOBLE INC	new adult NFIC	LIBRARY FUND	LIBRARY	186.99
	new adult nfic	LIBRARY FUND	LIBRARY	<u>342.75</u>
			TOTAL:	529.74
BME LABSTORE	calib/maint, water, bath o	WASTE WATER FUND	SOURCE/TREATMENT	<u>720.00</u>
			TOTAL:	720.00
BORDER STATES ELECTRIC SUPPLY	#634 starting aid	ELECTRIC FUND	NON-DEPARTMENTAL	433.86
	brass locks	ELECTRIC FUND	POWER DISTRIBUTION	<u>110.76</u>
			TOTAL:	544.62
BRANDT LAW OFFICE	seized vehicle proceeds	RESTRICTED CONTRIB	NON-DEPARTMENTAL	<u>279.00</u>
			TOTAL:	279.00
DIANE BRAUN	election judge	GENERAL FUND	ELECTIONS	<u>26.25</u>
			TOTAL:	26.25
C & S SUPPLY CO INC	fire dept supplies	GENERAL FUND	FIRE	<u>42.50</u>
			TOTAL:	42.50
CENTERPOINT ENERGY MINNEGASCO	Oct gas bill 430 ritt st	TORNADO DISASTER R	ECONOMIC DEVMT	<u>321.73</u>
			TOTAL:	321.73
CENTRAL FIRE PROTECTION INC	annual inspections	GENERAL FUND	MUNICIPAL BUILDING	42.50
	annual inspections	GENERAL FUND	POLICE	22.00
	annual inspections	GENERAL FUND	FIRE	105.75
	annual inspections	GENERAL FUND	STREETS	35.75
	annual inspections	GENERAL FUND	STREETS	105.25
	annual inspections	GENERAL FUND	PARKS	28.60
	annual inspections	GENERAL FUND	PARKS	231.50
	annual inspections	LIBRARY FUND	LIBRARY	55.50
	annual inspections	COMMUNITY CENTER	COMMUNITY CENTER	222.00
	annual inspections	WATER	ADMIN AND GENERAL	14.30
	annual inspections	WATER	ADMIN AND GENERAL	135.00
	annual inspections	WASTE WATER FUND	ADMIN AND GENERAL	14.30
	annual inspections	WASTE WATER FUND	ADMIN AND GENERAL	59.50
	annual inspections	WASTE WATER FUND	ADMIN AND GENERAL	201.75

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	annual inspections	ENVIRON SERVICES F	ADMIN AND GENERAL	14.30
	annual inspections	ENVIRON SERVICES F	ADMIN AND GENERAL	12.75
	annual inspections	ELECTRIC FUND	ADMIN AND GENERAL	35.75
	annual inspections	ELECTRIC FUND	ADMIN AND GENERAL	62.75
	annual inspections	STORMWATER FUND	ADMINISTRATION AND GEN	53.75
	annual inspections	TRANSIT	TRANSIT/TRANSPORTATION	32.75
			TOTAL:	1,485.75
CHARD TILING & EXCAVATING	est #8 washington ave	PERM IMPROVMENT RE	STREETS	85,948.98
	314 South Third St	WATER	DISTRIBUTION AND STORA	18,008.50
	314 South Third St	WASTE WATER FUND	COLLECTOR/LIFT STAT	16,940.50
			TOTAL:	120,897.98
CHEMSEARCH	lube contract	GENERAL FUND	STREETS	112.92
	grease	GENERAL FUND	STREETS	275.96
	lube contract	GENERAL FUND	PARKS	112.92
	grease	GENERAL FUND	PARKS	275.96
	lube contract	WATER	DISTRIBUTION AND STORA	56.46
	grease	WATER	DISTRIBUTION AND STORA	137.98
	lube contract	WASTE WATER FUND	SOURCE/TREATMENT	56.46
	grease	WASTE WATER FUND	SOURCE/TREATMENT	137.98
	lube contract	ENVIRON SERVICES F	REFUSE DISPOSAL	56.46
	grease	ENVIRON SERVICES F	REFUSE DISPOSAL	137.98
	lube contract	ELECTRIC FUND	POWER DISTRIBUTION	112.92
	grease	ELECTRIC FUND	POWER DISTRIBUTION	275.96
	lube contract	STORMWATER FUND	TREATMENT	56.48
	grease	STORMWATER FUND	TREATMENT	137.98
			TOTAL:	1,944.42
CINTAS FIRST AID & SAFETY	first aid supplies	GENERAL FUND	RECREATION/LEISURE SER	36.67
	first aid supplies	GENERAL FUND	SKATING RINKS	38.09
	first aid supplies	LIBRARY FUND	LIBRARY	27.82
			TOTAL:	102.58
COLE PAPERS INC	CH maintenance supplies	GENERAL FUND	MUNICIPAL BUILDING	385.28
	hand sanitizer	GENERAL FUND	STREETS	49.08
	freight	GENERAL FUND	STREETS	2.19
	towles and coveralls	GENERAL FUND	STREETS	56.27
	glass cleaner, towels	GENERAL FUND	STREETS	42.85
	hand sanitizer	GENERAL FUND	PARKS	39.26
	freight	GENERAL FUND	PARKS	1.75
	towles and coveralls	GENERAL FUND	PARKS	56.27
	glass cleaner, towels	GENERAL FUND	PARKS	34.28
	towles and coveralls	WATER	DISTRIBUTION AND STORA	28.13
	hand sanitizer	WATER	ADMIN AND GENERAL	19.63
	freight	WATER	ADMIN AND GENERAL	0.88
	glass cleaner, towels	WATER	ADMIN AND GENERAL	17.14
	towles and coveralls	WASTE WATER FUND	SOURCE/TREATMENT	28.13
	hand sanitizer	WASTE WATER FUND	ADMIN AND GENERAL	19.63
	freight	WASTE WATER FUND	ADMIN AND GENERAL	0.88
	glass cleaner, towels	WASTE WATER FUND	ADMIN AND GENERAL	17.14
	towles and coveralls	ENVIRON SERVICES F	REFUSE DISPOSAL	28.13
	hand sanitizer	ENVIRON SERVICES F	ADMIN AND GENERAL	19.62
	freight	ENVIRON SERVICES F	ADMIN AND GENERAL	0.86
	glass cleaner, towels	ENVIRON SERVICES F	ADMIN AND GENERAL	17.13
	towles and coveralls	ELECTRIC FUND	POWER DISTRIBUTION	56.27

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	hand sanitizer	ELECTRIC FUND	ADMIN AND GENERAL	49.08
	freight	ELECTRIC FUND	ADMIN AND GENERAL	2.19
	glass cleaner, towels	ELECTRIC FUND	ADMIN AND GENERAL	42.85
	towles and coveralls	STORMWATER FUND	TREATMENT	28.14
			TOTAL:	1,043.06
COMPASS MINERALS AMERICA INC	bulk road salt	GENERAL FUND	STREETS	1,947.39
	bulk salt	GENERAL FUND	STREETS	1,938.18
			TOTAL:	3,885.57
COURT SPORTS AND MORE	sean embroidery on safety	WATER	ADMIN AND GENERAL	20.00
	jason embroidery	WASTE WATER FUND	ADMIN AND GENERAL	80.00
			TOTAL:	100.00
CREDIT RIVER TOOLS	hex bit & elec screwdriver	GENERAL FUND	STREETS	12.00
	compression tester & adapt	GENERAL FUND	STREETS	77.60
	hex bit & elec screwdriver	GENERAL FUND	PARKS	12.00
	compression tester & adapt	GENERAL FUND	PARKS	77.60
	hex bit & elec screwdriver	WATER	DISTRIBUTION AND STORA	6.00
	compression tester & adapt	WATER	DISTRIBUTION AND STORA	38.80
	hex bit & elec screwdriver	WASTE WATER FUND	SOURCE/TREATMENT	6.00
	compression tester & adapt	WASTE WATER FUND	SOURCE/TREATMENT	38.80
	hex bit & elec screwdriver	ENVIRON SERVICES F	REFUSE DISPOSAL	6.00
	compression tester & adapt	ENVIRON SERVICES F	REFUSE DISPOSAL	38.80
	hex bit & elec screwdriver	ELECTRIC FUND	POWER DISTRIBUTION	12.00
	compression tester & adapt	ELECTRIC FUND	POWER DISTRIBUTION	77.60
	hex bit & elec screwdriver	STORMWATER FUND	TREATMENT	6.00
	compression tester & adapt	STORMWATER FUND	TREATMENT	38.79
			TOTAL:	447.99
CRYSTAL LAWN, INC	replaced sprinkler head	GENERAL FUND	STREETS	20.06
	replaced sprinkler head	GENERAL FUND	PARKS	16.05
	replaced sprinkler head	WATER	ADMIN AND GENERAL	8.03
	replaced sprinkler head	WASTE WATER FUND	ADMIN AND GENERAL	8.03
	replaced sprinkler head	ENVIRON SERVICES F	ADMIN AND GENERAL	8.02
	replaced sprinkler head	ELECTRIC FUND	ADMIN AND GENERAL	20.06
			TOTAL:	80.25
CRYSTAL VALLEY	LM diesel	ELECTRIC FUND	POWER PRODUCTION	20,689.74
			TOTAL:	20,689.74
DGR ENGINEERING	msh planning #332	ELECTRIC FUND	CAPITAL-DISTRIBUTION S	415.00
	broadway gen plant	ELECTRIC FUND	CAPITAL-DISTRIBUTION S	182.00
	msh planning #332	ELECTRIC FUND	POWER DISTRIBUTION	332.00
			TOTAL:	929.00
DRANTTEL SALES & SERVICE	fire supplies	GENERAL FUND	FIRE	145.00
			TOTAL:	145.00
ELECTRICAL & COMMUNICATION SPECIALISTS	wiring/replacement in park	GENERAL FUND	PARKS	860.50
			TOTAL:	860.50
EMERGENCY RESPONSE SOLUTIONS	plug w/o chain	GENERAL FUND	FIRE	54.16
	hose and couplings	GENERAL FUND	STREETS	340.05
			TOTAL:	394.21

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT	
FASTENAL COMPANY	Plow bolts and lights	GENERAL FUND	STREETS	37.17	
	Plow bolts and lights	GENERAL FUND	STREETS	150.00	
	weld shop paddle, tape and	GENERAL FUND	STREETS	63.52	
	FASTENAL COMPANY	GENERAL FUND	STREETS	3.12	
	headlights	GENERAL FUND	STREETS	24.49	
	Lights	GENERAL FUND	STREETS	36.83	
	Plow bolts and lights	GENERAL FUND	PARKS	37.17	
	weld shop paddle, tape and	GENERAL FUND	PARKS	63.52	
	FASTENAL COMPANY	GENERAL FUND	PARKS	3.12	
	christmas lights/zipties	GENERAL FUND	PARKS	3.12	
	headlights	GENERAL FUND	PARKS	24.49	
	Lights	GENERAL FUND	PARKS	29.47	
	Plow bolts and lights	WATER	DISTRIBUTION AND STORA	18.58	
	weld shop paddle, tape and	WATER	DISTRIBUTION AND STORA	31.76	
	FASTENAL COMPANY	WATER	DISTRIBUTION AND STORA	1.56	
	headlights	WATER	DISTRIBUTION AND STORA	12.25	
	Lights	WATER	ADMIN AND GENERAL	14.73	
	Plow bolts and lights	WASTE WATER FUND	SOURCE/TREATMENT	18.58	
	weld shop paddle, tape and	WASTE WATER FUND	SOURCE/TREATMENT	31.76	
	FASTENAL COMPANY	WASTE WATER FUND	SOURCE/TREATMENT	1.56	
	headlights	WASTE WATER FUND	SOURCE/TREATMENT	12.25	
	Lights	WASTE WATER FUND	ADMIN AND GENERAL	14.73	
	Plow bolts and lights	ENVIRON SERVICES F	REFUSE DISPOSAL	18.58	
	weld shop paddle, tape and	ENVIRON SERVICES F	REFUSE DISPOSAL	31.76	
	FASTENAL COMPANY	ENVIRON SERVICES F	REFUSE DISPOSAL	1.56	
	headlights	ENVIRON SERVICES F	REFUSE DISPOSAL	12.25	
	Lights	ENVIRON SERVICES F	ADMIN AND GENERAL	14.74	
	Plow bolts and lights	ELECTRIC FUND	POWER DISTRIBUTION	37.17	
	weld shop paddle, tape and	ELECTRIC FUND	POWER DISTRIBUTION	63.52	
	FASTENAL COMPANY	ELECTRIC FUND	POWER DISTRIBUTION	3.12	
	headlights	ELECTRIC FUND	POWER DISTRIBUTION	24.49	
	Lights	ELECTRIC FUND	ADMIN AND GENERAL	36.83	
	Plow bolts and lights	STORMWATER FUND	TREATMENT	18.59	
	weld shop paddle, tape and	STORMWATER FUND	TREATMENT	31.78	
	FASTENAL COMPANY	STORMWATER FUND	TREATMENT	1.58	
	headlights	STORMWATER FUND	TREATMENT	12.25	
				TOTAL:	942.00
	FBI/NAA NORTHWEST CHAPTER	terrorist recruitment	GENERAL FUND	POLICE	30.00
				TOTAL:	30.00
	FERGUSON ENTERPRISES, INC.	fire hose adpt	GENERAL FUND	FIRE	92.50
			TOTAL:	92.50	
GALLS INC	supplies	GENERAL FUND	POLICE	409.41	
	insignia	GENERAL FUND	POLICE	14.41	
	cold gear	GENERAL FUND	POLICE	109.98	
			TOTAL:	533.80	
GENERATIONS PHOTOGRAPHY & VINYL CREATI	#142 Logo	ENVIRON SERVICES F	REFUSE DISPOSAL	25.00	
	#914 logo	STORMWATER FUND	TREATMENT	15.00	
	graphics #140	TRANSIT	TRANSIT/TRANSPORTATION	620.00	
	graphics #141	TRANSIT	TRANSIT/TRANSPORTATION	620.00	
			TOTAL:	1,280.00	
GILLUND ENTERPRISES INC	diesel antigel	GENERAL FUND	FIRE	167.78	

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	tune up degreaser	GENERAL FUND	STREETS	49.50
	tune up degreaser	GENERAL FUND	PARKS	49.50
	tune up degreaser	WATER	DISTRIBUTION AND STORA	24.75
	tune up degreaser	WASTE WATER FUND	SOURCE/TREATMENT	24.75
	tune up degreaser	ENVIRON SERVICES F	REFUSE DISPOSAL	24.75
	tune up degreaser	ELECTRIC FUND	POWER DISTRIBUTION	49.50
	tune up degreaser	STORMWATER FUND	TREATMENT	24.75
			TOTAL:	415.28
GUSTAVUS ADOLPHUS COLLEGE P.O.	Nov postage	GENERAL FUND	CITY ADMINISTRATION	41.18
	Nov postage	GENERAL FUND	CITY CLERK	27.65
	Nov postage	GENERAL FUND	ELECTIONS	29.15
	Nov postage	GENERAL FUND	FINANCE	140.06
	Nov postage	GENERAL FUND	POLICE	22.47
	Nov postage	GENERAL FUND	FIRE	1.06
	Nov postage	GENERAL FUND	BUILDING INSPECTOR	7.00
	Nov postage	GENERAL FUND	PUBLIC WORKS ADMIN	27.27
	Nov postage	GENERAL FUND	STREETS	2.55
	Nov postage	GENERAL FUND	RECREATION/LEISURE SER	16.21
	Nov postage	GENERAL FUND	PARKS	1.06
	Nov postage	GENERAL FUND	ECONOMIC DEVMT	10.96
	Nov postage	LIBRARY FUND	LIBRARY	4.24
	Nov postage	COMMUNITY CENTER	COMMUNITY CENTER	7.56
	Nov postage	WATER	ADMIN AND GENERAL	5.05
	Nov postage	WATER	CUSTOMER ACCOUNTS	85.64
	Nov postage	WASTE WATER FUND	ADMIN AND GENERAL	1.54
	Nov postage	WASTE WATER FUND	CUSTOMER ACCOUNTS	85.64
	Nov postage	ENVIRON SERVICES F	CUSTOMER ACCOUNTS	85.64
	Nov postage	ELECTRIC FUND	ADMIN AND GENERAL	12.93
	Nov postage	ELECTRIC FUND	CUSTOMER ACCOUNTS	85.65
	Nov postage	STORMWATER FUND	ADMINISTRATION AND GEN	5.25
	Nov postage	TRANSIT	TRANSIT/TRANSPORTATION	4.24
			TOTAL:	710.00
HAMLIN UNIVERSITY	education	GENERAL FUND	CITY ADMINISTRATION	4,262.20
			TOTAL:	4,262.20
HAWKINS, INC.	water plant chemicals	WATER	PURIFICATION AND TREAT	1,287.00
	water plant chemicals	WATER	PURIFICATION AND TREAT	1,762.50
			TOTAL:	3,049.50
HOLIDAY COMMERCIAL	fuel	GENERAL FUND	FINANCE	11.61
	nov fuel	GENERAL FUND	POLICE	418.35
	nov fuel	GENERAL FUND	BUILDING INSPECTOR	141.89
	fuel	GENERAL FUND	PUBLIC WORKS ADMIN	41.10
	fuel	GENERAL FUND	STREETS	65.00
	fuel	WATER	ADMIN AND GENERAL	2.91
	Nov fuel	WATER	CUSTOMER ACCOUNTS	30.26
	fuel	WASTE WATER FUND	ADMIN AND GENERAL	2.91
	Nov fuel	WASTE WATER FUND	CUSTOMER ACCOUNTS	30.26
	fuel	ENVIRON SERVICES F	ADMIN AND GENERAL	2.91
	fuel	ELECTRIC FUND	ADMIN AND GENERAL	2.91
	Nov fuel	ELECTRIC FUND	CUSTOMER ACCOUNTS	30.28
			TOTAL:	780.39
INGRAM BOOK COMPANY	new library materials	LIBRARY FUND	LIBRARY	1,104.75

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT	
			TOTAL:	1,104.75	
JWC ENVIRONMENTAL	seals, gaskets, brush bar	WASTE WATER FUND	SOURCE/TREATMENT	496.07	
			TOTAL:	496.07	
KUSSMAUL ELECTRONICS CO., INC.	Fire supplies	GENERAL FUND	FIRE	301.11	
			TOTAL:	301.11	
KWIK TRIP INC	meter reader gas	WATER	CUSTOMER ACCOUNTS	13.94	
	meter reader gas	WASTE WATER FUND	CUSTOMER ACCOUNTS	13.94	
	meter reader gas	ELECTRIC FUND	CUSTOMER ACCOUNTS	13.95	
			TOTAL:	41.83	
LJP ENTERPRISES INC	property clean up	GENERAL FUND	COMMUNITY SERVICE	738.79	
	oct refuse PU and disposal	ENVIRON SERVICES F	REFUSE DISPOSAL	19,149.24	
			TOTAL:	19,888.03	
MACQUEEN EQUIPMENT INC	wandering hose 310a	GENERAL FUND	STREETS	496.97	
			TOTAL:	496.97	
MADDEN, GALANTER, HANSEN, LLP	110/1-10/31 contract	GENERAL FUND	CITY ADMINISTRATION	86.14	
			TOTAL:	86.14	
MARCO, INC.	10/23-11/22 contract	GENERAL FUND	CITY ADMINISTRATION	35.05	
	10/23-11/22 contract	GENERAL FUND	CITY CLERK	35.05	
	10/23-11/22 contract	GENERAL FUND	FINANCE	23.37	
	10/23-11/22 contract	GENERAL FUND	POLICE	18.70	
	10/23-11/22 contract	GENERAL FUND	BUILDING INSPECTOR	9.35	
	10/23-11/22 contract	GENERAL FUND	PUBLIC WORKS ADMIN	4.67	
	10/23-11/22 contract	GENERAL FUND	ECONOMIC DEVMT	2.34	
	10/23-11/22 contract	WATER	ADMIN AND GENERAL	21.03	
	10/23-11/22 contract	WASTE WATER FUND	ADMIN AND GENERAL	21.03	
	10/23-11/22 contract	ELECTRIC FUND	ADMIN AND GENERAL	63.10	
			TOTAL:	233.69	
METERING & TECHNOLOGY SOLUTIONS	water meter radios	WATER	DISTRIBUTION AND STORA	877.31	
			TOTAL:	877.31	
MISC VENDOR	Berhow, Bud	senior dance entertainment	GENERAL FUND	SENIOR COORDINATOR	135.00
	Erosion Control	Erosion Control: env servi	ENVIRON SERVICES F	REFUSE DISPOSAL	999.67
	Hanson, Paul	trail bike	RESTRICTED CONTRIB	PARKS	1,728.83
	Larson Implement	Larson Implement: toyota h	ENVIRON SERVICES F	CAPITAL-GENERAL PLANT	23,510.00
	Quality 1 hr photo	donation	RESTRICTED CONTRIB	NON-DEPARTMENTAL	395.00
	Quality 1 hr photo	bike trail decals	RESTRICTED CONTRIB	PARKS	691.25
	Seon Systems	bus 11/12 camera install s	TRANSIT	TRANSIT/TRANSPORTATION	588.00
	Uhler, Charles	Charles Uhler:rental pymt	GENERAL FUND	NON-DEPARTMENTAL	20.00
			TOTAL:	27,277.75	
MN MUNICIPAL UTILITIES ASSOCIATION	ken k mmua & ops conf	ELECTRIC FUND	ADMIN AND GENERAL	440.00	
	drug test	TRANSIT	TRANSIT/TRANSPORTATION	35.50	
			TOTAL:	475.50	
MN PIPE & EQUIPMENT	credit was taken twice	WATER	DISTRIBUTION AND STORA	126.41	
			TOTAL:	126.41	
MN WASTEWATER OPERATORS ASSOC.	mwoa dues '15-'16 pete	WASTE WATER FUND	ADMIN AND GENERAL	25.00	

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	2015-16 dues jeff k.	STORMWATER FUND	ADMINISTRATION AND GEN	<u>25.00</u>
			TOTAL:	50.00
MOTOROLA SOLUTIONS, INC	new radio microphone #140	TRANSIT	TRANSIT/TRANSPORTATION	<u>66.38</u>
			TOTAL:	66.38
PETE MOULTON	mileage reimbursement	WATER	ADMIN AND GENERAL	9.52
	mileage reimbursement	WASTE WATER FUND	ADMIN AND GENERAL	7.84
	mileage reimbursement	ELECTRIC FUND	ADMIN AND GENERAL	24.08
	mileage reimbursement	STORMWATER FUND	ADMINISTRATION AND GEN	<u>25.76</u>
			TOTAL:	67.20
MVTL LABORATORIES INC	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	56.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	14.75
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	106.40
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	12.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	106.40
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	106.40
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	56.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	192.80
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	12.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	150.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	106.40
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	28.00
	lab testing	WASTE WATER FUND	SOURCE/TREATMENT	<u>28.00</u>
			TOTAL:	975.15
NBS CALIBRATIONS	calibrate thermometers in	WASTE WATER FUND	SOURCE/TREATMENT	<u>421.00</u>
			TOTAL:	421.00
NORTH CENTRAL INTERNATIONAL	#310 air dryer parts	GENERAL FUND	STREETS	<u>144.30</u>
			TOTAL:	144.30
NORTH CENTRAL LABORATORIES	lab analysis	WASTE WATER FUND	SOURCE/TREATMENT	<u>178.69</u>
			TOTAL:	178.69
NORTH SHORE ANALYTICAL, INC	low level mercury	WASTE WATER FUND	SOURCE/TREATMENT	<u>410.00</u>
			TOTAL:	410.00
NUTTER CLOTHING CO	clothing	GENERAL FUND	POLICE	312.10
	Jim Neary	GENERAL FUND	FIRE	106.00
	Mike McCarthy	GENERAL FUND	STREETS	<u>139.20</u>
			TOTAL:	557.30
OFFICEMAX	UPS battery	GENERAL FUND	POLICE	64.99
	UPS battery	LIBRARY FUND	LIBRARY	<u>64.99</u>
			TOTAL:	129.98
OMG MIDWEST, INC	est 2 old MN proj	PERM IMPROVMENT RE	STREETS	<u>145,774.55</u>
			TOTAL:	145,774.55
QUICK MART ST PETER	Oct fuel	GENERAL FUND	FIRE	<u>199.22</u>
			TOTAL:	199.22
RAMADA	Lincoln Hooper conf 777403	ELECTRIC FUND	ADMIN AND GENERAL	<u>210.32</u>
			TOTAL:	210.32

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT	
RAMY TURF PRODUCTS	10-50# bags terra mulch	GENERAL FUND	STREETS	44.88	
	10-50# bags terra mulch	GENERAL FUND	PARKS	35.90	
	10-50# bags terra mulch	WATER	ADMIN AND GENERAL	17.95	
	10-50# bags terra mulch	WASTE WATER FUND	ADMIN AND GENERAL	17.95	
	10-50# bags terra mulch	ENVIRON SERVICES F	ADMIN AND GENERAL	17.94	
	10-50# bags terra mulch	ELECTRIC FUND	ADMIN AND GENERAL	44.88	
	TOTAL:			179.50	
RYAN ELECTRIC OF ST PETER	repair garage heater	GENERAL FUND	POLICE	158.99	
	install receptacles for wi	COMMUNITY CENTER	COMMUNITY CENTER	507.34	
	TOTAL:			666.33	
SAM'S CLUB	popcorn oil	GENERAL FUND	RECREATION/LEISURE SER	9.98	
	TOTAL:			9.98	
SCHWICKERT'S, INC.	chimney leak	GENERAL FUND	FIRE	437.00	
	TOTAL:			437.00	
SERVOCAL INSTRUMENTS INC.	flow meter calibration	WASTE WATER FUND	COLLECTOR/LIFT STAT	100.00	
	flow meter calibration	WASTE WATER FUND	SOURCE/TREATMENT	600.00	
	TOTAL:			700.00	
SPRINT SOLUTIONS, INC.	cell phones	GENERAL FUND	FIRE	17.03	
	Cell phones	COMMUNITY CENTER	COMMUNITY CENTER	24.34	
	connect card data plan	WATER	ADMIN AND GENERAL	39.99	
	Cell phones	WATER	ADMIN AND GENERAL	24.34	
	Cell phones	WASTE WATER FUND	ADMIN AND GENERAL	25.94	
	Cell phones	ELECTRIC FUND	ADMIN AND GENERAL	24.34	
	TOTAL:			155.98	
ST PETER LUMBER CO	st julien dehumidifier rep	WATER	PURIFICATION AND TREAT	10.99	
	TOTAL:			10.99	
STAPLES ADVANTAGE	document holder	GENERAL FUND	FINANCE	17.60	
	copy paper	GENERAL FUND	STREETS	94.98	
	copy paper	GENERAL FUND	PARKS	75.98	
	copy paper	WATER	ADMIN AND GENERAL	37.99	
	document holder	WATER	ADMIN AND GENERAL	4.40	
	copy paper	WASTE WATER FUND	ADMIN AND GENERAL	37.99	
	document holder	WASTE WATER FUND	ADMIN AND GENERAL	4.40	
	copy paper	ENVIRON SERVICES F	ADMIN AND GENERAL	37.98	
	document holder	ENVIRON SERVICES F	ADMIN AND GENERAL	4.39	
	copy paper	ELECTRIC FUND	ADMIN AND GENERAL	94.98	
	document holder	ELECTRIC FUND	ADMIN AND GENERAL	4.40	
	TOTAL:			415.09	
	TIMOTHY STRAND	CGMC fall conf meals/milea	GENERAL FUND	MAYOR & COUNCIL	228.16
		TOTAL:			228.16
STREICHER'S	clothing	GENERAL FUND	POLICE	228.96	
	clothing	GENERAL FUND	POLICE	577.88	
	compact thermal imager	GENERAL FUND	POLICE	2,784.99	
	TOTAL:			3,591.83	
TELIN TRANSPORTATION GROUP	2 Ford E450 Eldorado buses	TRANSIT	TRANSIT/TRANSPORTATION	135,127.50	
	TOTAL:			135,127.50	

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
TIRE ASSOCIATES	tires #511	GENERAL FUND	FIRE	2,534.16
			TOTAL:	2,534.16
MATT ULMAN	travel expenses	GENERAL FUND	FIRE	192.50
			TOTAL:	192.50
UNITED STATES TREASURY	hfr barricade-g&k rental 1	RESTRICTED CONTRIB	RECREATION/LEISURE SER	800.00
			TOTAL:	800.00
US BANK	2010C agent fee	ELECTRIC FUND	ADMIN AND GENERAL	450.00
			TOTAL:	450.00
US POSTMASTER	postage	GENERAL FUND	RECREATION/LEISURE SER	577.02
			TOTAL:	577.02
VESSCO, INC	grit classifier bearing	WASTE WATER FUND	SOURCE/TREATMENT	1,369.56
			TOTAL:	1,369.56
VISA	luncheons	GENERAL FUND	CITY ADMINISTRATION	99.69
	cat 5 cable	GENERAL FUND	CITY ADMINISTRATION	4.26
	id supplies	GENERAL FUND	CITY ADMINISTRATION	288.63
	cat 5 cable	GENERAL FUND	FINANCE	15.35
	tzd conf meals	GENERAL FUND	POLICE	72.08
	tzd conf lodging	GENERAL FUND	POLICE	224.48
	tzd conf fuel	GENERAL FUND	POLICE	65.96
	fuel crime prev duluth	GENERAL FUND	POLICE	58.16
	lodging, meals conf tzd	GENERAL FUND	POLICE	326.09
	uniform	GENERAL FUND	POLICE	49.01
	cat 5 cable	GENERAL FUND	POLICE	19.61
	lodging	GENERAL FUND	FIRE	389.95
	cat 5 cable	GENERAL FUND	FIRE	2.56
	cat 5 cable	GENERAL FUND	BUILDING INSPECTOR	2.56
	cat 5 cable	GENERAL FUND	PUBLIC WORKS ADMIN	5.97
	id supplies	GENERAL FUND	PUBLIC WORKS ADMIN	295.00
	cat 5 cable	GENERAL FUND	STREETS	1.71
	cat 5 cable	GENERAL FUND	RECREATION/LEISURE SER	11.09
	cat 5 cable	GENERAL FUND	PARKS	0.85
	develop corp mtg meal	GENERAL FUND	ECONOMIC DEVMT	16.84
	cat 5 cable	GENERAL FUND	ECONOMIC DEVMT	1.71
	cat 5 cable	LIBRARY FUND	LIBRARY	27.29
	id supplies	LIBRARY FUND	LIBRARY	8.88
	cat 5 cable	PUBLIC ACCESS	PUBLIC ACCESS	0.85
	cat 5 cable	COMMUNITY CENTER	COMMUNITY CENTER	0.85
	id supplies	COMMUNITY CENTER	COMMUNITY CENTER	17.76
	APWA Fall conf	WATER	ADMIN AND GENERAL	245.00
	APWA Fall conf	WATER	ADMIN AND GENERAL	150.00
	car plug in charger	WATER	ADMIN AND GENERAL	72.03
	cat 5 cable	WATER	ADMIN AND GENERAL	4.26
	id supplies	WATER	ADMIN AND GENERAL	26.64
	cat 5 cable	WASTE WATER FUND	ADMIN AND GENERAL	2.56
	id supplies	WASTE WATER FUND	ADMIN AND GENERAL	31.08
	boiler exam class j. hank	WASTE WATER FUND	ADMIN AND GENERAL	109.00
	cat 5 cable	ENVIRON SERVICES F	REFUSE DISPOSAL	0.85
	id supplies	ENVIRON SERVICES F	ADMIN AND GENERAL	8.88
	felco 21 pruner parts	ENVIRON SERVICES F	ADMIN AND GENERAL	34.50
	cat 5 cable	ELECTRIC FUND	ADMIN AND GENERAL	11.13

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	id supplies	ELECTRIC FUND	ADMIN AND GENERAL	26.64
	cat 5 cable	STORMWATER FUND	ADMINISTRATION AND GEN	1.71
	id supplies	STORMWATER FUND	ADMINISTRATION AND GEN	17.76
	Lodging, meals fta trainin	TRANSIT	TRANSIT/TRANSPORTATION	348.00
	Lodging, meals fta trainin	TRANSIT	TRANSIT/TRANSPORTATION	77.57
	Lodging, meals fta trainin	TRANSIT	TRANSIT/TRANSPORTATION	87.00
	cat 5 cable	TRANSIT	TRANSIT/TRANSPORTATION	0.80
	id supplies	TRANSIT	TRANSIT/TRANSPORTATION	17.78
	paws walk supp	RESTRICTED CONTRIB	COMMUNITY SERVICE	43.23
	paws walk supp	RESTRICTED CONTRIB	COMMUNITY SERVICE	9.52
	hfr banners volunteer, par	RESTRICTED CONTRIB	RECREATION/LEISURE SER	128.93
	hfr equip rent-day wireles	RESTRICTED CONTRIB	RECREATION/LEISURE SER	190.00
	3rd flr youth ctr supplies	YOUTH CENTER GRANT	YOUTH CENTER	127.01
			TOTAL:	3,479.07
VON ESSEN TOWING	towing	GENERAL FUND	POLICE	80.00
	#4-12 mount balance 2 tire	GENERAL FUND	POLICE	36.00
	#12 mount tires	TRANSIT	TRANSIT/TRANSPORTATION	72.00
	mount balance tires	TRANSIT	TRANSIT/TRANSPORTATION	32.00
			TOTAL:	220.00
VOSS LIGHTING	light bulbs	COMMUNITY CENTER	COMMUNITY CENTER	549.12
			TOTAL:	549.12
WESCO DISTRIBUTION INC	2S Meters CL200	ELECTRIC FUND	NON-DEPARTMENTAL	317.00
	#480 4" PUC adp female	ELECTRIC FUND	NON-DEPARTMENTAL	104.97
	alum lug	ELECTRIC FUND	POWER DISTRIBUTION	22.89
			TOTAL:	444.86
XCEL ENERGY	hwy 22 bridge lights	GENERAL FUND	STREETS	53.33
			TOTAL:	53.33
ZARNOTH BRUSH WORKS INC	214 gutter broom	GENERAL FUND	STREETS	617.10
			TOTAL:	617.10
ZIEGLER INC	#48 shift module	GENERAL FUND	STREETS	914.08
			TOTAL:	914.08

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
===== FUND TOTALS =====				
101	GENERAL FUND	28,943.74		
211	LIBRARY FUND	1,823.21		
213	PUBLIC ACCESS	0.85		
217	COMMUNITY CENTER	1,328.97		
240	TORNADO DISASTER REV LOAN	321.73		
401	PERM IMPROVMENT REVOLVING	231,723.53		
601	WATER	23,169.14		
602	WASTE WATER FUND	24,325.78		
603	ENVIRON SERVICES FUND	44,340.19		
604	ELECTRIC FUND	26,030.96		
606	STORMWATER FUND	500.57		
610	TRANSIT	138,389.94		
820	RESTRICTED CONTRIBUTIONS	3,475.76		
824	YOUTH CENTER GRANT	127.01		

	GRAND TOTAL:	524,501.38		

TOTAL PAGES: 11

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 –

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

RESOLUTION APPROVING CONSENT AGENDA

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

1. The following budgeted purchases in excess of \$7,500 are hereby approved:

<u>VENDOR</u>	<u>ITEM</u>	<u>PRICE</u>	<u>FUNDING</u>
Hawkins Inc.	Anti-scalant not to exceed...	\$20,000.00	Water

2. The following license applications are hereby approved:

Soft Drink

American Legion Post 37	229 W Nassau	1/1/15 – 12/31/15
Anytime Fitness	100 Dodd Ave	1/1/15– 12/31/15
Arby's	1211 S MN	1/1/15 – 12/31/15
Blaschko's Embassy Bar & Grill	325 S MN	1/1/15– 12/31/15
China Town	302 S MN	1/1/15– 12/31/15
City Grille & Pub	814 N MN	1/1/15– 12/31/15
Dairy Queen	850 N MN	1/1/15– 12/31/15
El Agave Rest.	402 S 3 rd	1/1/15– 12/31/15
Family Fresh Market #331	612 S MN	1/1/15– 12/31/15
Flame Bar	225 W Nassau	1/1/15– 12/31/15
Freedom Valu Center #24	624 S MN	1/1/15– 12/31/15
Godfather's Pizza	225 S MN	1/1/15– 12/31/15
Great Wall Restaurant	108 S MN	1/1/15– 12/31/15
Gustavus Adolphus College	800 W College	1/1/15– 12/31/15
Holiday Stationstore #251	123 St. Julien	1/1/15– 12/31/15
Kentucky Fried Chicken	1505 Old MN	1/1/15– 12/31/15
Eyebowl, LLC dba King Pins	1671 S 3 rd	1/1/15– 12/31/15
Kwik Trip #466	1305 S MN	1/1/15– 12/31/15
Lone Star BBQ & Grill	408 S 3 rd	1/1/15 – 12/31/15
McDonalds	120 St. Julien	1/1/15– 12/31/15
MGM Liquor Warehouse	100 N MN	1/1/15– 12/31/15
Patrick's On Third	125 S 3 rd	1/1/15 – 12/31/15
Red Men Club	412 S 3 rd	1/1/15– 12/31/15
River Rock Coffee	301 S MN	1/1/15– 12/31/15
Subway	1306 S MN	1/1/15– 12/31/15
St. Peter Food Coop	228 Mulberry	1/1/15– 12/31/15
St. Peter Quick Mart	1122 S MN	1/1/15– 12/31/15
Steindl Business Dev, Inc. dba Erbert & Gerberts Sandwich	224 S MN	1/1/15- 12/31/15

Taco Johns	103 N MN	1/1/15 – 12/31/15
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Tobacco

DG Retail, LLC dba Dollar Gen	1109 Old MN	1/1/15 – 12/31/15
Family Fresh Market #331	612 S MN	1/1/15– 12/31/15
Family Dollar Inc.	220 Grace	1/1/15- 12/31/15
Flame Bar	225 W Nassau	1/1/15– 12/31/15
Freedom Valu Center #24	624 S MN	1/1/15– 12/31/15
Holiday Stationstore #251	123 St. Julien	1/1/15– 12/31/15
MGM Liquor Warehouse	100 N MN	1/1/15– 12/31/15
Kwik Trip #466	1305 S MN	1/1/15– 12/31/15
Patrick's On Third	125 S 3 rd	1/1/15 – 12/31/15
St. Peter Quick Mart	1122 S MN	1/1/15– 12/31/15

Dance

Blaschko's Embassy Bar & Grill	325 S MN	1/1/15– 12/31/15
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Amusement Device

Blaschko's Embassy Bar & Grill	325 S MN	1/1/15– 12/31/15
Flame Bar	225 W Nassau	1/1/15– 12/31/15
Godfather's Pizza	225 S MN	1/1/15– 12/31/1
Gustavus Adolphus College	800 W College	1/1/15– 12/31/15
King Pins	1671 S 3 rd	1/1/15– 12/31/15
Patrick's On Third	125 S 3 rd	1/1/15 – 12/31/15
Red Men Club	412 S 3 rd	1/1/15– 12/31/15

Show License

American Legion Post 37	229 W Nassau	1/1/15 – 12/31/15
Flame Bar	225 W Nassau	1/1/15– 12/31/15
Lone Star BBQ & Grill	408 S 3 rd	1/1/15 – 12/31/15
Patrick's On Third	125 S 3 rd	1/1/15 – 12/31/15

Juke Box

Blaschko's Embassy Bar & Grill	325 S MN	1/1/15– 12/31/15
Flame Bar	225 W Nassau	1/1/15– 12/31/15
Red Men Club	412 S 3 rd	1/1/15 – 12/31/15
Patrick's On Third	125 S 3 rd	1/1/15 – 12/31/15

Solid Waste Hauler

Hansen Sanitation Inc.		1/1/15 – 12/31/15
LJP Enterprises Inc.		1/1/15– 12/31/15
Waste Management		1/1/15– 12/31/15

Taxi Cab

St. Peter Cab Co.		1/1/15 – 12/31/15
Ecumen Sand Prairie	700 Knight St	1/1/15 – 12/31/15

LG220 Application or Exempt Permit

Rocky Mt. Elk Foundation	400 Union St	2/21/15
Church of St. Peter	400 Union St.	3/28/15
St. Peter Ambassadors	229 Nassau	2/7/14

St. Peter Ambassadors 229 Nassau 3/17/15

Temporary Soft Drink

Church of St. Peter 400 Union St. 3/28/15

Temporary On Sale Liquor

Church of St. Peter 400 Union St. 3/28/15

3. The following equipment, for which the City no longer has a need, is hereby declared as surplus property and staff is authorized to provide for public sale of the equipment as outlined in the City Code:

Three-station folder/inserter
Burster machine
Decollator machine

4. The following employee appointments are hereby approved:

<u>NAME</u>	<u>POSITION</u>	<u>WAGE</u>
Matt Ulman	Fire Department Captain 2	
Tom Roessler, Jr.	Fire Department Lieutenant 1	
Arlen Tackett	PT Public Access Production Assistant	\$8.17/hr.

5. The following advisory board appointments are hereby approved for the terms indicated:

PARKS AND RECREATION ADVISORY BOARD

Charles Burgess (2015-2017)

Lawrence Potts (2015-2017)

CIVIL SERVICE COMMISSION

Kim Spriggs (2015-2017)

HOSPITAL AND NURSING HOME COMMISSION

Margaret Nelsen (2015-2019)

TOURISM AND VISITORS BUREAU

Bob Wright (2015-2017)

HERITAGE PRESERVATION COMMISSION

Matt Borowy (2015-2017)

LIBRARY BOARD

Sally Geary (2015-2017)

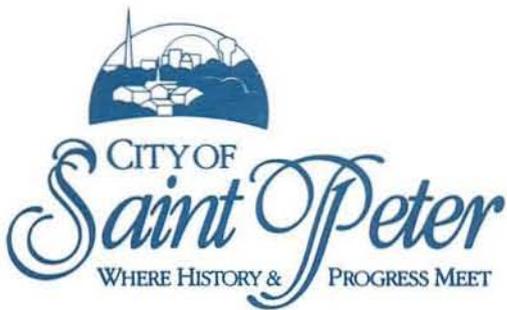
6. The December 22, 2014 regular City Council meeting and the December 29, 2014 workshop session are hereby cancelled. Staff is directed to provide for payment of the end of the year accounts payable following approval by the City Administrator, Mayor and Director of Finance.
7. The schedule of disbursements for November 20, 2014 through December 3, 2014 is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

Paula O'Connell
Finance Director

RE: \$2,170,354 Final Property Tax Levy for taxes payable in 2015

ACTION/RECOMMENDATION

Approve the attached resolution to certify the final levy of \$2,170,354 to the Nicollet County Auditor.

BACKGROUND

On September 8, 2014 the City Council adopted a preliminary property tax levy for taxes payable in 2015 and you have discussed the budget and levy at your last workshop. Our discussion for the December 8th City Council meeting will center around how taxes evolve from property values to property tax statements, influences on taxes, the City's tax levy impact on Saint Peter property owners and budget comparisons to prior years.

One of the rules we still need to abide by is that the preliminary levy set in September of \$2,170,354 may be lowered, but cannot be increased.

We are proposing a budget and suggesting a levy that is the same as the preliminary levy set in September. This will reduce your 2015 projected tax rate from the 2014 51.13 to 47.12. The gross levy increase is 1.85% or \$39,344.

This means that if a homeowner's property valuation hasn't changed from 2014, their City share of the tax bill on a \$250,000 home would decrease approximately \$94.22 from the 2014 tax year. This is calculated by taking the market value of a property multiplied by the tax classification rate designated by the State to determine the Tax Capacity. The Tax Capacity is then multiplied by the City Tax Rate to determine the City share of taxes due.

$$\begin{aligned} \text{Market value} \times \text{State classification rate} &= \text{tax capacity} \\ \text{Tax capacity} \times \text{City tax rate} &= \text{City tax due} \end{aligned}$$

Tax capacities for the payable 2015 year have been updated by the County to \$4,605,662, which equals a 10.5% increase. Changes that have contributed to this increase are:

- The decertification of the Theatre Tax Increment District of \$11,794
- The decertification of the downtown Tax Increment District of \$125,214
- Residential structures market value increased 5%
- There was \$9,364,000 in new construction market value
 - \$5,712,300 residential; \$604,700 apartment; \$3,047,000 commercial.

Generally speaking, an increase in your levy of \$10,000 means an increase in your tax rate of .23. A decrease in your levy of \$10,000 means a decrease in your tax rate of .23.

Market value on exempt property is updated every six years. In 1999 when the exempt property market values were updated, 53% of the market value was taxable property in Saint Peter. In 2005 these exempt property market values were again updated, which gave us 63% of the City Market Value as taxable. In 2011 the exempt property update changed the percent of taxable market value to 63.6%.

Based on the 2014 projections and the 2015 proposed budget we will have a projected fund balance of \$3,508,564 at the end of budget year 2015. The reserve percentage for the end of 2014 will likely be 53.5%, and is projected at 53.3% for 2015.

General fund expenditures are planned to increase \$264,739 driven by personnel costs, street maintenance, capital, and repairs. Major changes in the expenditures have been made in the past due to the LGA reductions and trying to maintain reasonableness in our tax levy, but this year we are relatively confident that the State will provide the amount of LGA promised for the 2015 year. Again, this budget is premised on your service level decisions for 2010 and 2011 and the budget modifications that resulted.

While none of us enjoy paying property taxes, the proposed levy is both reasonable and responsible. The amount of the 2008 certified levy was \$2,020,342 which is only \$150,012 less than the 2015 levy. Another way to think about this is, approval of the 2015 levy represents a 7.42% increase over seven years, or slightly over 1% per year.

This levy will allow the City to continue proper maintenance of streets, provide appropriate police and fire services, maintain and improve the parks system, continue economic development efforts, continue senior citizen and recreational activity, and provide staffing and materials to meet the demands of the taxpaying public. Staff will recommend adoption of this levy for property taxes payable in 2015 to maintain the quality of life that the residents of Saint Peter have enjoyed.

FISCAL IMPACT:

Our General Fund reserves have increased from 37.4% to 53.5% since the end of 2008 to the projected 2014 year, or in real dollars by about \$1,473,154. This has been planned so that we can meet some of the financial challenges that we face each year. This was done through cost savings and the budget modifications that you have reviewed and implemented. In addition, due in part to substantially reduced reserves in your largest enterprise funds, this level of reserve is needed to meet your cash flow needs.

The levy certification deadline is December 30, 2014 and once certified, the City of Saint Peter will collect a levy of \$2,170,354 from property taxes in the year 2015 which breaks down as follows:

- General fund property tax revenue is \$1,308,614
- Library property tax revenue is \$220,133
- Debt obligation property tax revenue is \$633,607
- Firemen's Relief Association property tax revenue is \$8,000.

There are so many variations that we could review it is hard to know where to start. Here are a few that may help you think in different ways.

- Lower the gross levy to meet any Tax Rate or other goals you may wish to put in place. This provides opportunity to say we are reducing the levy. There may be value to that symbolism, but that value is a Council decision.
- Spend down the increase in reserves which lowers the gross levy, but then it may make future years more difficult. We like the 2015 plan we have illustrated knowing the high likelihood of things changing, especially as it relates to State funding beyond 2015. Remember, you have some bigger projects in your future so a measured and gradual increase in reserves to meet these wishes may be better than a large increase all at once. Again, this is part of that fund balance and policy discussion.
- Put more capital purchases on the equipment certificate, which would lower this year's levy but increase future year levies. There is \$53,303 of capital equipment remaining in the general fund budget. The converse of that is to spend reserve rather than issuance of Equipment Certificate. There are some interesting things we could do here, but all certainly fall within the realm of Council's sense of what is best.
- Add new or reinstate previously cut services into the budget with additional levy or with the use of reserves. Again, this is a call for the Council to make. One caution here... we are unsure of the value of providing services on a year-by-year basis. By that, we mean it seems strange to provide a service in 2014 then in 2015 we discontinue it and then in 2016 we provide that service again. It is confusing to our citizens. Again, we are not sure that helps the quality of life for the members of our community. It is also costly in both money (start and stop costs) and morale to be on again/off again. Those too are real costs.
- There are many, many more.

ALTERNATIVES AND VARIATIONS:

Vote in favor: Adoption of the final 2015 budget will follow.

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

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

Please feel free to contact us if you have any additional questions or concerns on this agenda item. And please let us know if we can provide any additional information or clarify anything before your Council meeting on Monday. We will have the usual graphs, charts and other visuals that you have seen in previous years.

TP/PO

CITY OF SAINT PETER
TAX THEORY
TAX LEVY: CERTIFY IN 2014, COLLECTIBLE IN 2015

Levy Limit Year

Levy Limit Year

	Certified: Payable:	Levy Limit Year				Levy Limit Year			
		2010 2011	2011 2012	2012 2013	2013 2014	BUDGET 2014 2015	PROJECTED 2015 2016	PROJECTED 2016 2017	PROJECTED 2017 2018
General Fund		832,925	1,275,614	1,275,614	1,305,614	1,308,614	1,374,045	1,442,747	1,514,884
\$ increase (decrease) in General Fund		0	90,490	0	30,000	3,000	65,431	68,702	72,137
% increase (decrease) in General Fund		0.00%	7.64%	0.00%	2.35%	0.23%	5.00%	5.00%	5.00%
Public Library		310,133	250,133	220,133	220,133	220,133	231,140	242,697	254,831
St, Peter Community Center		0	0	0	0	0	0	0	0
N Firefighter's Relief		24,600	10,000	10,000	10,000	8,000	8,000	8,000	8,000
Special Levies:									
A Bonded Indebtedness									
2002 Refunding Bond (CCC)		0	0	0	0	0	0	0	0
09 Public Project Revenue Bond(SPCC)		298,112	294,277	294,277	284,053	284,055	283,593	282,665	286,275
98 GO CO Refunding Bond (Pine Ridge)		0	0	0	0	0	0	0	0
B Certificates of Indebtedness									
Expired Equipment Certificates		0	0	0	0	0	0	0	0
'06 Equipment Certificate		0	0	0	0	0	0	0	0
'07 Equipment Certificate		34,200	0	0	0	0	0	0	0
'08 Equipment Certificate		63,180	51,372	0	0	0	0	0	0
'09 Equipment Certificate		67,462	65,720	63,977	62,049	0	0	0	0
'10 Equipment Certificate		35,200	34,300	33,400	32,500	31,132	0	0	0
'11 Equipment Certificate			21,995	21,425	20,850	20,235	19,590	0	0
'12 Equipment Certificate			14,600	48,900	53,000	47,500	47,500	47,500	0
'13 Equipment Certificate - Fire Truck				87,780	79,133	105,206	101,148	100,435	99,390
'14 Equipment Certificate					40,678	67,979	67,980	67,980	67,980
'15 Equipment Certificate						57,500	56,000	54,500	54,500
'16 Equipment Certificate							57,500	56,000	56,000
'17 Equipment Certificate								56,000	56,000
'18 Equipment Certificate						0			56,000
C Bonds of another local unit of Gov't									
J Pera Employer rate inc. after 6/30/01		82,652	0	0	0	0	0	0	0
Unallotment --		269,547	0	0	0	0	0	0	0
Abatement for Nash Finch					0	0	0	0	0
Abatement for ISJ Clinic		23,000	23,000	23,000	23,000	20,000	20,000	20,000	20,000
Special Levies:		873,353	505,264	572,759	595,263	633,607	653,311	685,080	696,145
Levy applicable to levy limits:		1,167,658	na	na	1,535,747	1,536,747	1,613,184	1,693,444	1,777,716
TOTAL GROSS LEVY:		2,041,011	2,041,011	2,078,506	2,131,010	2,170,354	2,266,495	2,378,524	2,473,861
% increase(decrease) over prior levy		1.02%	0.00%	1.84%	2.53%	1.85%	4.43%	4.94%	4.01%
Tax Rate: City		43.52	49.00	50.67	51.13	47.12	48.72	50.63	52.13
Tax Rate: Total									
Taxable Market Value		484,053,400	430,696,300	424,206,500	428,488,400	459,425,700			
Exempt Market Value		277,106,400	277,106,400	277,106,400	277,106,400	277,106,400			
Net Tax Capacity		4,689,589	4,165,734	4,102,084	4,167,947	4,605,662	4,651,719	4,698,236	4,745,218
City		43.53	49.004	50.673	51.13	47.081	preliminary		
County		52.77	53.67	52.001	51.24	49.291			
School		15.553	16.716	16.752	17.175	17.189			
Region 9		0.187	0.19	0.188	0.172	0.153			
Multi-County		0.357	0.367	0.352	0.322	0.301			
Total extension rate		112.397	119.947	119.966	120.039	114.015			

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**City Tax Comparison (not total tax bill)
10.5% increase in tax capacity**

2015 tax capacity	4,605,662	2015 levy	\$ 2,170,354	City extension rate =	0.47124
2014 tax capacity	4,167,947	2014 levy	\$ 2,131,010	City extension rate =	0.51129

if, your taxable Market Value is	2015 tax	2014 final tax	Annual change if MV stays the same	if, your taxable Market value increased 5%	2015 tax	Annual Change from 2014
Homestead value with MV exclusion =						
\$ 60,000	169.64	184.06	(14.42)	63,000	178.13	(5.94)
\$ 76,000	214.88	233.15	(18.26)	79,800	225.63	(7.52)
\$ 100,000	338.16	366.90	(28.74)	105,000	363.84	(3.06)
\$ 150,000	594.98	645.55	(50.57)	157,500	633.51	(12.04)
\$ 250,000	1,108.63	1,202.85	(94.22)	262,500	1,172.84	(30.01)
\$ 413,800	1,949.98	2,115.71	(165.72)	434,490	2,056.26	(59.45)
4+ rental housing =						
\$ 110,000	647.95	703.02	(55.07)	115,500	680.35	(22.67)
\$ 150,000	883.57	958.66	(75.09)	157,500	927.75	(30.91)
\$ 200,000	1,178.09	1,278.21	(100.12)	210,000	1,236.99	(41.22)
\$ 250,000	1,472.61	1,597.77	(125.15)	262,500	1,546.24	(51.52)
Commercial/Industrial =						
\$ 150,000	1,060.28	1,150.39	(90.11)	157,500	1,130.97	(19.43)
\$ 175,000	1,295.90	1,406.03	(110.14)	183,750	1,378.37	(27.67)
\$ 200,000	1,531.52	1,661.68	(130.16)	210,000	1,625.76	(35.91)
\$ 250,000	2,002.75	2,172.96	(170.21)	262,500	2,120.56	(52.40)
\$ 1,000,000	9,071.29	9,842.24	(770.95)	1,050,000	9,542.53	(299.71)

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CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION ADOPTING FINAL 2014 TAX LEVY COLLECTIBLE IN 2015

WHEREAS, the Legislature of the State of Minnesota has enacted a Truth in Taxation law requiring cities with populations of more than 2,500 to certify a proposed tax levy for 2014, payable in 2015, to the County Auditor by September 15, 2014; and

WHEREAS, that levy was certified and set at a total levy of \$2,170,354; and

WHEREAS, in prior years the Legislature of the State of Minnesota has repealed the Truth in Taxation law requiring cities to publish notices and hold public hearings on the levy and budgets proposed for the 2015 fiscal year; and

WHEREAS, there are no levy limits enacted for taxes collectible in 2015; and

WHEREAS, the final tax levy of 2014, payable in 2015, must be certified to the County Auditor by December 30, 2014, and cannot exceed the amounts proposed in September 2014; and

WHEREAS, in the further development and examination of the budgets after the September certification, the levy has remained at \$2,170,354.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the following sums of money be certified to the County Auditor of Nicollet County, Minnesota, as the final tax levy for 2014, collectible in 2015, upon the taxable property in said City of Saint Peter, Nicollet County, Minnesota:

- 1) for the purpose of paying the general expenses of the City of Saint Peter for the fiscal year commencing January 1, 2015, a tax of \$ 1,308,614 be levied on all of the taxable property in the City of Saint Peter for the year 2015.
- 2) for the purpose of defraying the cost of operating the Saint Peter Public Library for the year commencing January 1, 2015, a tax of \$ 220,133 be levied on all of the taxable property in the City of Saint Peter for the year 2015.
- 3) for the purpose of defraying the cost of operating the Saint Peter Fire Relief for the year commencing January 1, 2015, a tax of \$ 8,000 be levied on all of the taxable property in the City of Saint Peter for the year 2015.
- 4) for the purpose of defraying the cost of the 2010 Equipment Certificates of Indebtedness for the year commencing January 1, 2015, a tax of \$ 31,132 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 5) for the purpose of defraying the cost of the 2011 Equipment Certificates of

Indebtedness for the year commencing January 1, 2015, a tax of \$ 20,235 be levied on all taxable property in the City of Saint Peter for the year 2015.

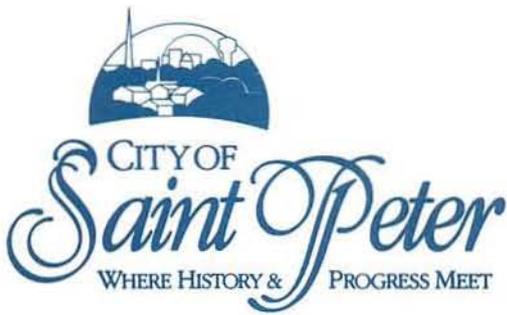
- 6) for the purpose of defraying the cost of the 2012 Equipment Certificates of Indebtedness for the year commencing January 1, 2015, a tax of \$ 47,500 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 7) for the purpose of defraying the cost of the 2013 Fire Truck Equipment Certificates of Indebtedness for the year commencing January 1, 2015, a tax of \$ 105,206 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 8) for the purpose of defraying the cost of the 2014 Equipment Certificates of Indebtedness for the year commencing January 1, 2015, a tax of \$ 67,979 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 9) for the purpose of defraying the cost of the 2015 Equipment Certificates of Indebtedness for the year commencing January 1, 2015, a tax of \$ 57,500 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 10) for the purpose of defraying the cost of the 2001 Public Project Revenue Bond (St. Peter Community Center) for the year commencing January 1, 2015, a tax of \$ 284,055 be levied on all taxable property in the City of Saint Peter for the year 2015.
- 11) for the purpose of tax abatement for the fiscal year commencing January 1, 2015, a tax of \$ 20,000 be levied on all of the taxable property in the City of Saint Peter for the year 2015.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

Paula O'Connell
Finance Director

RE: 2015 Budgets for General, Special Revenue, Debt Service, Capital Funds, and Agency Funds.

ACTION/RECOMMENDATION

Approve the 2015 budgets for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Funds, and the Agency Funds.

BACKGROUND

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

Goals for this discussion are:

- Provide an update on the 2014 projections and budget modifications
- Provide information on the 2015 budget progress
- This budget and levy, the means by which you provide for the policies you have in place, is a substantial opportunity for you to provide input in making this the Council budget and not the Staff budget.

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

We continue to look at the General Fund and Special Revenue Fund budgets as a portion of a larger business and believe we are very cognizant of the impact that modification in any of these areas has on other portions of the City business. The 2015 budget is based on the ideas expressed below.

The changes within the budget, as compared to 2014, are very small with a few specific exceptions:

- Street maintenance for 2015 is planned for a \$108,500 increase over your 2014 budget. This is a response to what we believe are increasing material costs and the improvements to Union Street and sidewalks in that area at an estimated cost of \$85,000. Your ongoing

street program provides maintenance on one of your biggest investments that is very expensive to replace.

- Police capital expenses include voice logger, dictation machine, and interview room video in the amount of \$21,600.
- Parks will see a \$20,000 increase for repair and maintenance and a few, very small, facility improvements.
- The Fire Department budget includes \$43,995 which: establishes a replacement fund of \$7,500 per year for equipment items that have certification expiration needs; \$16,500 of floor coating to the fire station floor for ease of cleaning and to prevent slipping; \$4,000 to replace two computers; \$8,700 to replace the thermo imaging camera; \$5,000 to replace five MSA cylinders due to expiration; and \$2,295 to replace an outdated gas fan.
- The 2015 budget includes an allocation of \$2,500 for the youth center. This was previously paid for by a special fund the resources of which have now been exhausted.
- The Building Department has included a purchase of building code books for \$8,882.
- The newly created part-time Payroll Clerk position is the only change to personnel.
- General Fund reserves will maintain a projected 53.3% of expenditures. This includes the use of \$15,242 to fund the 2015 operations. The percentage of reserves is slightly higher than your policy of 35% to 50% of the 2015 year expenditures.
- The 2014 expenditures reflect the use of \$200,000 in reserves to cover the expense of improving North Third Street that isn't covered by tax increment generated by that district.
- Local Government Aid has increased \$37,473.
- There are a number of building permits that will generate approximately \$535,000 in additional revenues between 2014 and 2015. This revenue income has been split between the two years to coincide with inspection work that will also be done in 2015.

For 2015, we will use the same philosophy we have over the past years. We do not look at the total levy and then make cuts or additions. We look at the divisional budgets line by line and think about needs and priorities you have set, make changes, and then look at how that would influence the total.

We bring a budget that will provide for the operation you have told us you want. In this case, the service levels are still based on the 2010 and 2011 budget modifications. Reserves are used for emergencies or efforts that are unknown to us at this time. In some past years we have used reserves for a deal that is too good to pass up. It may be important to note that once the legislative session starts in 2015 there is always the potential for a change in the ground rules. Election results and budget surpluses or deficiencies at the State level all influence those issues and right now, we do not have any supernatural ability to predict future outcomes.

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

Lastly, based on State funding changes over the past eleven years, local property taxes are more heavily depended upon to make your operations go. Also, Local Government Aid (LGA) continues to make up a large portion of our General Fund budget.

Our Financial Position Today - The City, as reported by our auditors, is in very good financial shape. The General Fund ended the 2013 year with revenues over expenditures by \$32,920 and reserves increasing to \$3,515,994. The projected change to fund balance in 2014 is an anticipated increase of \$7,812. (This is \$74,254 better than the budgeted change.) Building permit revenue and the use of reserves for North Third Street improvements contribute to this change.

Working Plan Thus far - The 2015 budget is not balanced. Revenues will be lower than expenditures. This is not a good or bad thing it is just the plan and we are happy that our understanding of these issues has evolved over the last number of years. Based on your Fund Balance Policy for the General Fund which says the reserve should be "35% to 50% for the following years budgeted expenditures", we believe a \$15,242 use of fund balance is reasonable.

Based on the proposed budget we will have a projected fund balance of \$3,508,564 at the end of budget year 2015. Based on our current projections, the reserve percentage for the end of 2014 will likely be approximately 53.5%, and in 2015 at 53.3%.

General fund expenditures are planned for an increase of \$264,739 driven by personnel costs, street maintenance, capital, and repairs. Alternatives to this increase are discussed later in the memo. Major changes have been made in the past due to the LGA reductions and trying to maintain reasonableness in our tax levy, but this year we are relatively confident that the State will provide the levy of LGA promised for the 2015 year. Again, this budget is premised on your service level decisions for 2010 and 2011 and the budget modifications that resulted.

Some of the tools used to provide the 2015 budget year include:

- Enterprise funds transfers have been estimated based on projected sales for the 2014 year, assuming rate increases and lower use possibilities in 2015. This is a very conservative approach, but we have seen consumption reductions after the initial rate increase. Transfers will remain at 6.5% of sales for the Electric, Water, Wastewater, and Stormwater budgets. Please know that the transfers are based on percentage of gross revenue, so even though they are likely to change, we believe this assumption is appropriate as a starting point.
- Health insurance costs were budgeted with a 9% increase.
- Wage modifications for all union and non-union are about 2%.
- New minimum wage laws effective August 1, 2014 thru August 1, 2016 are also reflected in the budgeted and projected values.
- The creation of a part-time Payroll Clerk has added .5 FTE to the personnel costs. This position is funded by General and Enterprise Funds. The Streets Division still operates with an Equipment Operator position going unfilled.
- Nash Finch was paid \$25,000 for site improvements which the City was to receive back in property taxes due to the increase in their parcel valuation. The actual valuation of the improved parcel exceeded the minimum assessment by \$207,000 and the retained tax increase would be \$5,200 per year. This amount isn't identified as an additional levy as the fund reserves are just above our fund balance policy at this time.
- We will continue to make operational changes that we hope will reduce overtime and may mean changes when and how some activities are undertaken. We budgeted hours of overtime at the levels we have seen for 2011-2013.
- Budget modifications, and in particular cuts articulated for the 2010 year, are also cut as a part of the 2015 budget.

- Fire Relief Association levy of \$8,000 for the 2015 year.
- We continue to self-fund a higher deductible for Property/Casualty Insurance coverage across all funds. We do not plan to transfer any funds to the insurance pool as the budget premium no longer offers a saving from the initial creation of this fund. After the claim deductibles are closed, the 2014 fund balance will be approximately \$300,000.
- 2014 Local Government Aid is not planned to be reduced from the certified amount. We have an additional \$37,473 for 2015.
- Additional debt related to the purchase of a fire truck. We have a seven year levy necessary for the debt service.

Projects in 2015 that are being planned include:

- Equipment Certificate for \$271,400. These items will be discussed before the purchase is made. The document software cost is still unknown as we are investigating the process to convert paper documents into an electronic document management program. The \$14,400 allocated for a transit bus has been included, but can be removed if funding is available in the Transit fund. The bus will not be a levy issue as it will be paid from the transit fund each year of the debt obligation. The budget will be held at \$271,400 but the items may be adjusted.
 - \$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

Below are items that we discussed earlier and some items we just think you should have opportunity to understand and discuss.

- Seal coating and patching work increase by \$23,500. (Compared to budget 2014)
- Union Street will have \$60,000 of improvements to the street
- \$25,000 is allocated for sidewalks on North Third Street from Ramsey Street to Union Street.
- Additional parks repairs of \$20,000 for improvements to facilities.
- There is no funding in the budget for Pavilion work as an amount is not known and our planning, thus far, has been to work to solicit other peoples money (OPM) once a scope is determined.
- Lambert Farm development - no costs are included for the 2015 budget. There will be \$10,000 contributed to the School District to cooperate on a design plan. Greater improvements will be more likely in 2016 and 2017.
- There will be other modifications to fees, which are insignificant to the budget, but more reflective of actual costs.
- The budget includes Coalition of Greater Minnesota Cities (\$15,600) and Third Floor.
- You have also discussed other long term projects for the future that are not funded as a part of this budget. Cooperative effort with the School District on the Lambert Farm, (your park development), Minnesota Square Pavilion, Fire Hall, City Hall, and other sidewalk and street improvements.

Special Revenue Funds:

The Library fund is allocated the same tax levy as it has for the last two years. The fund balance is at 63.5% and is continuing the same programming as in 2014. The State requires a minimum maintenance of effort, which means they regulate how much is required to be contributed to library systems by cities and counties. The amount for 2015 is \$235,561 and we will be in compliance when in-kind costs are figured. With 2013-2015 having a planned decrease in fund balance, we are going to have to either make a change to programming or increase property tax levy to maintain a reasonable fund balance in the future. That future can be now or the 2016 to 2018 years.

The Community Center fund has not been receiving any tax levy, but the debt is being covered 100% by tax levy. The "Conduit Agreement" that is in place will end May 2017. This decline in revenue along with the decline in leases, will present a negative fund balance at the end of 2016. With the collection of past due rents or new leases of the unoccupied spaces, the projected fund balance will improve. However, the Council may need to make changes from the current plan. Again those changes can come between now and the 2017 year.

Miscellaneous things to consider -

- As always, our goal is to construct a budget that meets your goals and priorities. We have provided additional information so that the Council might be able to determine if this budget does that.
- There are many, many requests that go unfilled; a large number of those are removed at the Department or the Administrative level. We continue to under-fund depreciation on assets and road maintenance. That is not only the case in Saint Peter, but in just about every community in the state.
- Our dependence on Local Government Aid remains significant.
- This budget delays some capital equipment wishes that in past years we may have funded. Some of these reductions are made because our needs have changed and others because we continue to work to be good stewards of the resources. Some are done with the hope that we can limp to another year based on cost of money or serviceability. Others are done because we believe strongly in the idea of budget responding to our customers and the services you wish to see provided.
- We will be prioritizing things like weed control and repairs throughout our various facilities and our efforts will be focused on areas with customer needs as the driving force behind the prioritization.
- You can change how you look at resource balance between Tax driven and Enterprise Funds. In the past we have maintained a very specific percentage of gross revenues of Enterprise Fund transfers to the General Fund. This budget anticipates no change in that balance. The Council could change that area if you wished. We will have the ability to discuss the general impact of changes in that balance if you wish. A slight twist to that may be the additional use of enterprise funds in a more targeted way.
- We have also assembled a list of some of the outside the box ideas that may assist us in our budget balancing. All of these need more discussion prior to any implementation because most represent a policy change and, frankly, a large shift in what our operations model has been in the past. Some of those are:
 - Additional modification to fees. (Yearly adjustments are always done)
 - Payment in lieu of taxes from other entities that are not taxed now.
 - Modification to assessment policies that put more burden on individual taxpayers rather than the general fund. The last changes you made put additional cost on the General Fund by transferring alley skirting from assessable to be paid by the City.

- When to take savings from Insurance Fund.
 - Additional enterprise funds contributing to the General Fund.
 - Targeted utility increases.
 - Franchise fees (Franchise fees as exemplified by a natural gas fee.)
 - Use of other funds to transfer in revenues.
 - Any others you may have or we may come up with.
- It is important to understand that our reserves have increased due to cost savings, but there are still areas of volatility that could substantially influence the final 2015 outcome. Those items that are our highest concerns include:
 - State aids; LGA in particular. A bigger picture discussion and plan may be needed in this area. That discussion could focus on alternative sources of revenue and what should or could be done to limit our dependence on LGA.
 - Budget modification from 2010 still influences us today. There is a long list of items that the Council has reviewed and Staff has moved forward with. These changes have led to modifications in the way we provide services including eliminating positions and reducing expenditures in many ways. We continue to be on target to maintain those savings, but if we don't meet the targets, the reserve outlook for ending 2014 would be reduced. Again, we are on track in this area, but it is important to be vigilant.
 - Natural or manmade events. A great example might be a relatively small natural disaster or a major crime against persons. These have the potential to tip the budget off plan with overtime and other costs. Our plan continues to contemplate that reserve funds will have to meet those needs should a disaster occur. We will continue to worry about people first and money second.
 - Supply costs and, in particular, fuel. This is just a very difficult area to project as are all energy costs. Energy and fuel affects all aspects of our operations.

Fiscal Impact:

We have proposed operation budgets for the General Fund of \$6,581,025, Special Revenue Funds of \$2,553,716, Debt Service Funds of \$1,702,542, Capital Funds of \$431,355 and Agency Funds of \$37,500. The City staff and Council have reviewed the budgets and understand that all purchases and projects must again be approved by the City Council if they exceed the amounts in the purchase policy. By approving the budget, the City Council provides a tool for staff to work with.

Another important consideration is reserves. Our General Fund reserves have increased from 37.4% to 53.5% since the end of 2008 to the projected 2014 year, or in real dollars by about \$1,473,154. This has been planned so that we can meet some of the financial challenges that we face each year. This was done through cost savings and the budget modifications that you have reviewed and implemented. In addition, due in part to substantially reduced reserves in your largest enterprise funds, this level of reserve is needed to meet your cash flow needs.

Other thoughts

There are so many variations that we could review and frankly, we would not know where to start. Here are a few that may help you think in different ways.

- Additional cuts. This would mean changes in service levels compared to the 2014 year. That is something we can review, but again our mission here has been to tell you the cost to provide services as you have directed.
- Add new or reinstate previously cut services into the budget with additional levy or with the use of reserves. Again, this is a call for the Council to make. One caution here...if we believe that changes to LGA and other funding sources is not just a one or two or three year blip, then changes to service levels or changes in taxes seem inevitable. If that is true, we are unsure of the value of providing services on a year-by-year basis. By that, we mean it seems strange to provide a service in 2014 then in 2015 we discontinue it and then in 2016 we provide that service again. It is confusing to our citizens. Again, we are not sure that helps the quality of life for the members of our community. It is also costly in both money (start and stop costs) and morale to be on again/off again. Those too are real costs.
- Restrict or assign reserves within the fund balance policy to a building fund or further lower existing debt with higher interest rates. You did this with the Community Center in 2013 and could do it again or plan for a future project.
- There are many, many more.

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

ALTERNATIVES AND VARIATIONS:

Vote in favor: Staff will use the budget as a guide to operate in 2015.

Negative vote: Staff will wait for further direction from the City Council. The Council will need to have a special meeting to take action prior to the statutory required completion date at the end of the year.

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

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

TP/PO

15GFSummary

**General Fund
Revenue Summary**

	2011	2012	2013	2014	2014	2015
	Actual	Actual	Actual	Budget	Projected	Proposed Budget
Property Taxes	1,021,425	1,324,535	1,282,135	1,305,614	1,305,614	1,308,614
Other Taxes	76,865	79,274	82,647	76,600	76,600	76,600
Licenses & Permits	149,557	163,689	191,506	130,720	343,910	280,140
State Grants and Aids	2,776,464	3,042,061	3,025,225	3,030,208	3,030,208	3,070,681
Administrative Fees	37,270	40,584	57,502	25,650	125,050	111,196
Police & Fire	121,704	129,908	134,344	111,500	124,500	123,500
Streets /Refuse Sales	16,684	18,534	20,064	14,800	15,600	14,800
Recreation	158,885	176,778	186,909	154,000	154,000	169,500
Fines & Penalties	81,530	91,342	75,969	79,000	79,000	79,000
Interest & Misc Income	135,782	168,316	141,708	41,752	48,151	41,752
Transfer from other Funds	13,550	0	0	0	0	0
Utility Fund Transfers	1,271,264	1,284,974	1,340,239	1,280,000	1,280,000	1,290,000
Total Revenues	5,860,980	6,519,995	6,538,248	6,249,844	6,582,633	6,565,783
% increase (decrease) over prior year:	1.74%	17.44%	13.50%	-4.14%	5.32%	-0.26%
% increase (decrease) over prior year budget:				6.63%	0.96%	5.06%

**General Fund
Expenditure Summary**

	2011	2012	2013	2014	2014	2015
	Actual	Actual	Actual	Budget	Projected	Proposed Budget
Mayor and Council	36,500	41,541	37,163	41,435	41,465	41,480
City Administrator	155,714	162,336	169,953	171,825	181,659	176,237
City Clerk	61,739	60,582	61,058	66,617	66,617	67,011
Elections	10,815	17,819	22,443	21,642	21,642	21,590
Finance Department	225,500	213,277	221,268	246,819	250,795	266,052
Legal Services	135,489	155,631	130,006	141,000	141,000	141,000
Municipal Building	93,216	90,665	91,866	90,619	95,333	109,382
Police Department	1,876,778	1,956,079	1,973,503	2,078,493	2,079,675	2,128,643
Fire Department	233,857	565,048	563,372	342,405	342,011	366,659
Building Inspections	173,902	171,248	181,748	187,694	193,712	209,552
Emergency Management	1,092	1,086	2,411	7,770	7,770	7,770
Community Service	77,914	79,714	80,620	86,168	86,224	85,646
Public Works Administration	93,471	80,956	79,340	88,019	95,963	88,257
Streets	1,097,409	1,028,945	1,091,035	1,118,012	1,121,771	1,237,127
Street Lighting	98,653	104,103	98,428	130,000	130,000	130,000
Senior Coordinator	29,017	29,921	31,580	33,081	34,109	35,425
Recreation and Leisure Services	332,210	329,414	338,531	347,441	366,297	384,344
Swimming Pool	144,672	169,272	193,456	167,547	166,970	175,367
Skating Rinks	11,326	9,121	14,093	11,926	13,133	12,530
Parks	619,793	598,018	630,008	695,153	692,304	699,748
Community Development	118,042	139,788	187,287	156,773	161,046	162,080
Unallocated - Insurance	19,614	18,636	7,327	4,747	4,225	4,225
Unallocated - Memberships	24,433	24,801	25,524	28,600	28,600	28,400
Unallocated - Miscellaneous	0	0	0	52,500	252,500	2,500
Total Expenditures	5,671,156	6,048,001	6,232,020	6,316,286	6,574,821	6,581,025
Other Transfers Out (In)	46,756	50,863	273,308	0	0	0
NET OPERATIONS:	143,068	421,131	32,920	(66,442)	7,812	(15,242)
% increase (decrease) over prior year:	6.31%	6.64%	3.04%	1.35%	5.50%	0.09%
% increase (decrease) over prior year budget:						4.19%

Beginning Fund Balance	2,918,875	3,061,943	3,483,074	3,515,994	3,515,994	3,523,806
Ending Fund Balance	3,061,943	3,483,074	3,515,994	3,449,552	3,523,806	3,508,564
Percent of next year budget	50.6%	55.1%	53.5%	52.4%	53.5%	
Percent of same year budget						53.3%

type R Revenues
 fund (Multiple Items)

Row Labels	Values		
	Sum of 2015	Sum of current	Sum of Increase
New Construction	327,226	95,000	232,226
LGA	2,945,981	2,908,508	37,473
Business	569,262	539,022	30,240
Transfers	1,290,000	1,280,000	10,000
Property Tax	1,308,614	1,305,614	3,000
State Aid	124,700	121,700	3,000
Donations	0	0	0
loan repayment	0	0	0
Grand Total	6,565,783	6,249,844	315,939

type E Expenditures
 fund (Multiple Items)

Row Labels	Values		
	Sum of 2015	Sum of current	Sum of Increase
personnel	4,429,731	4,292,140	137,591
street maint	520,500	412,000	108,500
Repair	202,245	155,375	46,870
professional	517,232	488,521	28,711
Supplies	249,044	226,289	22,755
Utilities	340,560	328,720	11,840
fuel	117,310	110,910	6,400
Travel	56,200	50,470	5,730
Misc	4,850	50	4,800
insurance	87,550	89,084	-1,534
Transfers	2,500	52,500	-50,000
Capital	53,303	110,230	-56,927
Grand Total	6,581,025	6,316,289	264,736

CITY OF ST. PETER LIBRARY

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Current Budget	2014 Projected Year End	2015 Proposed Budget
Property Taxes	310,133	310,133	250,133	220,133	220,133	220,133	220,133
State Grants and Aids	45,909	49,448	45,365	45,131	45,047	45,047	45,047
Administrative Fees	0	0	0	0	0	0	0
Fines & Penalties	11,808	14,371	11,854	10,456	0	2,000	2,000
Interest & Misc Income	53,960	57,247	73,210	67,422	37,700	53,900	53,700
Transfer from other Funds	0	0	0	0	0	0	0
TOTAL REVENUES	421,810	431,199	380,562	343,142	302,880	321,080	320,880
Personnel Services	178,186	177,467	202,320	202,079	202,637	202,637	215,841
Office Expenses	14,614	17,228	17,406	16,027	16,500	16,500	16,500
Professional Services	65,528	65,405	77,706	68,646	71,456	71,140	71,350
Repair & Maintenance	20,263	20,015	24,796	50,151	24,600	26,716	28,425
Capital	37,148	42,392	44,240	45,383	40,100	37,600	38,600
TOTAL EXPENDITURES	315,739	322,507	366,468	382,286	355,293	354,593	370,716
NET OPERATIONS	106,071	108,692	14,094	-39,144	-52,413	-33,513	-49,836
BEGINNING FUND BALANCE	159,659	265,730	374,422	388,516	349,372	349,372	315,859
ENDING FUND BALANCE-Restricted	42,219	39,563	38,459	30,576	30,576	30,576	30,576
ENDING FUND BALANCE-Unrestricted	223,511	334,859	350,057	318,796	266,383	285,283	235,447
					75.0%	80.5%	63.5%

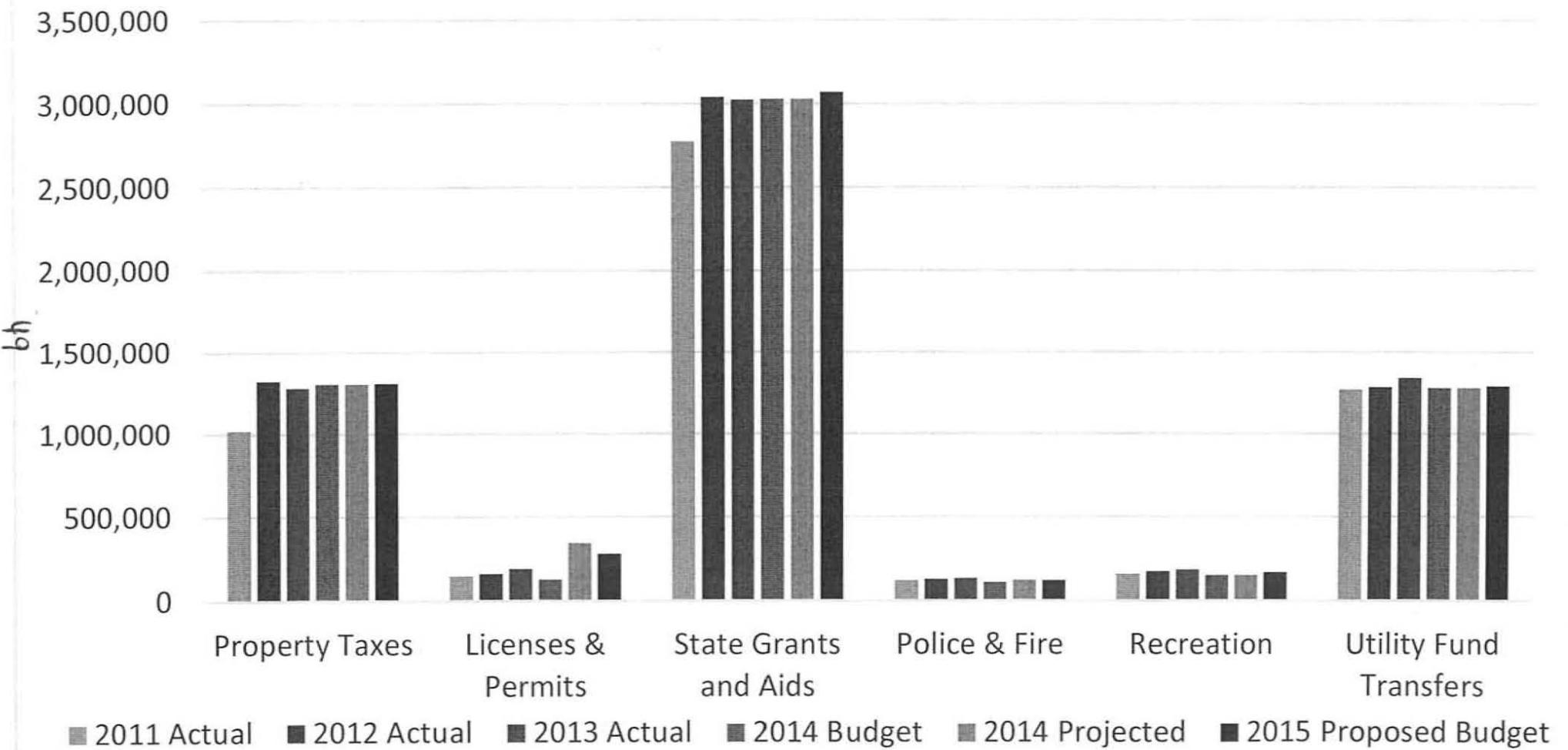
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CITY OF ST. PETER COMMUNITY CENTER

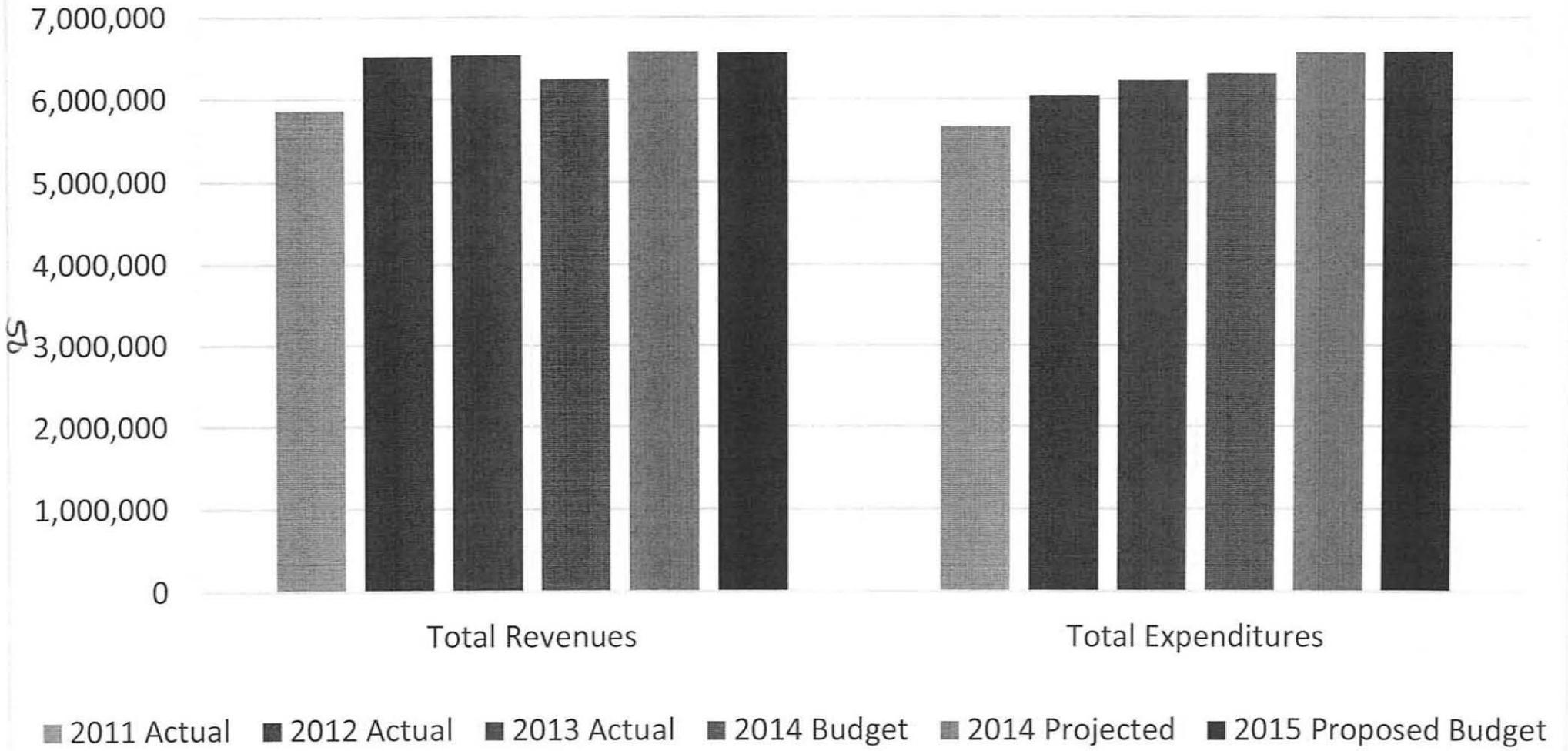
	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Proposed Budget	2014 Projected Year End	2015 Proposed Budget	2016 Proposed Budget	2017 Proposed Budget	2018 Proposed Budget	2019 Proposed Budget
Property Taxes	0	0	0	0	0	0	0	0	0	0	0
State Grants and Aids	131	131	131	131	130	130	130	130	130	130	130
Interest & Misc Income	16,559	22,094	33,984	25,298	23,400	22,190	24,400	24,400	24,400	24,400	24,400
Daily/advertising/term Rents	163,174	192,561	201,006	209,287	200,268	185,900	186,700	186,700	186,700	186,700	186,700
Transfer from other Funds	146,881	147,183	143,736	145,219	152,000	152,000	125,000	91,500	36,500	0	0
Utility Fund Transfers	50,294	53,256	54,801	54,261	52,000	52,000	52,000	52,000	52,000	52,000	52,000
TOTAL REVENUES	377,039	415,225	433,658	434,196	427,798	412,220	388,230	354,730	299,730	263,230	263,230
Personnel Services	112,782	113,182	123,290	127,663	127,534	127,534	139,119	141,901	144,739	147,634	150,587
Office Expenses	36,607	40,495	44,969	46,739	42,700	43,100	47,300	47,300	47,300	47,300	47,300
Professional Services	123,138	126,705	119,358	128,827	146,160	133,339	133,250	133,250	133,250	133,250	133,250
Repair & Maintenance	15,176	24,657	33,948	20,512	31,000	31,000	31,000	31,000	31,000	31,000	31,000
Transfer to Other Funds	11,794	11,334	11,428	11,017	0	0	0	0	0	0	0
Capital	0	6,770	26,094	27,438	20,295	20,295	32,300	66,700	10,000	50,000	8,500
TOTAL EXPENDITURES	299,497	323,143	359,087	362,196	367,689	355,268	382,969	420,151	366,289	409,184	370,637
NET OPERATIONS	77,542	92,082	74,571	72,000	60,109	56,952	5,261	-65,421	-66,559	-145,954	-107,407
BEGINNING FUND BALANCE	29,647	107,189	199,271	273,842	345,842	345,842	402,794	408,055	342,634	276,074	130,120
ENDING FUND BALANCE	107,189	199,271	273,842	345,842	405,951	402,794	408,055	342,634	276,074	130,120	22,713
							106.6%				

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Revenues

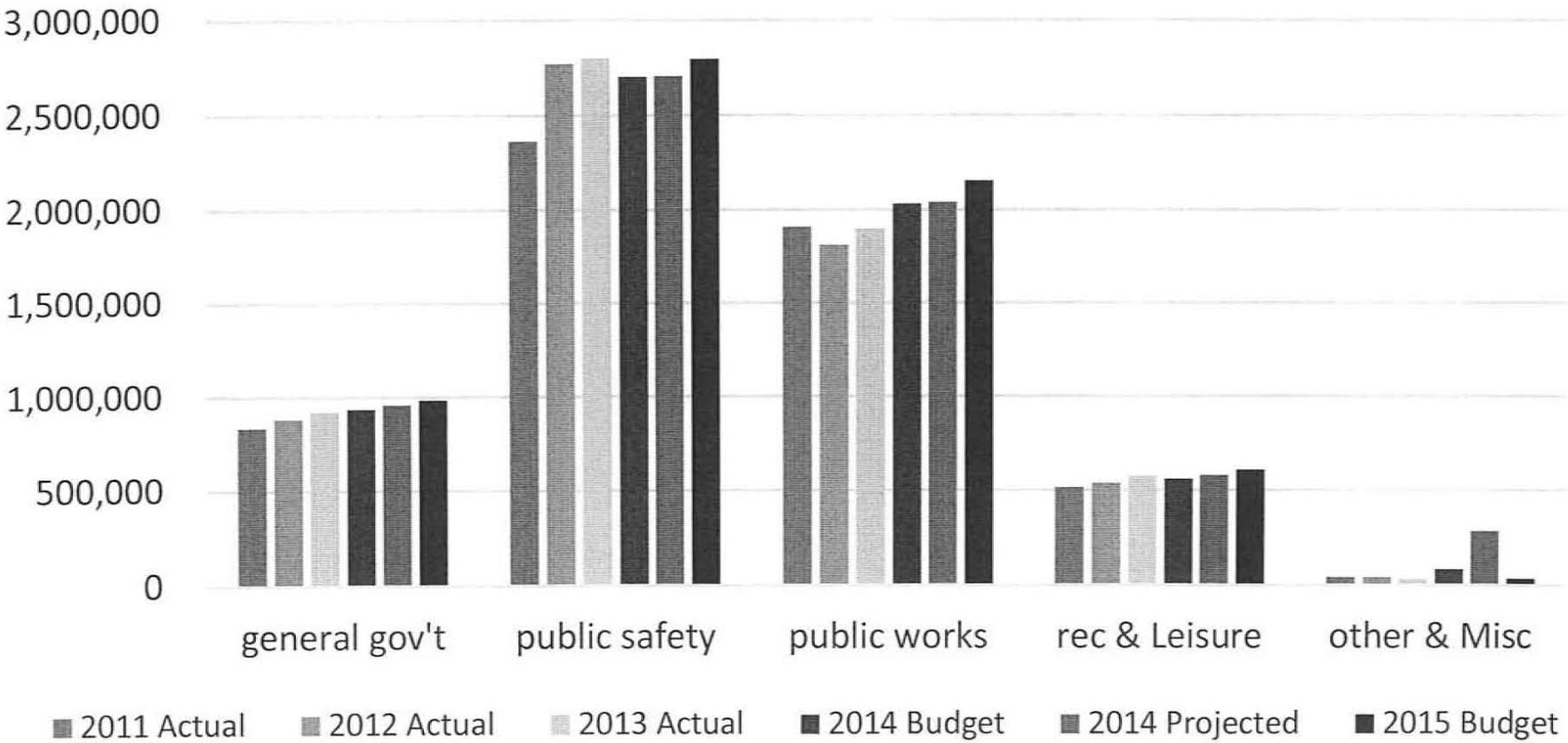


General Fund 2011-2015



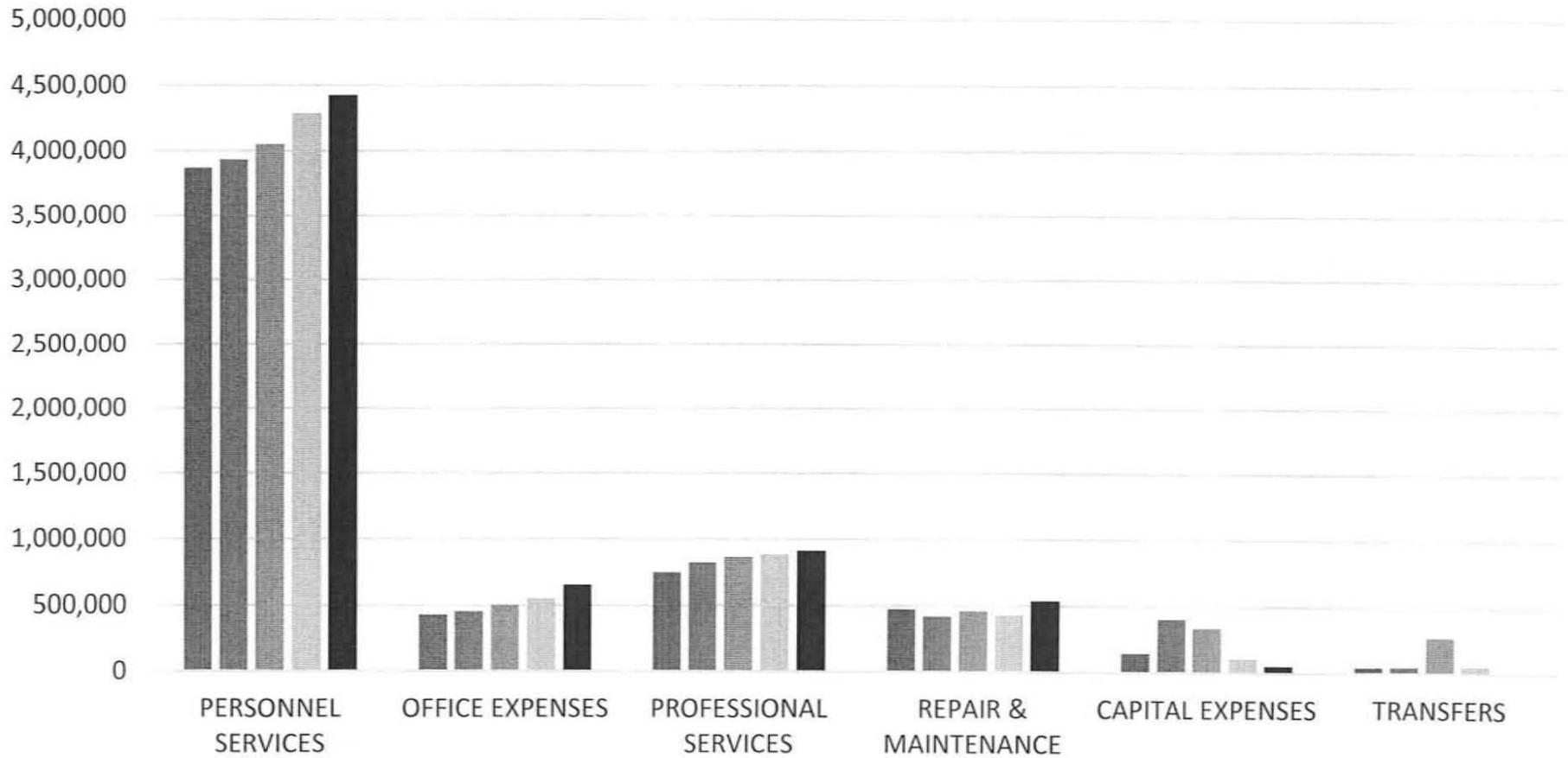
Expenditures

\$



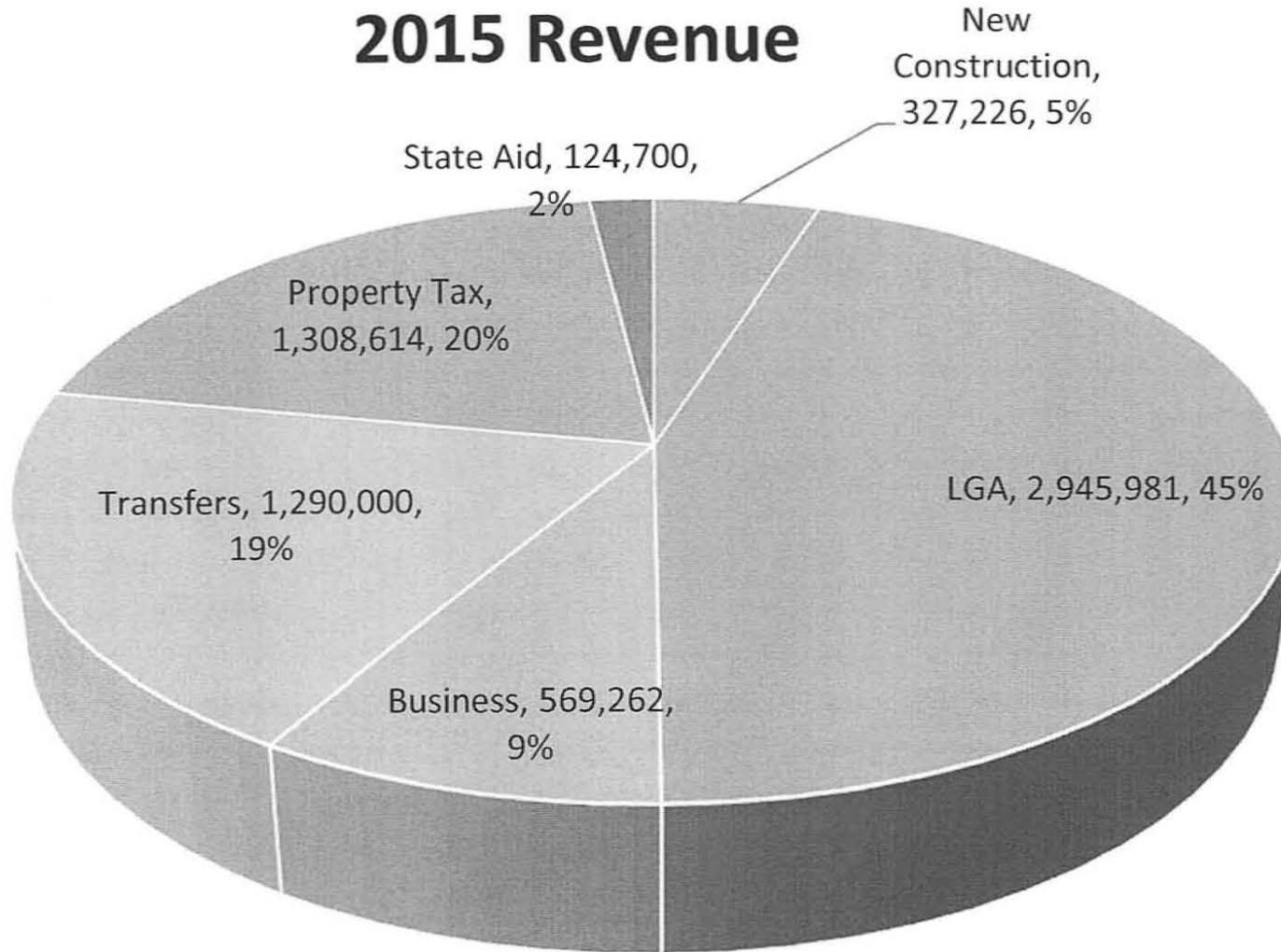
General Fund Expenditures

■ 2011 ACTUAL ■ 2012 ACTUAL ■ 2013 ACTUAL ■ 2014 CURRENT BUDGET ■ 2015 PROPOSED BUDGET



52

2015 Revenue



CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION APPROVING THE GENERAL FUND, SPECIAL REVENUE FUNDS, DEBT SERVICE FUNDS, CAPITAL FUNDS, AND AGENCY FUNDS FOR THE 2015 FISCAL YEAR

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, MINNESOTA, that the General Fund, Special Revenue Funds, Debt Service Funds, Capital Funds, and Agency Fund expenditure budgets for the 2015 fiscal year be and hereby are approved as follows:

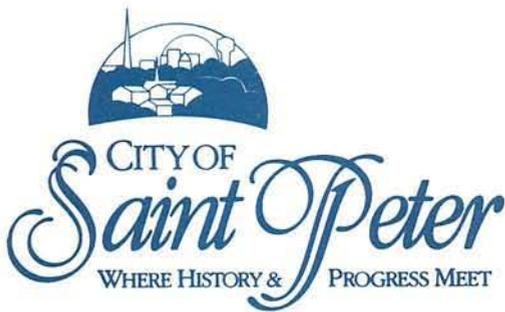
I.	General Fund		
	A. General Government	\$ 984,832	
	B. Public Safety	2,798,270	
	C. Public Works	2,155,132	
	D. Recreation and Leisure	607,666	
	E. Other and Miscellaneous	<u>35,125</u>	
			\$ 6,581,025
II.	Special Revenue Funds		
	A. Insurance	\$ 50,000	
	B. Library	370,716	
	C. SPPA	19,429	
	D. Community Center	382,969	
	E. Economic Revolving Loan	300,000	
	F. Tax Increment Financing	624,722	
	G. Fire Relief Association	53,200	
	H. Nicollet Hotel	10,900	
	I. Nicollet Plaza	24,300	
	J. Tornado Revolving Loan	71,480	
	K. Housing Tax Increment #9	20,500	
	L. Nicollet Meadows Tax Increment #10	326,200	
	M. INH Tax Increment #11	33,300	
	N. Mankato Clinic Tax Increment #12	36,000	
	O. Façade Revolving Loan	10,000	
	P. Washington Terrace Tax Increment	120,000	
	Q. Jefferson Ave Tax Increment	100,000	
			\$2,553,716
III.	Debt Service Funds		\$1,702,542
IV.	Capital Funds		\$ 431,355
IV.	Agency Funds		\$ <u>37,500</u>
	TOTAL FUND EXPENDITURES:		<u>\$11,306,138</u>

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota this 8th day of December 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: December 3, 2014

FROM: Todd Prafke Paula O'Connell Lewis Giesking
City Administrator Director of Finance Director of Public Works

RE: 2015 Electric Enterprise Fund Budget and Rate information

ACTION/RECOMMENDATION

Approve the 2015 Electric Fund budget.

BACKGROUND

Please find below the issues Council and staff have discussed and used for the planning and implementation of the Electric Fund budget. We use the budget as a planning and measurement tool in the management of this fund and the operations that are supported by this enterprise or business type fund.

There is no rate change suggested in the proposed 2015 budget. The last rate change increase took place in June 2014 for large commercial and industrial customers and prior to that in January 2011 for all customers. As directed by the City Council, the 2014 rate increase of \$.0024 per kilowatt hour (kWh) to all large commercial and industrial rate classes was put in place to generate an additional \$75,000 in 2014. In 2011, the change was a 4% increase to all energy sales and coincided with a 4% rate increase from our purchased power supplier.

Below is a history of the last six rate changes.

<u>Electric rate history</u>		<u>Residential Rate</u>
June 2014	large commercial and Industrial (\$.0024)	.1123
January 2011	4%	.1123
August 2010	4%	.1079
2008	6.5%	.1038
2006	22% and base increase \$1.45	.0956
2005	base charge increased \$1.75	
1995		.0783

Current residential rates are \$9.95 base charge, \$3.00 transmission charge and \$.1123 per kilowatt hour charge. All changes prior to June 2014 were made across all rate or user classifications.

The 2015 proposed Electric Fund budget includes the same operational services as we have provided in previous years. The Utility provides and maintains services to homes and

businesses; maintains the generation plant; provides for street light installation and maintenance; provides for connection and disconnection of meters and location of City service lines; maintains appropriate load on transformers; installs new services in developed subdivisions; and installs distribution lines.

The 2015 proposed operating expenditures are \$17,283 below the 2014 budgeted costs, which helps in the estimated operation income results of \$2,155. As you may recall, operational deficit was a major driver in the need for rate changes a year ago.

Capital purchases of \$862,008 are funded from reserves. Approval of the budget does not allow for the purchase of large items without additional City Council approval. Budgeted items over \$7,500 will be presented to the Council for final approval of purchase, as per your purchase policy. Streetlight replacement is anticipated to be evaluated again in the spring of 2015 to determine if changes can take place in a future year.

\$ 50,000.00	Planning for Front Street Substation transformer replacement (depends on failure)
\$ 20,000.00	Professional services for system/mapping updates
\$ 8,000.00	Roof replacement (Front Street)
\$ 29,000.00	Parapet repairs on the Front Street substation equipment room
\$ 36,000.00	Sunrise Substation
\$ 32,000.00	Distribution line - Traverse Road to the Sunrise Substation (Nicollet Avenue)
\$278,808.00	5 new sealed underground switch boxes - Nicollet Avenue (2015 delivery)
\$ 200,000.00	New construction at Regional Treatment Center
\$ 20,000.00	New construction at Nicollet County Courthouse
\$ 40,000.00	Replace 1970's underground distribution wire
\$ 15,000.00	Subdivision development
\$ 6,000.00	Line monitor to detect change in power being supplied
\$ 15,000.00	10 Traditionaire streetlights replacement program
\$ 56,000.00	22 Black Commercial Streetlights on North Third Street and Old Minnesota Avenue –Union Street to St. Julien Street
\$ 26,000.00	32 LED Traditionaire lights on Washington Avenue Link Project (re-use 21 poles)
\$ 7,700.00	3 Black Commercial LED Lights at Old Minnesota and Union Street
\$ 4,500.00	Washington Ave Link Trail Lights
\$ 18,000.00	Generation Plant computer software for SMMPA, building. and generator monitoring

Additional information:

- The load control rebate is proposed to remain at \$4.00/month credit. This credit is given to our load control customers for five months of the year. Load control helps reduce peak demand by cycling air conditioning units. In the past, we have discussed the removal of this credit due to changes in eligibility for the Conservation Incentive Program (CIP). Currently our load control credit is 100% eligible towards the CIP. We pay out about \$38,000 for this program. Remember that this is part of our CIP requirement, so eliminating the program means you will need to spend it on

conservation efforts elsewhere. Therefore, a change in this does not help our current situation.

- The current Conservation Improvement Program (CIP) requirements are part of the Next Generation Energy Act that was passed into law in 2007. The energy **savings** requirement is 1.5% of the utility's 3-year average kWh sales from four years previous. The **spending** requirement is 1.5% of the utility's gross operating revenue (GOR) from two years previous. The **low-income spending** requirement is 0.2% of the residential gross operating revenue from two years previous.

The 2015 requirements will be based on:

- 2011-13 average sales for the 1.5% energy savings goal
- 2013 total GOR for the 1.5% spending requirement
- 2013 residential GOR to calculate the % Low Income spending

The penalties are applied if a utility cannot or chooses not to try to achieve their savings and spending requirements. If a utility fails to meet the requirements, the State can come in and implement CIP programs for the utility. The State can also delay or not approve utility requests for new generation resources until the CIP requirements are met. SMMPA works with fifteen SMMPA members to jointly conduct the CIP programs to meet the State requirements.

- It should be noted that fuel for the Broadway Generation Plant (power production) is reimbursed by SMMPA. City staff exercises the generation plant monthly and, in addition, SMMPA calls on the City to operate the plant as necessary during peak electrical usage on the transmission system. It is an "in and out", meaning it has no net impact to the overall budget. Once the agreement with SMMPA to operate the generation plant expires, the City will have the ability to operate it as necessary.
- 6.5% of sales will be transferred to the General Fund.
- Purchased power equates to 84% of your total operating expenses.

Current Debt issues: \$1,111,535 Principal and Interest (P & I)

- ✓ Electric Revenue Bond – 2004D
2015 Debt Service \$175,270; remaining P & I debt \$173,485;
Final payment 2016
- ✓ Electric Revenue Refunding Bond – 2006B (Generation Plant)
2015 Debt Service \$359,098; remaining P & I debt \$4,361,226;
Final payment 2027
- ✓ Electric Revenue Refunding Bond – 2006C
2015 Debt Service \$184,200; remaining P & I debt \$556,900;
Final payment 2018
- ✓ Taxable Revenue Bond – 2010C (Substation and Transmission)

2015 Debt Service \$392,968; remaining P & I debt \$5,904,696;
Final payment 2031

Other considerations:

One of our goals is to moderate our overall negative financial trend line including our net income before capital expenses. As you review the budget spreadsheet information, you will see we have had a downward trend in that line until the projected 2014 year. We also believe that generally speaking, smaller incremental rate increases are preferred over fewer but larger increases. While capital improvements come and go and our level of debt remains relatively steady, it is not prudent to allow an operational negative trend line to continue.

We will continue to have capital improvements which can be thought of in a number of different ways. Changing the timing of those can impact our cash position, but they do not impact operational cost which is currently the concern. Capital improvements could be considered a cost to system, but they also become an asset to system. While one could argue improvements can make our system too good or "a Cadillac System" as was mentioned in the past, we see them falling into three primary categories:

- Those that are repairs exemplified by changing our 1970's wire that has had a recent and increasing history of faults leading to outages; and
- Expansion of system to new areas which usually supports additional tax base and new utility customers; and
- Lastly, those that improve redundancy and therefore improve service levels. Your system does have very low outage numbers compared to any utility in our area. You could make choices to not improve redundancy therefore lowering your service levels. The challenge here is that once you do that, it is very difficult and potentially expensive to regain that reliability and service standard. The drop from current standard happens pretty quickly and the push back up is likely to take a longer period of time and more resources.

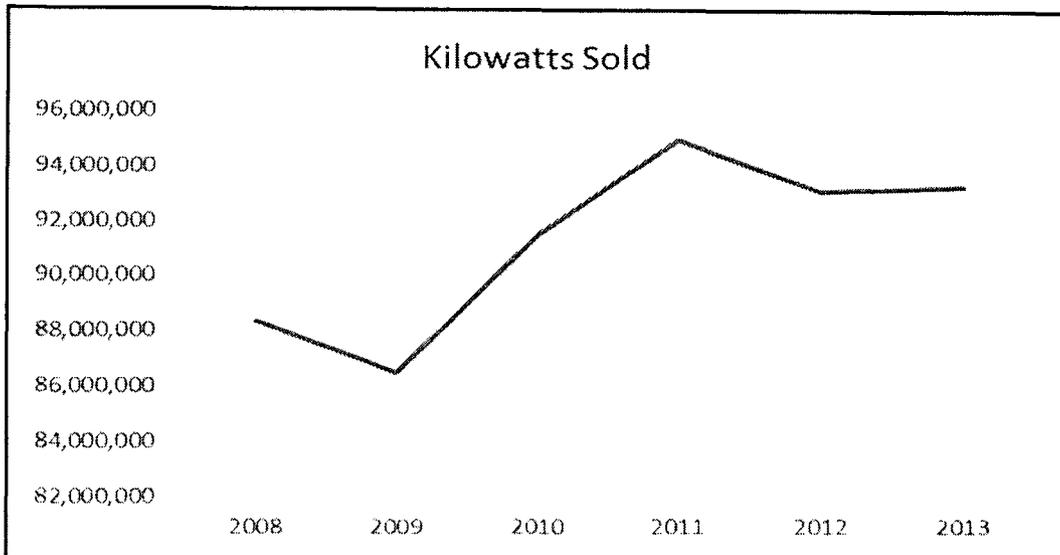
We continue to hover in a rate range that is higher than average in Minnesota, but we have seen increases in rates for other utilities including Investor Owned Utilities (IOUs) and Coop models.

You have continued to invest in improved redundancy, dramatically reducing outages and meeting mandates. Those investments have had an impact on our overall budget and rate needs.

Discussion from SMMPA has indicated a possible 4% cost increase in purchased power in 2016, which may come as 4% once or a lesser percent twice; therefore, rate changes will likely need to be addressed in the 2016 budget to cover changes in wholesale power costs which have been flat for the last few years.

The chart below illustrates our use trend line. Use can have a dramatic impact on our bottom line, in this case focusing on operational profit or loss. While we have not done a customer by customer analysis, the jump in use from 2009 to 2011 is driven by a few major changes in the community. Those changes include Water plant being on-line, the new GAC building, and

some multi-family residential development. Again, conservation is having an impact on our operational deficit.



To help the Council explore other ideas we have come up with a list of opportunities that you might wish to review. These are meant to spur your thinking and while not all are viable, anything is possible. They are:

- Push a number of projects back. That would help your cash position, but does not work to solve your operational deficit which we believe to be the major reason a rate change may be needed in 2016.
- Implement a rate increase. To give you a range of magnitude, if there was a 2% increase on the base rate, an additional \$13,000 would be generated. The monthly customer increase would be \$.20 - \$.25.
- Change your overall rate structure. This could be done in a number of ways. Some ideas for this could be seasonal rates, changes in specific classification rates in any way you want or relative to class consumption; or change in base vs. energy rates. As you can see there are almost any numbers of ways to do it. This is good to think about, but it is generally a shifting of costs from one group to another and overall does not solve the current issue which is not related directly to debt, but rather operational income.
- More resources from other funds or cost to other funds. There are many different and logical ways to do this. Consideration of smaller transfers to the General Fund may likewise mean an increase to our annual tax levy. A decrease in the transfer of \$100,000 and a corresponding increase of \$100,000 to our tax levy would mean that a \$250,000 valued home would pay an additional \$62.89 in taxes, based on the 2014 valuation. This issue is not just a numbers or money issue; rather it is a philosophical issue related to how we derive revenues from both property tax payers and the large number of non-property tax payers within our community. Some of these changes will impact who pays for what. Without an increase to the tax levy there would have to be

cuts made to services. If you want an additional exploration of this we would be happy to outline impacts. Just let us know.

- An outside the box idea may be to sell your system or cede decisions to someone else like a utility commission appointed by the Council. Selling would take a lot of thinking. Selling gets you away from the need to make any decisions about rates, service or use. We don't know that this gets you a better rate nor does the cash you develop likely cover the value generated to other funds. We don't know if there is even a buyer. It certainly solves your operational deficit issue as it would no longer be your operation. Many communities have utility commissions, but managing your system through another group or a board has a ton of implications and organizational reconfiguration issues that, frankly, don't seem to be an overall benefit. Again, these are pretty far outside the box and we could do some work on these ideas, but likely you would need hire a consultant to do a full evaluation to really figure this one out.

FISCAL IMPACT:

Based on the proposed budget, we anticipate that our cash position will decrease from a projected \$867,249 at the end of 2014, to an estimate of \$137,395 at the end of 2015. The expenditures (without capital) for 2015 are \$10,795,519; which puts the reserve at 1.3% of the current year budget. As discussed, our reserve target is about \$1.2 million.

This budget anticipates using \$862,008 of reserves to fund capital purchases. This budget includes place holders for Front Street Substation improvements (\$50,000 in 2015) and for the replacement of a major transformer (\$450,000 in 2016). This allows us to plan ahead, but frankly, we do not yet know when or exactly to what extent activity will take place.

The approval of the Electric budget (including capital) in the amount of \$11,657,527 will give Staff a working plan. The actual purchase or initiation of large projects and funding sources for any large projects or purchases over \$7,500 will be presented individually to the City Council for authorization.

The 2015 projected unrestricted reserve of \$137,395 does not meet our targeted amount of \$1,200,000. The reserve target has been set based on a risk analysis and projections in an effort to cover emergency repairs and to make capital purchases as you see planned via use of cash when possible. Due to the use of reserves for the 2015 capital purchases, it will take a number of years to attain our targeted balance of reserves.

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 your auditors.

Negative vote. Staff will wait for additional direction from the Council.

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

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

TP/PO/LGG

ELECTRIC FUND							2015	2016
Electric Revenues			2012	2013	2014	2014	Proposed	Proposed
			Actual	Actual	Budget	Projected	Budget	Budget
604	37410	Residential Electric Sales	3,667,411	3,661,278	3,769,341	3,576,728	3,601,765	3,637,783
604	37415	less: Load Management Credit	(35,228)	(35,111)	(35,100)	(35,154)	(35,160)	(35,160)
604	37416	less: Load Mgmt Credit-Sm Comm	(931)	(822)	(930)	(930)	(930)	(930)
604	37417	less: Load Mgmt Credit-Lg Comm	(2,320)	(1,028)	(1,100)	(2,308)	(2,310)	(2,310)
604	37419	Water Heating	1,056	992	1,060	959	966	975
604	37420	Small Commercial Electric	296,398	320,274	305,000	314,909	317,113	320,284
604	37421	Large Commercial Electric	2,924,586	2,967,949	2,967,000	2,998,827	3,038,209	3,068,591
604	37422	Large Commercial Electric Heat Sales	42,623	45,039	45,000	46,230	46,336	46,800
604	37423	Industrial Electric Sales	1,770,897	1,994,009	1,995,000	1,973,088	2,048,782	2,069,270
604	37424	Economic Development Incentive	0	0	0	0	0	0
604	37425	Large Commercial Peak Alert	0	0	0	0	0	0
604	37426	Large Commercial Interruptible	19,556	32,810	35,000	31,884	33,707	34,044
604	37427	Industrial Interruptible	111,008	107,904	108,000	114,245	110,906	112,015
604	37430	Streetlights	97,110	90,690	91,000	89,393	90,019	90,919
604	37431	Security Lights	0	0	0	0	0	0
604	37432	Sirens	288	288	288	264	288	291
604	37435	Customer Generation	(251)	(2,285)	(2,285)	(3,919)	(4,000)	
604	37440	Non Utility City - Small	5,407	5,349	5,300	5,187	5,223	5,276
604	37441	Inter City - Small	3,513	5,215	3,500	6,032	6,074	6,135
604	37442	Non Utility City - Large	50,289	54,284	54,300	56,109	55,199	55,751
604	37443	Inter City - Large	42,755	48,168	48,000	48,674	49,315	49,809
604	37444	Non-Utility- Large Comm./Interruptible	112,855	113,595	114,000	123,009	117,285	118,458
604	37445	Inter-City - Large Comm./Interruptible	124,356	127,000	127,000	141,178	130,672	131,979
604	37446	Non-Utility Lg. Comm./Elec. Heat	5,926	5,970	6,000	5,876	6,100	6,161
604	37447	Inter-City - Industrial	314,051	190,077	200,000	193,000	192,952	194,881
604	37448	Renewable Energy/Wind Power	185	200	200	200	278	281
604	37449	Inter City Lg. Industrial Interruptible	229,636	239,004	235,000	233,051	242,477	244,902
		Sub-Total: Electric Sales	9,781,176	9,970,849	10,070,574	9,916,532	10,051,266	10,156,203
604	36220	Pole Rentals	0	0	0	0	0	0
604	37450	Connection Fees	100	0	0	0	0	0
604	37455	Electric Access Charge	11,500	27,000	15,000	12,000	12,000	5,000
604	37460	Penalty Revenues	66,706	65,508	66,000	66,000	65,000	66,300
604	37470	Miscellaneous	247,176	145,348	120,000	140,000	125,000	60,000
604	36250	Refund & Reimbursements	0	0	0	0	0	0
		Sub-Total: Other Operating Rev.	325,482	237,856	201,000	218,000	202,000	131,300
604	33422	Other State Grants	1,408	1,408	1,408	1,408	1,408	1,408
604	36101	Special Assessments	0	0	0	0	0	0
604	36112	Loan Interest Earned	5,218	3,936	3,000	3,000	4,000	3,760
604	36210	Interest Earned	30,503	20,553	20,000	20,000	25,000	25,000
604	39101	Sale of Fixed Assets	2,345	11,923	0	0	0	0
604	39200	Transfers from other Funds	0	0	0	0	0	0
604	37471	smmpa reimbursement for gen fuel	209,932	71,116	82,000	82,000	82,000	83,640
604	37480	Excess Equity Dividend	0	0	0	0	0	0
604	37484	SMMPA Generation Contract	432,000	432,000	432,000	432,000	432,000	432,000
		Sub-Total: Non-Operating Revenues	681,406	540,936	538,408	538,408	544,408	545,808
		TOTAL OPERATING REVENUES	10,106,658	10,208,705	10,271,574	10,134,532	10,253,266	10,287,503
		TOTAL REVENUES	10,788,064	10,749,641	10,809,982	10,672,940	10,797,674	10,833,311

			Electric Expenditures				2015	2016	
			2012	2013	2014	2014	Proposed	Proposed	
			Actual	Actual	Budget	Projected	Budget	Budget	
			Power Production						
604	49550	100	Wages	12,316	14,767	12,306	12,306	12,553	12,804
604	49550	102	Overtime	1,845	1,591	366	366	373	380
604	49550	121	PERA	1,020	1,184	919	919	969	988
604	49550	122	FICA	853	973	786	786	801	817
604	49550	126	Medicare	200	228	184	184	187	191
604	49550	131	Health Insurance	3,112	2,791	2,625	2,625	2,603	2,655
604	49550	132	Dental Insurance	159	346	166	166	175	179
604	49550	133	Life Insurance	6	6	5	5	5	5
604	49550	151	Worker's Compensation	325	313	430	430	516	526
604	49550	210	Operating Supplies	1,880	298	0	0	0	0
604	49550	211	Motor Fuels	209,965	71,116	82,000	82,000	82,000	83,640
604	49550	220	Repair and Maintenance Supplies	0	0	0	0	0	0
604	49550	300	Professional Services	3,170	7,542	10,000	5,000	10,000	10,200
604	49550	360	Insurance	28,338	32,426	40,000	31,732	31,740	32,375
604	49550	380	Utilities	34,978	37,777	38,000	38,000	38,000	38,760
604	49550	401	Repair & Maint. - Buildings	102	1,032	1,000	200	500	510
604	49550	404	Repair & Maint. - Equipment	59,582	56,799	40,000	55,000	50,000	51,000
604	49550	430	Miscellaneous	0	0	0	0	0	0
			Sub-Total: Power Production	357,851	229,189	228,787	229,719	230,422	235,030
			Power Supply						
604	49560	381	Purchased Power (paid to SMMPPA)	7,357,680	7,276,105	7,276,200	7,193,074	7,276,200	7,348,962
			Sub-Total: Power Supply	7,357,680	7,276,105	7,276,200	7,193,074	7,276,200	7,348,962
			Power Distribution System						
604	49570	100	Wages	213,197	247,657	297,653	297,653	303,683	309,757
604	49570	102	Overtime	24,249	13,726	8,563	8,563	8,735	8,910
604	49570	121	PERA	22,046	21,786	22,201	22,201	23,431	23,900
604	49570	122	FICA	18,593	18,303	18,985	18,985	19,370	19,757
604	49570	126	Medicare	4,348	4,281	4,440	4,440	4,530	4,621
604	49570	131	Health Insurance	49,515	52,622	57,832	57,832	57,345	58,492
604	49570	132	Dental Insurance	3,787	4,148	3,984	3,984	4,211	4,295
604	49570	133	Life Insurance	105	112	115	115	115	117
604	49570	151	Worker's Compensation	7,826	7,500	10,384	10,384	12,473	12,722
604	49570	210	Operating Supplies	38,498	25,610	28,000	20,000	25,000	25,500
604	49570	211	Motor Fuels	11,215	10,670	11,000	11,000	11,000	11,220
604	49570	220	Repair and Maintenance Supplies	325	517	1,000	500	500	510
604	49570	300	Professional Services	13,524	7,345	10,000	4,800	8,000	8,160
604	49570	310	Contractual Labor	0	0	0	0	0	0
604	49570	360	Insurance	10,232	15,146	19,000	13,225	13,225	13,490
604	49570	380	Utilities	10,841	11,324	11,000	11,000	11,000	11,220
604	49570	401	Repair & Maint. - Buildings	0	750	1,000	400	400	408
604	49570	402	Repair & Maint. - Substations	2,780	139	5,000	1,000	4,000	4,080
604	49570	404	Repair & Maint. - Equipment	10,082	10,360	10,000	7,000	7,500	7,650
604	49570	405	Repair & Maint. - Underground Lines	19,203	51,208	30,000	10,000	25,000	25,500
604	49570	406	Repair & Maint. - Overhead Lines	0	0	0	0	0	0
604	49570	407	Repair & Maint. - Meters	2,468	907	10,000	3,000	10,000	10,200
604	49570	408	Repair & Maint. - Transformers	871	(5,312)	2,000	2,000	2,000	2,040
604	49570	409	Repair & Maint. - Streetlights	23,754	27,564	20,000	8,000	15,000	15,300
604	49570	410	Repair & Maint. - SCADA & Load Mgt.	23,672	16,425	18,000	18,000	18,000	18,360
604	49570	415	Equipment Rental	2,406	0	2,000	2,000	2,000	2,040
604	49570	430	Miscellaneous	0	0	0	0	0	0
			Sub-Total: Power Distribution	513,537	542,788	602,157	536,082	586,518	598,248

			2012	2013	2014	2014	2015	2016	
			Actual	Actual	Budget	Projected	Proposed	Proposed	
							Budget	Budget	
			Administrative and General						
604	49580	100	Wages	189,578	191,881	198,956	198,956	201,357	205,384
604	49580	102	Overtime	732	930	1,058	1,058	1,079	1,101
604	49580	112	Car Allowance	2,160	1,215	0	0	0	0
604	49580	121	PERA	13,662	13,687	14,462	14,462	15,142	15,445
604	49580	122	FICA	11,099	11,125	12,401	12,401	12,551	12,802
604	49580	126	Medicare	2,596	2,602	2,900	2,900	2,935	2,994
604	49580	131	Health Insurance	47,854	49,203	56,656	56,656	46,976	47,916
604	49580	132	Dental Insurance	4,393	3,662	3,007	3,007	3,091	3,153
604	49580	133	Life Insurance	76	82	87	87	85	87
604	49580	151	Worker's Compensation	1,920	1,825	2,323	2,323	2,601	2,653
604	49580	200	Office Supplies	7,693	6,226	5,700	5,700	5,700	5,814
604	49580	205	Misc. Employee Expenses	13,351	12,780	15,000	14,000	15,000	15,300
604	49580	210	Operating Supplies	726	756	1,000	1,000	1,000	1,020
604	49580	211	Motor Fuels	0	0	0	0	0	0
604	49580	220	Repair & Maint. Supplies	7,121	2,603	3,000	3,000	3,000	3,060
604	49580	300	Professional Services	15,756	10,986	28,000	20,000	20,000	20,400
604	49580	310	Contract Labor	0	0	0	0	0	0
604	49580	321	Telephone	4,066	3,852	4,300	4,300	4,300	4,386
604	49580	322	Postage	134	185	200	200	200	204
604	49580	331	Travel & Training	23,734	22,432	12,500	16,500	18,000	18,360
604	49580	340	Advertising	0	0	0	0	0	0
604	49580	351	Legal Notices & Publications	0	0	100	100	100	102
604	49580	354	Printing & Binding	0	0	0	0	0	0
604	49580	360	Insurance	12,806	5,016	22,000	5,475	5,475	5,585
604	49580	380	Utilities	7,082	8,235	9,000	9,000	9,000	9,180
604	49580	401	Repair & Maint. - Buildings	2,857	3,529	5,000	4,000	4,000	4,080
604	49580	404	Repair & Maint. - Equipment	5,854	9,264	3,500	9,200	9,000	9,180
604	49580	430	Miscellaneous	0	0	0	0	0	0
604	49580	433	Dues and Subscriptions	25,986	27,420	26,100	30,000	30,000	30,600
			Sub-Total: Administration	401,236	389,496	427,250	414,325	410,592	418,804
			Customer Accounts						
604	49585	100	Wages	80,687	66,770	66,381	66,381	73,288	74,754
604	49585	102	Overtime	979	29	1,896	1,896	1,934	1,973
604	49585	121	PERA	4,782	4,740	4,950	4,950	5,642	5,755
604	49585	122	FICA	4,047	3,870	4,233	4,233	4,664	4,757
604	49585	126	Medicare	946	905	990	990	1,091	1,113
604	49585	131	Health Insurance	18,817	21,072	21,448	21,448	25,213	25,717
604	49585	132	Dental Insurance	966	1,427	996	996	1,053	1,074
604	49585	133	Life Insurance	27	30	29	29	29	30
604	49585	151	Worker's Compensation	398	378	430	430	556	567
604	49585	200	Office Supplies	1,433	1,845	1,500	1,000	1,200	1,224
604	49585	205	Misc. Employee Expenses	0	0	0	0	0	0
604	49585	211	Motor Fuels	407	650	288	600	600	612
604	49585	300	Professional Services	2,822	2,851	3,500	3,000	3,000	3,060
604	49585	322	Postage	5,262	5,354	4,750	5,500	5,500	5,610
604	49585	331	Travel & Training	0	13	50	410	50	51
604	49585	354	Printing & Binding	3,737	3,109	3,000	3,000	3,000	3,060
604	49585	360	Insurance	552	1,376	1,200	1,660	1,700	1,734
604	49585	404	Repair & Maint. - Equipment	1,772	3,291	2,100	4,200	4,000	4,080
604	49585	430	Miscellaneous	116	235	1,800	400	400	408
604	49585	433	Dues and Subscriptions	0	0	0	0	0	0
604	49585	904	Bad Debt Expense	40,523	11,717	10,000	10,000	10,000	10,200
			Sub-Total: Customer Accounts	168,273	129,662	129,541	131,123	142,920	145,778
			Operating Expenses	8,798,577	8,567,240	8,663,935	8,504,323	8,646,652	8,746,823
			Operating Income (loss):	1,308,081	1,641,465	1,607,639	1,630,209	1,606,614	1,540,680
			Depreciation						
604	49970	420	Depreciation	839,876	920,162	850,000	850,000	850,000	867,000
			Interest Payments						
604	49980	611	Bond Interest Payments	474,241	446,361	419,232	419,232	391,535	363,733
			Transfers						
604	49990	720	Operating Transfer - Cash to General	669,647	676,343	654,587	644,575	653,332	660,153
604	49990	722	Contributed Utility Services	254,818	253,957	254,000	254,000	254,000	259,080
			Sub-Total: Transfers & Contributions	924,465	930,300	908,587	898,575	907,332	919,233
			Other Expenditures	2,238,582	2,296,823	2,177,819	2,167,807	2,148,867	2,149,966
			NET INCOME (Loss):	(249,095)	(114,422)	(31,773)	810	2,155	(63,479)

Capital - Distribution System									
604	48410	100	Wages	68,682	43,989	0	0	0	0
604	48410	300	Professional/Engineering Services	38,221	36,939	50,000	24,155	70,000	50,000
604	48410	510	Land Acquisition	0	0	0	0	0	0
604	48410	520	Building/Structural Improvements	431,310	(22,684)	37,000	0	37,000	450,000
604	48410	532	Utility Infrastructure	246,888	184,877	1,043,550	368,362	621,808	367,000
604	48410	540	Heavy Machinery	0	0	0	0	0	0
604	48410	550	Motor Vehicles	0	0	0	0	0	0
604	48410	580	Other Equipment	0	244,777	6,000	0	6,000	0
				785,101	487,898	1,136,550	392,517	734,808	867,000
Capital - General Plant									
604	48420	520	Building/Structural Improvements	0	0	0	0	0	0
604	48420	536	Streetlights	74,345	8,058	104,750	104,750	109,200	35,000
604	48420	540	Heavy Machinery	0	0	0	0	0	0
604	48420	550	Motor Vehicles	0	5,451	0	0	0	32,000
604	48420	580	Other Equipment	14,040	8,463	0	0	18,000	0
				88,385	21,972	104,750	104,750	127,200	67,000
Bond Principal Payments									
			Principal Payments on Bonds	525,000	725,000	755,000	755,000	720,000	750,000
ELECTRIC FUND									
Statement of Sources and Applications of Cash									
				2012	2013	2014	2014	2015	2016
				Actual	Actual	Budget	Projected	Proposed	Proposed
								Budget	Budget
Sources of Cash:									
			Net Income (loss)	(\$249,095)	(\$114,422)	(\$31,773)	\$810	\$2,155	(\$63,479)
			Add depreciation	839,876	920,162	850,000	850,000	850,000	867,000
			Total	590,781	805,740	818,227	850,810	852,155	803,521
Application of cash:									
			Purchase of fixed assets	(873,486)	(509,870)	(1,241,300)	(497,267)	(862,008)	(934,000)
			Change in assets and liabilities	257,532	(11,786)	0	0	0	0
			Proceeds received	0	0	0	0	0	700,000
			Principal payments of long-term debt	(525,000)	(725,000)	(755,000)	(755,000)	(720,000)	(750,000)
			Capital contributed by other sources	0	0	0	0	0	0
			Total	(1,140,954)	(1,246,656)	(1,996,300)	(1,252,267)	(1,582,008)	(984,000)
			Net increase (decrease) in cash	(550,173)	(440,916)	(1,178,073)	(401,457)	(729,853)	(180,479)
			Cash - January 1	3,321,222	2,771,049	2,330,133	2,330,133	1,928,677	1,198,823
			Required Bond Reserve	\$1,061,428	\$1,061,428	\$1,061,428	\$1,061,428	\$1,061,428	\$886,158
			Unrestricted Cash - December 31	\$1,709,621	\$1,268,705	\$90,632	\$867,249	\$137,395	\$132,187

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION ADOPTING 2015 ELECTRIC ENTERPRISE FUND BUDGET

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

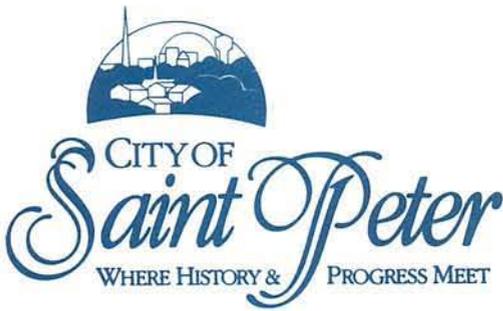
Electric Fund	\$11,657,527
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Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

FROM: Todd Prafke
City Administrator

RE: Non-Unionized, Non-Contract Employee Compensation
For 2015

DATE: 12/5/2014

ACTION/RECOMMENDATION

Approve the attached resolution providing for a 2% general wage adjustment with other modifications in specific job classifications effective, all January 1, 2015 for all non-union, non-contract employees.

BACKGROUND

Members are aware of cost and wage issues that drive the budget within the City of Saint Peter. The Council has discussed priorities for wages and the impact that changes have relating to union vs. non-union employees for the 2015 year. The Council has also discussed taxes, Local Government Aid and other revenue streams within the City. A number of different avenues have been explored and discussed in addition to other alternatives being analyzed.

Based on the Council priority that all employees be treated in a similar fashion, and noting that all bargaining units and non-union employees had a zero wage change for 2011 and a 3% increase in 2012, a 2% increase in 2013 and an increase of 3% for 2014.

I am recommending an increase in non-union, non-contract employee wages of 2% for the 2015 year. Under the current budget for 2015 and with the best information we have now, you will have sufficient funds for this wage change. If circumstances change, I will pursue other alternatives as directed by the Council which may mean additional modifications to the number of FTE's currently employed by the City. Any modification will be driven by the amount of change in tax proceeds, changes to Local Government Aid allocations and the cost of goods and services in general. Again, if there are changes to our revenue stream, additional changes may be made including an additional review and modification to the number of FTE's employed by the City across all funds including General and Enterprise funds.

Please note the resolution provides for changes to your lowest compensated employees based on minimum wage changes and Council's previous discussions on that issue.

Aquatics Pay Scale

# of years	Cashier	Lifeguard	WSI	WSI/LG	Head Guard
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1	\$7.25	\$9.00	\$9.25	\$9.50	\$10.50
2	\$7.50	\$9.25	\$9.50	\$9.75	\$11.00
3	\$7.75	\$9.50	\$9.75	\$10.00	\$11.25
4+	\$8.00	\$9.75	\$10.00	\$10.25	\$11.50

Summer Rec Pay scale

# of Years/Seasons	Rec Assistant/Office Assistant	Rec Leader/Coach	Summer Program Coordinator
1	\$9.00	\$9.50	\$11.00
2	\$9.25	\$9.75	\$11.25
3	\$9.50	\$10.00	\$11.50
4+	\$9.75	\$10.25	\$11.75

SPPA Pay Scale

# of Hours	Production Assistants
0-520	\$9.25
521-1040	\$9.50
1041-1560	\$9.75
1561+	\$10.00

Library Circulation Clerks

# of Hours of service	Circulation Clerks
0-520	\$9.25
521-1040	\$9.50
1041-1560	\$9.75
1561+	\$10.00

Public Works Summer Workers

# of Years/seasons	PW Summer Workers
1	\$9.00
2	\$9.25
3	\$9.50
4+	\$9.75

Building Supervisors

# of hours of service	Building Supervisors
0-520	\$9.50
521-1040	\$9.75
1041-1560	\$10.00
1561+	\$10.25

As you know, we have negotiated union agreements with all five of the bargaining units and those are planned to be finalized at this meeting as well. Lastly, I am cognizant of the Council desire to see all employees treated in a similar fashion, just like we have done with those union and non-union roles reversed over the last 10 to 15 years. This employee treatment issue has been a prominent issue in all union negotiations and in all wage modifications for non-union employees. Again, this principle has driven many decisions and it seems inappropriate to change that basic principle at this time.

FISCAL IMPACT:

This does fall within budget considerations for 2015.

ALTERNATIVES/VARIATIONS:

Do Not Act: Staff will wait for additional direction from the Council. I believe that the timing of this action is appropriate. It matches your past practice and previous discussions. A delay does not provide any additional leverage as this decision is solely at the pleasure of the Council.

Negative vote: Staff will not act. Wages for non-union/non-contract employees will not change.

Modification of the resolution: This is always an option of the Council. I would ask that consideration be given for the numerous issues that have been discussed to this point should modification of the resolution be considered. The Council has the ability to change the wording or set a number at any level, however I ask that additional time be provided for a review of the impact that any change may have on our entire pay process, pay equity compliance and market drivers.

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION ESTABLISHING 2015 WAGE FOR NON-UNION, NON-CONTRACT
EMPLOYEES**

WHEREAS, the City Council provides for wage modifications; and

WHEREAS, a basic tenet of the City Council has been to ensure that non-union and union employees are treated in a similar fashion; and

WHEREAS, the Council continues to work to contain costs but recognizes that the quality of City services are dependent on the quality of City employees; and

WHEREAS, if changes occur to the City's revenue stream the Council will review the number of full-time equivalent employees and services provided to the community; and

WHEREAS, changes in minimum wage laws have impacted what the City can pay many part-time and seasonal positions.

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

1. Non-unionized, non-contract full-time and part-time employees that have completed probation will receive a wage increase of 2%, except those noted below, effective January 1, 2015.
2. The following job titles will be paid based on the scales provided:

Aquatics Pay Scale

# of years	Cashier	Lifeguard	WSI	WSI/LG	Head Guard
1	\$7.25	\$9.00	\$9.25	\$9.50	\$10.50
2	\$7.50	\$9.25	\$9.50	\$9.75	\$11.00
3	\$7.75	\$9.50	\$9.75	\$10.00	\$11.25
4+	\$8.00	\$9.75	\$10.00	\$10.25	\$11.50

Summer Rec Pay scale

# of Years/Seasons	Rec Assistant/Office Assistant	Rec Leader/Coach	Summer Program Coordinator
1	\$9.00	\$9.50	\$11.00
2	\$9.25	\$9.75	\$11.25
3	\$9.50	\$10.00	\$11.50
4+	\$9.75	\$10.25	\$11.75

SPPA Pay Scale

# of Hours	Production Assistants
0-520	\$9.25
521-1040	\$9.50
1041-1560	\$9.75
1561+	\$10.00

Library Circulation Clerks

# of Hours of service	Circulation Clerks
0-520	\$9.25
521-1040	\$9.50
1041-1560	\$9.75
1561+	\$10.00

Public Works Summer Workers

# of Years/seasons	PW Summer Workers
1	\$9.00
2	\$9.25
3	\$9.50
4+	\$9.75

Building Supervisors

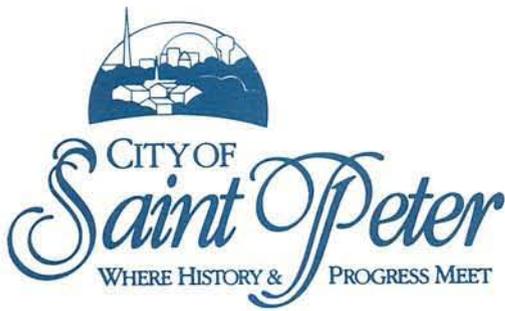
# of hours of service	Building Supervisors
0-520	\$9.50
521-1040	\$9.75
1041-1560	\$10.00
1561+	\$10.25

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

RE: Police Union Contract

ACTION/RECOMMENDATION

Authorize the Mayor and City Administrator to enter into a one-year agreement with LELS Local No. 241 (Police) Union.

BACKGROUND

As members may know, we have been negotiating with the Police Union for a couple of months. The proposed agreement is the culmination of that work. It has been ratified by the Union members.

The most significant changes include

- Wage increase of 2% for all classifications
- Modification to Bullet Proof Vest purchasing language.

FISCAL IMPACT:

The wage change is within the amount the Council has budgeted for the 2015 year.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will look for direction from the Council.

Negative vote. Staff will look for direction from the Council.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION APPROVING CONTRACT BY AND BETWEEN THE CITY OF SAINT PETER
AND LAW ENFORCEMENT LABOR SERVICES LOCAL NO. 241 (POLICE OFFICERS) FOR
CALENDAR YEAR 2014**

WHEREAS, the City has previously entered into a contract with Law Enforcement Labor Services Union Local No. 241 (Police Officers); and

WHEREAS, the current contract will expire on December 31, 2014; and

WHEREAS, staff has entered into negotiations with representatives of Local No. 241; and

WHEREAS, the discussion has reached a proposed settlement; and

WHEREAS, the terms of the contract fall within the budget parameters for the 2015 general fund budget.

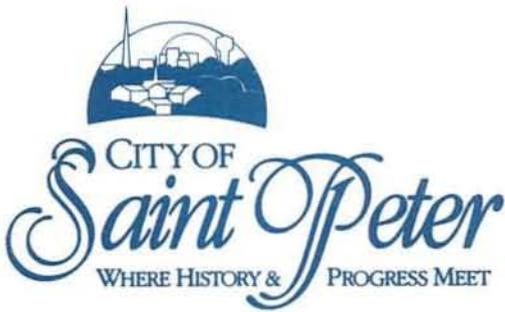
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the contract for year 2015 between the City of Saint Peter and Law Enforcement Labor Services Union Local No. 241 (Police Officers) is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

RE: Communication Technician (Dispatcher) Union Contract

ACTION/RECOMMENDATION

Authorize the Mayor and City Administrator to enter into a one-year agreement with LELS Local No. 241(Communication Technician/Dispatcher) Union.

BACKGROUND

As members may know, we have been negotiating with the Communications Technician Union for a couple of months. The agreement is the culmination of that work. It has been ratified by the Union Members.

The most significant changes include:

- Wage increase of 2% for all classifications
- Probationary period reduced from twelve (12) to six (6) months.
- Change in extended leave language related to Council approval.

FISCAL IMPACT

The wage change is within the amount the Council has budgeted for the 2015 year.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will look for direction from the Council.

Negative vote. Staff will look for direction from the Council.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION APPROVING CONTRACT BY AND BETWEEN THE CITY OF SAINT PETER
AND LAW ENFORCEMENT LABOR SERVICES LOCAL NO. 242 (COMMUNICATIONS
TECHNICIANS) FOR CALENDAR YEAR 2015**

WHEREAS, the City has previously entered into a contract with Law Enforcement Labor Services Union Local No. 242 (Communications Technicians); and

WHEREAS, the current contract will expire on December 31, 2014; and

WHEREAS, staff has entered into negotiations with representatives of Local No. 242; and

WHEREAS, the discussion has reached a proposed settlement; and

WHEREAS, the terms of the contract fall within the budget parameters for the 2015 general fund budget.

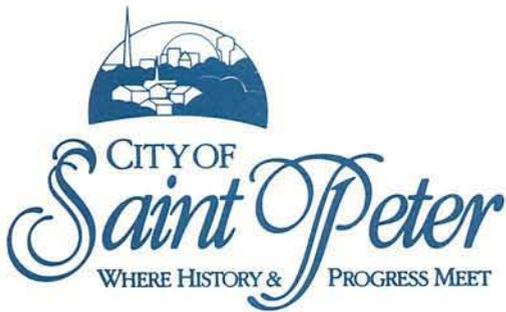
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the contract for year 2015 between the City of Saint Peter and Law Enforcement Labor Services Union Local No. 242 (Communications Technicians) is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

RE: Parks Union Contract

ACTION/RECOMMENDATION

Authorize the Mayor and City Administrator to enter into a one-year agreement with International Union of Operating Engineers Local No. 70 (Parks).

BACKGROUND

As members may know, we have been negotiating with the Parks Union Local 70 for a couple of months. The agreement is the culmination of that work. It has been ratified by the Union Members.

The most significant changes include

- Wage increase of 2% for all job classifications.
- Modification to Holiday Pay language to match current work schedule.
- Probationary Union Representation on limited issues.

FISCAL IMPACT:

The wage change is within the amount the Council has budgeted for the 2015 year.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will look for direction from the Council.

Negative vote. Staff will look for direction from the Council.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION APPROVING CONTRACT BY AND BETWEEN THE CITY OF SAINT PETER
AND INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL NO. 70 (PARKS) FOR
CALENDAR YEAR 2015**

WHEREAS, the City has previously entered into a contract with the International Union of Operating Engineers International Union of Operating Engineers Local No. 70 (Parks); and

WHEREAS, the current contract will expire on December 31, 2014; and

WHEREAS, staff has entered into negotiations with representatives of Local No. 70; and

WHEREAS, the discussion has reached a proposed settlement; and

WHEREAS, the terms of the contract fall within the budget parameters for the 2015 general fund budget.

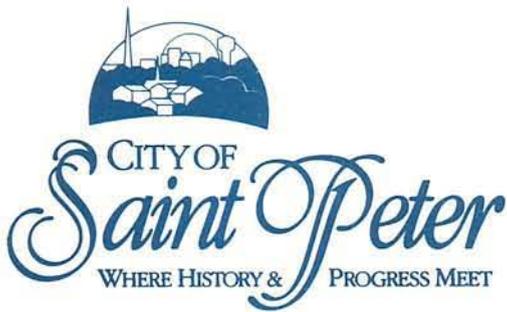
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the contract for year 2015 between the City of Saint Peter and International Union of Operating Engineers Local No. 70 (Parks) is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

RE: Streets Union Contract

ACTION/RECOMMENDATION

Authorize the Mayor and City Administrator to enter into a one-year agreement with International Union of Operating Engineers Local No. 70 (Streets) Union.

BACKGROUND

As members may know, we have been negotiating with the Streets Union Local 70 for a couple of months. The agreement is the culmination of that work. It has been ratified by the Union Members.

The most significant changes include

- Wage increase of 2% for all job classifications.
- Modification to Holiday Pay language to match current work schedule.
- Change to Severance at Separation to match current Personnel Policy and other groups.
- Probationary Union Representation on limited issues.

FISCAL IMPACT:

The wage change is within the amount the Council has budgeted for the 2015 year.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will look for direction from the Council.

Negative vote. Staff will look for direction from the Council.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION APPROVING CONTRACT BY AND BETWEEN THE CITY OF SAINT PETER
AND INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL NO. 70 (STREETS)
FOR CALENDAR YEAR 2015**

WHEREAS, the City has previously entered into a contract with the International Union of Operating Engineers International Union of Operating Engineers Local No. 70 (Streets); and

WHEREAS, the current contract will expire on December 31, 2014; and

WHEREAS, staff has entered into negotiations with representatives of Local No. 70; and

WHEREAS, the discussion has reached a proposed settlement; and

WHEREAS, the terms of the contract fall within the budget parameters for the 2015 general fund budget.

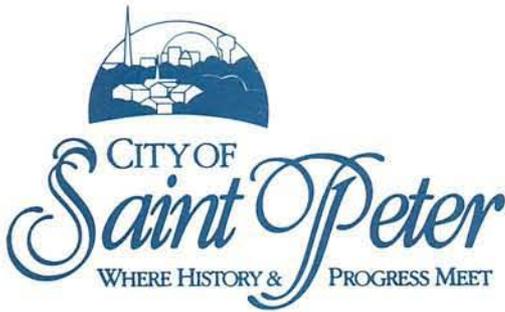
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the contract for year 2015 between the City of Saint Peter and International Union of Operating Engineers Local No. 70 (Streets) is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/14

FROM: Todd Prafke
City Administrator

RE: Utility Union Contract

ACTION/RECOMMENDATION

Authorize the Mayor and City Administrator to enter into a one-year agreement with International Union of Operating Engineers Local No. 70 (Utilities) Union.

BACKGROUND

As members may know, we have been negotiating with the Utilities Union Local 70 for a couple of months. The proposed agreement is the culmination of that work. It has been ratified by the Union members.

The most significant changes include:

- Wage increase of 2% for all job classifications.
- Change in Non-emergency required Overtime Notice to 48 hours from 24 hours.
- Small language clarification related to Union present for investigation of employees.
- Plow pay modification.
- Exchange of On Call language added.
- Probationary Union Representation on limited issues.

FISCAL IMPACT:

The wage change is within the amount the Council has budgeted for the 2015 year.

ALTERNATIVES/VARIATIONS:

Do not act. Staff will look for direction from the Council.

Negative vote. Staff will look for direction from the Council.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION APPROVING CONTRACT BY AND BETWEEN THE CITY OF SAINT PETER
AND INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL NO. 70 (UTILITIES)
FOR CALENDAR YEAR 2015**

WHEREAS, the City has previously entered into a contract with the International Union of Operating Engineers International Union of Operating Engineers Local No. 70 (Utilities); and

WHEREAS, the current contract will expire on December 31, 2014; and

WHEREAS, staff has entered into negotiations with representatives of Local No. 70; and

WHEREAS, the discussion has reached a proposed settlement; and

WHEREAS, the terms of the contract fall within the budget parameters for the 2015 general fund budget.

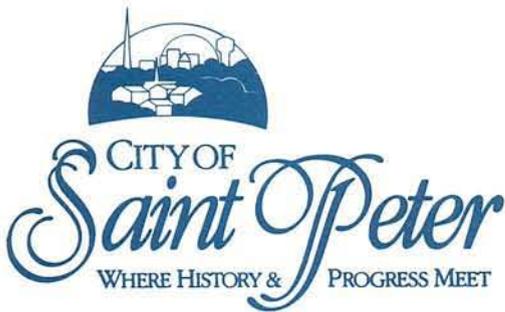
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the contract for year 2015 between the City of Saint Peter and International Union of Operating Engineers Local No. 70 (Utilities) is hereby approved.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 10/17/2012

FROM: Todd Prafke
City Administrator

RE: Library Services Contract

ACTION/RECOMMENDATION

Approve the attached resolution authorizing execution of a library services contract with Nicollet County.

BACKGROUND

As you may recall, since the breakup of Minnesota Valley Library System which was about 16 years ago, the City has been in a contractual relationship with Nicollet County for the provision of Library services. The contract has essentially allowed for the provision of regular library services to non-City residents.

Nicollet County is required by State law to provide a "Minimum Maintenance of Effort". That rule requires them to spend a minimum number of dollars on library service provision. In the past the contract with us was less than their minimum under the rules and the County would hold that portion of the money for other potential library related projects. If money was left over at the end of the year, they would disperse that money to both the City of North Mankato and the City of Saint Peter.

This is a very interesting issue in that Nicollet County is required to spend the money on library services, but State rule changes have allowed for the Minimum Maintenance of Effort to be reduced. There are no provisions that say they must give those dollars to us. However, I don't know where else they would spend the money on Library services in Nicollet County unless they started their own library which seems redundant and would require them, most likely, to spend much more than they do now with us and North Mankato.

I have reviewed the draft contract and believe that it provides for the same provision of services as past contracts.

FISCAL IMPACT:

The contract provides \$44,594 in revenues to our library fund. That is about \$4,000 less than the contract for 2011, but is the same as in 2012, 2013, and 2014. The dollar amounts have not increased while costs have either stayed steady or continued to go up slightly. Since we do not control the situation, I am unsure that there is much we can do except to express our concerns

about the continuing relative decline in funding and be grateful for the funds that they do provide.

ALTERNATIVE AND VARIATIONS:

Do not act: No further action will be taken without additional direction from the Council.

Denial: No further action will be taken without additional direction from the Council. Without agreeing to the contract, our revenues would drop by about \$44,600. This would be a substantial revenue gap to fill or would require additional large cuts to library services.

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 on this agenda item.

TP/bal

2015 Library Purchase of Services Contract Between Nicollet County Library Board and the City of St. Peter

In an effort to continue to provide library service for residents of Nicollet County and the City of Saint Peter (City), the Nicollet County Library Board (County Library Board) and City hereby enter this contract promoting cooperation and coordination of efforts.

I. DEFINITIONS

For purposes of this contract, the following words shall have the following meanings:

Rural Resident - Rural Resident shall be those persons having a residence located outside the corporate limits of the City of Saint Peter.

Library Services: Library Services shall mean access to physical facilities and materials that provide reading, audio and computer access to information and as defined in Minnesota Statutes 134.001 Subd. 2 and 3.

II. THE NICOLLET COUNTY LIBRARY BOARD WILL:

Provide to the City of Saint Peter the sum of \$44,594 to be paid quarterly for the provision of library services to the rural areas of Nicollet County.

III. THE CITY OF SAINT PETER WILL:

- Provide for complete access to all services that are available to library patrons that reside within the City of Saint Peter including access to any programs that may be made available for the term of this contract.
- The City will agree to submit quarterly billings to the County Library Board and the County Library Board will reimburse the City.

IV. MONITORING AND REPORTING

- A. The City agrees to maintain records relating to contractual library services provided.
- B. The City, as deemed necessary by the County Library Board shall allow the County Library Board or appropriate State Agency, including the Office of the State Auditor, access to the City's contractual library service records at reasonable hours.
- C. The City will furnish information regarding contractual library services as requested by the County Library Board.
- D. The City will maintain and make available records pertaining to contractual library services for six years for audit purposes.

V. RECORDS AND INSPECTION

The City shall maintain full and accurate records with respect to all matters covered under this Contract. Pursuant to Minn. Statute 16B.06, Subd. 4, the County Library Board, and either the Legislature or State Auditor, as appropriate, shall have, at all proper times, the right to inspect, examine and audit the books, records, documents and accounting procedures and practices of the City relevant to this Contract.

VI. PERSONNEL

The City shall secure, at its own expense, any and all personnel required in performing the services under this Contract. Any and all personnel engaged in the work shall be fully qualified to perform the services under the Contract.

VII. INDEMNIFICATION / INSURANCE

A. Indemnification. The City shall defend and save the County Library Board harmless from any claims, demands, actions, or causes of action arising out of any willful or negligent act, or out of any negligent omission on the part of the City, its agents, assignees, or employees in performance of or with relationship to any of the work or services provided to be performed by the City under the terms of this Contract.

B. Insurance. The City, further, that in order to protect itself, as well as the County Library Board under the indemnity contract set forth above, will, at all times during the term of this Contract, have and keep in force automobile insurance, general liability insurance, and workers' compensation insurance having liability limits which satisfy the requirements of Minn. Statute Chapter 466, entitled Tort Liability of Political Subdivisions, and other applicable statutes requiring insurance coverage.

VIII. EQUAL EMPLOYMENT OPPORTUNITY

In fulfilling this Contract, the City will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The City will take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, creed, marital status, status with regard to public assistance, disability, or age.

IX. CONDITIONS OF THE PARTIES OBLIGATIONS

Any alterations, variations, modifications or waivers of provisions of this contract shall be valid only when they have been reduced to writing, duly signed, and attached to the original of this contract.

No claim for services furnished by the City, not specifically provided for in the contract, will be allowed by the County Library Board, nor shall the City do any work or furnish any materials not covered by this contract unless this is approved in writing by the County Library Board. Such approval shall be considered to be a modification of the contract.

X. MISCELLANEOUS

Entire Contract - it is understood and agreed that the entire contract of the parties is contained herein and that this contract supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof.

XI. TERM

The term of this contract shall be from January 1, 2015 until December 31, 2015. Renewal of this contract subsequent to this time period will be at the sole discretion of the County Library Board.

CITY OF SAINT PETER

Timothy Strand, Mayor

Date: _____

Todd Prafke, City Administrator

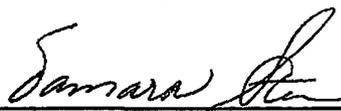
Date: _____

NICOLLET COUNTY LIBRARY BOARD



David Haack, President

Date: 11-20-14



Tamara Stein, Secretary

Date: 11-20-14

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION AUTHORIZING EXECUTION OF LIBRARY SERVICES CONTRACT

WHEREAS, the City of Saint Peter has previously entered into a contractual relationship with Nicollet County for provision of library services to non-City residents; and

WHEREAS, the contract has worked well for all parties involved; and

WHEREAS, Nicollet County has proposed a new contract that would continue the provision of library services to rural residents of Nicollet County and provide funding to the City of Saint Peter for the service.

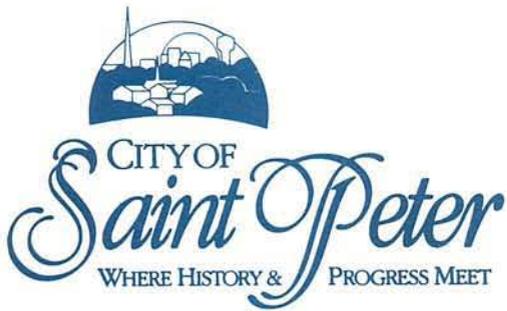
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: the Mayor and City Administrator are hereby authorized to enter into a "2015 Library Purchase Of Services Contract Between Nicollet County And The City Of Saint Peter".

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/3/2014

FROM: Todd Prafke
City Administrator

RE: Joint Park/Campus Memorandum of Understanding

ACTION/RECOMMENDATION

Approve the attached resolution providing staff direction related to the Lambert property and City and School cooperative efforts.

BACKGROUND

Members may recall that we have discussed, on numerous occasions, the joint development of property commonly referred to as the Lambert Farm and the Hermel property. Please find an image attached.

You may also remember that we will be providing \$10,000 towards the hire of professional parks planning and design work in conjunction with the School's preliminary work for the potential placement and building of a new High School.

Much work has been done on this issue over the past few months including joint meetings and staff work. From a City perspective, efforts have been made, and will be ongoing, related to the facilities planning and the Memorandum Of Understanding (MOU). Both of those efforts are still in a "working draft" form and will see additional modifications prior to coming to Council for a final determination. However, both the Council and School Board discussed taking some type of affirming action to provide direction to staff to keep moving forward. This action does not constitute a final agreement; rather it gives staff assurance that the work to date is on the right track and provides a basis for future changes in facilities planning and the MOU. Any final agreement must be approved by the Council, but I think the feeling of the Board and Council was that since this is such a significant investment and partnership with potential impact on the entire community that some level of affirmation and direction at this point would be appropriate.

The latest facilities plan is attached for your use. While this is the latest in a series of evolving plans giving clearer perspective to the Lambert Farm property, I am confident it is not the final plan and some change will certainly be made between now and your final approval.

The latest MOU is also attached and has many issues yet to be finalized. Again, your action on Monday evening in essence will tell staff to continue the work and discussions with the School toward finalization.

Both facilities plan and MOU will need to come back to the Council for final approval. I anticipate that coming in the spring of 2015 after a number of additional meetings, discussions and joint meetings with the School Board.

FISCAL IMPACT:

The is no direct fiscal impact to this action, however, it should be noted that approval of the resolution continues us down a path of some capital investment in parks and maintenance into the future. The exact nature and amount has not yet been fully determined, but determination will be made prior to the City Council being put in a position to agree to a facilities plan and MOU. The largest investment, purchase of the land, has already taken place and the Council has previously discussed three primary funding sources. Those sources are Park Land Dedication funds, General Fund reserves planned for this purpose, and sale of assets such as the potential sale of the Wastewater Treatment ponds.

ALTERNATIVES AND VARIATIONS:

Do not act. This action is time sensitive to the point of agreement with the School Board in that at your joint meeting you agreed to take some kind of action prior to December 15th.
Negative vote. Staff will wait for additional direction from the Council.
Modification of the resolution. This is always an option of the Council.

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

TP/bal

9b



- PRACTICE FIELD MIX**
- SCHOOL:
 - 1 Softball Fields
 - 1 Baseball Field
 - 8 Tennis Courts
 - 3 Practice Fields (Soccer, Football, LaCrosse)
 - 1 Football & Track Facility
 - ADDITIONAL COMMUNITY FIELDS:
 - 1 Softball Fields
 - 1 Baseball Field
 - 3 Practice Fields
- LEGEND**
- Road
 - Trail
 - Sidewalk



**MEMORANDUM OF UNDERSTANDING
BETWEEN
INDEPENDENT SCHOOL DISTRICT NO. 508
AND
CITY OF SAINT PETER**

1. **Mission Statement** - Effectively use resources to provide quality programs and services to meet the educational and recreational needs of the I.S.D. No. 508 and the City of Saint Peter.
2. **Philosophical Position** - The Saint Peter Public Schools and the City of Saint Peter believe that sharing in the construction costs, maintenance and upkeep of public owned facilities, parks and grounds maximizes the use of public resources.
3. **Non-Duplication of Services** - Each governmental unit shall work cooperatively to eliminate duplication of facilities and fields serving the residents of the Saint Peter School District and the City of Saint Peter.
4. **Costs** - It shall be the general practice that the School District and the City shall provide facilities, fields and grounds identified in this Memorandum of Understanding at no charge to each other when the functions for such use are for the use and benefit of Saint Peter area community residents.
5. **Agreements Related to Identified Facilities, Fields and Park Land** – The following provisions shall govern ownership, use, maintenance, scheduling and liability of facilities, fields and grounds identified in this Memorandum of Understanding:

5.1 Description of Saint Peter Area High School and (Name of) City Park

Saint Peter Area High School and (Name of) City Park consists of _____ acres; including (Name of) City Park consisting of _____ acres and Saint Peter Area High School consisting of _____ acres (see legal description contained in Attachment A).

5.2 Ownership of Saint Peter Area High School and (Name of) City Park

- A. School District** - the district owns the high school site which is the property ...
- B. City** – The city owns (Name of) Park which is the property ...

5.3 Design and Construction

The parties have jointly designed the site plan for Saint Peter Area High School and (Name of) Park and have agreed to construct the following facilities of the site:

- Multi-Use Field #1 - Independent School District No. 508
- Multi-Use Field #2 - Independent School District No. 508
- Multi-Use Field #3 - Independent School District No. 508
- Multi-Use Field #4 - City of Saint Peter
- Multi-Use Field #5 - City of Saint Peter
- Multi-Use Field #6 – City of Saint Peter
- 8 Court Tennis Complex- Independent School District No. 508
- Softball Field #1- Independent School District No. 508
- Softball Field #2- City of Saint Peter
- Baseball Field #1- Independent School District No. 508
- Baseball Field #2- City of Saint Peter
- ~~Central Parking Lots (2) – Independent School District No. 508 75% of Cost; City of Saint Peter 25% of Cost~~

5.4 Maintenance of Fields and Tennis Complex

- Multi-Use Fields – Each party will maintain (including major repairs), at its expense multi-use fields located within its property except as outlined in the "Shared Use" below.
- Ball Fields - Each party will maintain (including major repairs), at its expense ball fields located within its property except as outlined in the "Shared Use" section below.
- Tennis Complex - The school district will maintain the Tennis Courts at its expense.
- Shared Use: Each party will schedule, mow, water and line at its expense, multi-purpose and ball fields used during agreed upon seasons of use.

5.5 Use of (Name of) City Park and Saint Peter Area High School

A. Multi-Use Fields – Each party will have priority use of its multi-use fields except that:

1. The City will grant the use of City's multi-use fields for the school district's curricular and co-curricular programs, provided the school district first notifies the City of the time or times it desires to use each field at least three (3) months prior to each use.
2. The school district will grant the use of the district's multi-use fields for athletic associations or City activities, provided the City first notifies the district of the time or times it desires to use the fields at least three (3) months prior to such use.

B. Ball Fields – Each party will have priority use of its ball fields except that:

1. The City will grant the use of the City's softball and baseball fields for the school district's curricular and co-curricular programs, provided the school district first notifies the city of the time or times it desires to use the fields at least three (3) months prior to each use.
2. The school district will grant the use of the district's softball and baseball fields for athletic associations or City activities, provided the City first notifies the district of the time or times it desires to use the fields at least three (3) months prior to such use.

C. Tennis Courts – The school district will have priority use of tennis courts. The City may use the school district tennis courts for athletic association or City activities, provided the City first notifies the school district of the time or times it desires to use the courts at least three (3) months prior to such use.

D. Gymnasium and Theater – Without further notice to the City, the school district will have priority use of the high school gymnasium and the theater. The City may use the gymnasium and theatre, provided the City first notifies the district of the time or time it desires to use the facilities at least three (3) months prior to such use.

6. Supervision of Use of Facilities, Fields and Park – Each party is responsible for the supervision of facilities, fields and park when such use is scheduled by the party.

7. Use of Facilities, Fields and Park

7.1 Sub-Leasing

Neither the School District or the City of Saint Peter may sub-lease facilities, fields or parks that they do not own.

7.2 Rules Governing the Use of Facilities, Fields and Park

City and school use policies will govern the manner in which the public is allowed to use city and school facilities, fields and parks on the property.

8. Cancellation of Scheduled Use – The party that owns and controls the facility, fields or park retains the right to cancel use by the other party based on extraordinary events such as storms, rains, etc.

9. Liability – A party shall be liable to the other party for damage or destruction of the part of the facilities, fields or park owned by the other party when such damage is the result of negligence or lack of supervision. Each party agrees to assume oversight of the general condition of the facilities, fields or park under its ownership.

10. Joint Facilities Committee – A joint Facilities Committee made up of the School District's Activities Director and Building and Grounds Supervisor, and the City Recreation Director and City Park Supervisor shall meet on an annual basis, or as necessary, to review how facilities, fields and park are being scheduled and maintained. The Committee shall recommend any revisions that should be made to this Memorandum of Understanding.

11. Amendments and Additions to the Memorandum of Understanding – Amendments and Additions to the Memorandum of Understanding may be based on recommendations of the Joint Facilities Committee and made by both the School Board and City Council.

Saint Peter Public Schools: I.S.D. No. 508

Date: _____

By _____
Chairperson of School Board

Date: _____

By _____
Clerk of School Board

Date: _____

By _____
Superintendent of Schools

City of Saint Peter

Date: _____

By _____
Mayor

Date: _____

By _____
City Administrator

Notary of the Public:

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

**RESOLUTION DIRECTING CONTINUED EFFORTS WITH SCHOOL DISTRICT 508 FOR
JOINT PARK/CAMPUS**

WHEREAS, the City Council has purchased land commonly referred to as the Lambert Farm and included over 70 acres; and

WHEREAS, School District 508 is purchasing land commonly referred to as the Hermel Property; and

WHEREAS, these parcels of land are adjacent to one another; and

WHEREAS, the purchase of the Lambert Farm was intend to be for public use including parks facilities; and

WHEREAS, the Council and School District 508 have meet on numerous occasions and has determined that joint planning and development of the sites known as the Lambert Farm and the Hermel Property is in the best interests of the community; and

WHEREAS, joint planning, joint use and avoidance of redundancy, are goals of the Council; and

WHEREAS, a number versions of a Facilities Plan and Memorandum of Understanding that would be used to specifically outline the City and School relationship relative to this property and its development and use and been reviewed; and

WHEREAS, while not completed, the Council is supportive of the efforts and methods used thus far; and

WHEREAS, the Council discussed the need to provide support of the work done on facilities planning and relationship agreements and to give direction to staff.

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

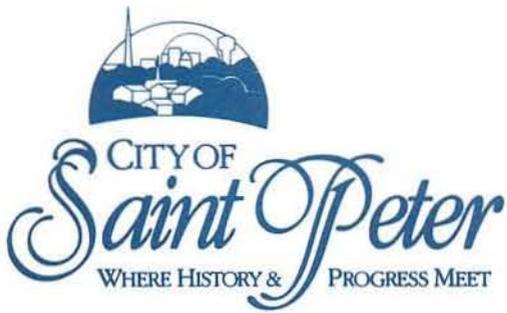
1. Staff is directed to continue to discuss the Facilities Plan and a document outlining the City and School District 508 relationship relative to development and use of the land commonly referred to as the Lambert Farm and the Hermel Property.
2. The Council is supportive of the work done thus far and directs staff to:
 - Continue efforts on the facilities plan;
 - Update the City Council as appropriate; and
 - Plan for additional joint meetings with the School Board on these issues.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 12/2/14

FROM: Todd Prafke
City Administrator

RE: Elected Official Travel Authorization

ACTION/RECOMMENDATION

Provide approval for out of state travel by elected officials as required by the City's policy.

BACKGROUND

Each year for a number of years, the City Council has participated in the American Public Power Association (APPA) legislative rally in Washington, D.C. Next year the rally will take place March 9-11, 2015. Councilmembers Carlin and Parras have expressed interest in attending.

As required by State Statute, the Council has adopted a formal policy related to out of state travel by Councilmembers. The policy requires Council authorization prior to any out of state travel. The policy also requires the resolution to indicate the approximate cost of the travel.

A resolution has been prepared providing authorization for Councilmembers Carlin and Parras to travel to the APPA rally in 2015.

FISCAL IMPACT:

Without having booked tickets, it is difficult to determine the actual cost of this travel, but staff estimates are for a total cost not expected to exceed \$8,000. Costs will be funded by the Electric Fund.

ALTERNATIVES/VARIATIONS:

Do Not Act: No further action will be taken without additional direction from the Council.

Denial: No further action will be taken.

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

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

TP/bal

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION AUTHORIZING ELECTED OFFICIAL TRAVEL

WHEREAS, the City Council has adopted an "elected official travel policy" as required by State Statutes; and

WHEREAS, Councilmembers Carlin and Parras have expressed interest in attending the American Public Power Association (APPA) legislative rally in Washington, D.C. in March, 2014.

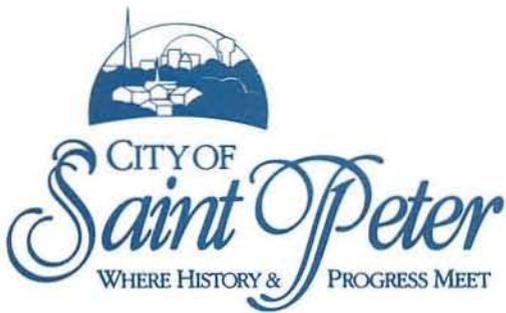
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT: authorization is hereby provided for Councilmembers Carlin and Parras to travel to Washington, D.C. as part of the APPA rally in March, 2014 at a not expected to exceed cost of \$8,000.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATE: 12/2/2014

FROM: Pete Moulton
Acting Director of Public Works

Tim Mayo
Maintenance Superintendent

RE: Paver Purchase - 2015 Equipment Certificate

ACTION/RECOMMENDATION

Authorize purchase of a LeeBoy 8515C asphalt paver from in the total amount of \$157,430 and authorizes purchase of a FT-27-2LP trailer from Felling Inc. of Sauk Center, Minnesota in the total amount of \$16,890.05.

BACKGROUND

The City has an approved streets maintenance program going back a couple of decades. Since the program's inception, the method used for street repairs has gradually progressed. Years ago, the crew would put down a thin layer of asphalt as a more cosmetic approach called "skinning". Over time (5+ years) the skinning repairs failed, forcing Staff to look at a more comprehensive approach for full depth patching.

Staff completes patching in the year prior to scheduled seal coating. This process has been our standard operating procedure throughout the community for the past 20 years. To increase efficiency and reduce cost we have continued to look at having City staff pave entire blocks which includes everything being replaced from curb to curb within a 2-3 block stretch which allows for a new surface for years into the future.

Patching is a more complete approach where staff examines streets in detail by walking the selected roadways and identifying bad or stressed areas. The inadequacies are marked with white paint and measured for asphalt tonnage and replacement cost. Staff then uses the large front end loader and cuts the identified areas with a large wheel. The cut asphalt is left in place until City crews complete the removal and preparation work for the new asphalt and subgrade, if needed. Removal of the old asphalt and replacement and installation of the new asphalt all occur on the same day to minimize inconvenience to the public and provide improved customer service by allowing use of the street very quickly after the work is completed.

Maintenance Program:

Recent funding allocations have allowed staff to complete repairs on approximately 40 City blocks annually (2,000 tons of asphalt). The existing program provides for a more permanent

correction by installing an adequate amount of asphalt by proper methods to assure a solid roadway. As we begin to look at entire one block stretches we need adequate resources and equipment.

In comparison, if a regular block were to be replaced, 200 tons (33' x 350' = 1,300 sq. yds.) of asphalt would be installed. Staff has compared our existing program cost to that of a private contractor's cost.

On Washington Avenue the cost to install two 1½" asphalt mats was \$34.00 per square yard. Cost per city block equals \$44,200 - (1,300 x \$34.00 = \$44,000). By comparing in-house installation (asphalt plus labor) staff can purchase the asphalt for \$10.00 per square yard and if we double the cost for labor and equipment that brings our cost to \$20.00 sq. yard installed for a total of \$26,000 - (1,300 x \$20.00 = \$26,000). A savings of about \$18,000 per block.

Equipment History:

Full depth patching started in 2001 when staff rented a paver and began making more complete patches on roads that showed wear. Beginning in 2004, the City purchased a 1988 Blaw Knox paver for \$7,000. This proved to be a good investment at that time. Staff has routinely completed maintenance and repairs to the unit with parts exceeding a total of \$10,000.00 (not counting staff time).

The existing paver has large rubber rear tires and small flat front tires and is driven through the city to the different construction locations. Over the years Staff has also worked with some the adjacent townships, counties, and cities to assist them with paving projects. When assistance occurs in a remote location, a local hauler is contracted to haul the unit to the remote site.

Approximately two hundred (200) hours of paver use per year are used to complete the work necessary for the maintenance program.

Equipment Options:

Rent a Paver: The rental of a paver ranges from \$1,000 a day to \$3,000 a week or \$9,000 a month. Repairs are usually completed over a five month window which would cost approximately \$45,000 under a best case scenario. Any work completed outside the regular maintenance window would cost extra or would be contracted. Staff estimates an additional \$10,000 in cost to meet this need for a \$55,000 per year cost of operation if a rental option is selected.

Purchase Used Equipment: Over the past few months we have evaluated a couple of pieces of used equipment. They included a 2013 LeeBoy 8515C located in California with 255 hours at a cost of \$155,000. Delivery costs and a trailer would increase the cost to near \$166,000 (including a \$4,000 trade-in value). Since the paver is two years old, a 13-year cost for just the capital expenses would calculate to run \$12,770 per year. Please note that the market place on used equipment value and availability is ever evolving.

The second used unit was a 2013 Mauldin 1750C located in Illinois with 216 hours. The Mauldin unit has service ability issues with limited access to the main drive system which is located under the hopper in the front of the machine. This unit also comes with a smaller 8" auger verses the large 12" auger available on the LeeBoy. A large auger distributes the asphalt materials quicker and more evenly, which produces a higher quality road.

When staff began looking for Mauldin units in this area it was noticeable that very few were available. Cost for this unit was \$120,000. Delivery and a trailer would increase the price to \$131,000 (includes \$4,000 trade-in value). A 13-year cost for just the capital expenses would run \$10,077 per year. Staff feels that maintenance requirements on this piece of equipment would increase annually with this selection.

Purchase New: Staff examined a 2015 new LeeBoy 8515C with a list price of \$157,430 plus trailer for \$16,890 for a total cost of \$174,320 (includes a \$5,000 trade-in value). Using a 15-year cost for just the capital expenses would run \$11,621 per year.

The new LeeBoy has a unique electric screed system that includes four (4) heating elements that allow the asphalt to stay hot as the mix is applied to the road surface proving for a seamless smooth quality mat.

We believe that purchasing new, based on the costs illustrated above and the future use anticipated, is the most appropriate action. If we should change directions in our planning or use, the resale value of this type of equipment remains very high.

The following is a breakdown of the actual purchase costs for each piece of equipment:

Base Paver Price	\$153,500.00
8' to 15' Electric Heated Screed	\$ 13,900.00
Delivery	\$ 3,400.00
5% Purchasing Discount (deduction)	- \$ 8,370.00
1988 Blaw Knox Trade-In	- \$ 5,000.00
Total Cost	\$157,430.00

Felling Trailer	\$17,779.00
5% Purchasing Discount (deduction)	- \$ 888.95
Total Cost	\$16,890.05

Both the paver and trailer have a 1-year warranty on all parts and labor. Delivery of the paver and trailer would be expected after April 1, 2015.

FISCAL IMPACT:

Under the current plan, funds would be allocated from the 2015 Equipment Certificate when issued

ALTERNATIVES/VARIATIONS

Do not act: No further action will be taken without additional Council direction.

Negative Vote: Staff will await further direction regarding purchase of a new paver and trailer.

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

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

PM/TM/amg

1988 Blaw Knox paver, 1,173 hours



Proposed LeeBoy paver

LeeBoy

VT LeeBoy

8500 Series Asphalt Pavers

8515C Asphalt Paver



8515C High Deck / Low Deck Conveyor Paver

Proposed Felling Trailer FT-24-2 LP



CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

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

RESOLUTION AUTHORIZING 2015 EQUIPMENT CERTIFICATE PURCHASE (LEE BOY
8515C ASPHALT PAVER AND TRAILER)

WHEREAS, the City provides maintenance on public roadways within the community; and

WHEREAS, the City's comprehensive maintenance program includes full-depth patching; and

WHEREAS, staff recommends purchase of paving equipment; and

WHEREAS, purchase of a paver is included in the 2015 equipment certificate budget; and

WHEREAS, paving equipment is available through the State bid process; and

WHEREAS, purchase of a new paver would include trade-in of the 1988 rubber tired Blaw Knox paver; and

WHEREAS, staff recommends purchase of a LeeBoy 8515C asphalt paver from Road Machinery Supplies (RMS) through the State bid; and

WHEREAS, staff further recommends purchase of a FT-24-2LP trailer from Felling, Inc. through the state bid; and

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

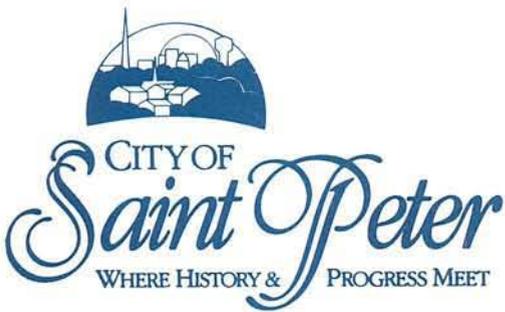
1. The City Council hereby authorizes purchase of a LeeBoy 8515C asphalt paver from in the total amount of \$157,430 and authorizes purchase of a FT-27-2LP trailer from Felling Inc. of Sauk Center, Minnesota in the total amount of \$16,890.05.
2. The paver purchase will include trade-in of the existing 1988 rubber tired Blaw Knox paver.
3. Funding for the purchases will be from the 2015 Equipment Certificate.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator



Memorandum

TO: Todd Prafke
City Administrator

DATE: December 1, 2014

FROM: Lewis Giesking
Director of Public Works

RE: Sodium Metabisulfite Purchase

ACTION/RECOMMENDATION

Authorize Hawkins Inc. of Minneapolis, Minnesota to furnish and deliver sodium metabisulfite to be used in the water treatment process in the amount of \$30,000.

BACKGROUND

Staff solicited formal written proposals for purchase and delivery of sodium metabisulfite for its water treatment process from Hawkins, Inc. of Minneapolis and DPC Industries, Inc. of Rosemount. Sodium metabisulfite is a chemical used to clean the reverse osmosis membranes.

The proposals received were:

<u>Chemical</u>	<u>Hawkins, Inc.</u>	<u>DPC Industries, Inc.</u>
Sodium Metabisulfite	\$1.41 per lbs.	No proposal

Based on the 2014 water pumping records, staff estimates for chemical usage for 2015 to be:

<u>Chemical</u>	<u>2014 Usage</u>	<u>2015 price</u>	<u>Estimate cost</u>
Sodium Metabisulfite	21,000 lbs.	\$1.41 per pound	\$29,610.00

The 2015 quoted price of \$1.41 per pound is the same price the utility paid in 2014. There is a \$5.00 delivery charge from Hawkins, Inc. per trip to the water treatment facility.

Staff was unable to solicit a second and third proposal due to the infrequent demand of this chemical and its use in Minnesota. Any other proposals would be from delivery companies that purchase product from Hawkins Inc. and they would add their markup after purchasing and delivering the product from these suppliers.

FISCAL IMPACT:

Funding has been included in the 2015 Water Fund budget for these supplies.

ALTERNATIVES/VARIATIONS:

Do Not Act: No further action will be taken without additional direction from the Council. However, should the Council choose not to accept the proposal, operation of the water plant will be negatively impacted as the reverse osmosis membranes would be destroyed.

Denial: No further action will be taken without additional direction from the Council.

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.

LGI

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2014 -

STATE OF MINNESOTA
COUNTY OF NICOLLET
CITY OF SAINT PETER

RESOLUTION APPROVING PURCHASE OF SODIUM METABISULFITE CHEMICALS FOR
WATER TREATMENT PLANT

WHEREAS, the City owns and operates a water treatment plant using certain chemicals; and

WHEREAS, sodium metabisulfite is used to remove chlorine from the reverse osmosis membranes; and

WHEREAS, staff solicited formal written proposals for purchase of sodium metabisulfite in 2015; and

WHEREAS, only one proposal was received, from Hawkins, Inc., and the proposal was for the same price the chemical was purchased in 2014; and

WHEREAS, staff recommends acceptance of the Hawkins, Inc. proposal.

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

1. The formal proposal submitted by Hawkins, Inc. for purchase of sodium metabisulfite for the water treatment plant in the amount of \$1.41 per pound is hereby accepted for an anticipated annual cost of \$29,610 plus approximately \$400 in annual delivery charges.
2. Funding for the purchase shall be from the Water Fund.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 8th day of December, 2014.

Jeffery Brand
Mayor pro tem

ATTEST:

Todd Prafke
City Administrator