

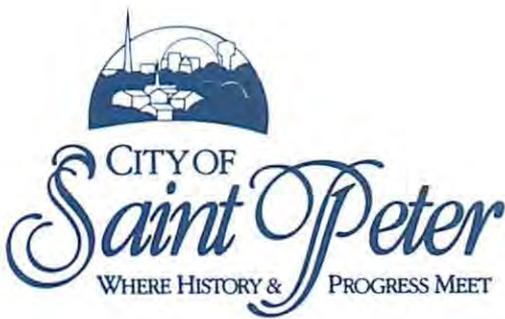
**CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING**

Regular Workshop Session of Monday, March 18, 2013
Library Meeting Room – 5:30 p.m.

- I. CALL TO ORDER**
- II. DISCUSSION**
 - A. 2013 Water Fund Budget
 - B. Electronic Council Packet Presentation
 - C. Transit System Update
 - D. Park Row Crossing Project Update
 - E. 500 Block South Minnesota Avenue Abatement Request
 - F. Others
- III. ADJOURNMENT**

Office of the City Administrator
Todd Prafke

TP/bal



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: March 11, 2013

FROM: Todd Prafke
City Administrator

Paula O'Connell
Director of Finance

Lewis Giesking
Director of Public Works

RE: 2013 Water Fund – Rates and Budget

ACTION/RECOMMENDATION

None needed. For your input and discussion.

BACKGROUND

The water fund provides for the operation of the wells/aquifers, water treatment facilities, two water towers and a reservoir, as well as the distribution systems throughout Saint Peter.

With the addition of reverse osmosis treatment, there is increased use of cash for maintenance and operation of the new water plants. We will need to continue the modification of rates to support our new operations and debt obligations.

To meet the financial needs of the water fund in 2013 we are proposing to lower the first tier of water consumption to include only the first 1,000 gallons of water, and to increase fees for water consumed over 1,000 gallons by \$.50/1,000 in April and another \$.25/1,000 in August. The proposed increase also includes a \$.75/1,000 increase for irrigation consumption and a different philosophy of base charges. Greater detail is provided below.

Base rate based on flow potential: During the past few years staff has been working on a variety of different rate structures that we think make sense for our community. The current base rate structure has been in place for at least the past 25 years. The exact science on our charges and user fees has been questioned and it is time to develop a structure that makes sense based on our system demand and flows that are provided to our customers. We would like to see a rate structure put in place that fits with our philosophy based on the amount of flow that could be used by any customer at any time.

Existing Base Charges: Currently we charge multi-family accounts a fee per meter along with a 25% of base fee for each additional unit served. In other words, if you have an apartment building with two units, they would pay the base plus 25% of the base fee for the second unit. Each additional unit is also charged an amount equal to 25% of the base fee. We are planning a modification that changes the philosophy of the fee that reflects the capacity of usage of a meter and removes the 25% for multiple units. That modified meter charge will be based on the hydraulic flow capacity rather than an arbitrary 25% of the units supported as an "adder". This is not a means of increasing revenue; rather it is a philosophical change in our rate system.

Our current system generally provides for residential (single house) use meters of 1" size or smaller. Those users represent 93% of the meter activity (2,951 water meters out of 3,162 total water meters). Our base charges mainly cover our cost of customer service and provide income of approximately \$39,751 with the 1" and smaller meters accounting for 87% of that income. With additional new debt which funds our new infrastructure, we should evaluate whether the base charge should be calculated to include a portion of debt. The City has certain infrastructure and maintenance costs that may be funded independent of actual water use to reduce volatility in revenues.

Water System Design: When a public water supply prepares to serve its customers, there are several considerations which include demand from the users, size of the service requested, fire protection needs and quality of water to be delivered. Each service, when properly sized, can be modeled to determine if the public water purveyor can adequately serve the customer. During street reconstruction projects staff will often bring forward a request to increase a watermain size to accommodate the needs of the area as a matter of timing. In addition, the location and use of our storage facilities (elevated and ground storage) have an impact on our delivery.

Water distribution systems are designed on flow based requirements. This design provides a good planning tool for system growth, but can also be used to assist with design of a rate structure to distribute cost based on the water flow used and the individual demand from a given customer. The cost to expand a distribution system is based on the water flow that is needed to a certain area. Utilities are often the leading indicator of where a community grows.

Modeling Information: Below is a flow model of the water that can be delivered through an open ended pipe with the following criteria similar to that of the water system serving Saint Peter customers.

Water Tower Elevation 1,138 feet above sea level
 Watermain Length 800 '
 Service Line Length 10'
 Pressure at End of Service 60 pounds per square inch (psi)

Pipe Diameter (in)	Material	Roughness Coeff (c)	Flow Rate (gpm)
¾	Copper	125	68
1	Copper	125	140
1.25	Copper	125	250
1.5	Copper	125	405
2	Copper	125	855
3	Ductile Iron	120	2,390
4	Ductile Iron	120	4,490
6	Ductile Iron	120	7,620
8	Ductile Iron	120	8,600
10	Ductile Iron	120	8,870
12	Ductile Iron	120	8,950

Staff will discuss the relationship of meter size and pipe size to water use. Those relationships are proposed to be the basis for a new water base rate.

Proposed base rate: The base rate is configured on capacity of flow for each size meter. This proposal will change the base rate of all larger meters as well as remove the 25% of base charges on multiple unit dwellings. It is proposed to phase in the flow structure over four phases to acclimate the users to a higher monthly cost. The attached charts show the increments and amounts proposed for each meter size.

Another goal of rate structuring will be to include a percent of our debt obligation to be collected within the base rate structure.

Proposed flow rate:

<u>COMMODITY OUTPUT CHARGE - 5/8" X 3/4" METERS</u> <u>(all residential housing, and Commercial 5/8" x 3/4")</u>	<u>4/1/13</u>	<u>8/1/13</u>	<u>12/1/13</u>	<u>12/1/14</u>
First 2,000 Gallons used each month \$1.00 per 1,000 gallons	na	na	na	na
First 1,000 Gallons used each month na	\$1.00k	\$1.00k	na	na
Next 8,000 Gallons used each month \$4.45 per 1,000 gallons	na	na	na	na
Next 9,000 Gallons used each month na	\$4.95k	\$5.20k	na	na
10,000 gallons and under used each month na	na	na	\$5.70k	\$6.20k
Over 10,000 Gallons used each month \$4.75 per 1,000 gallons	\$5.25k	\$5.50k	\$6.00k	\$6.50k
 <u>COMMODITY OUTPUT CHARGE - 1" AND LARGER METERS</u>				
First 10,000 Gallons used each month \$4.45 per 1,000 gallons	\$4.95k	\$5.20k	\$5.70k	\$6.20k
Over 10,000 Gallons used each month \$4.75 per 1,000 gallons	\$5.25k	\$5.50k	\$6.00k	\$6.50k
 <u>IRRIGATION OUTPUT CHARGE - All METERS</u>				
		<u>(\$.20 over first 10,000 rate)</u>		
6 \$4.65 per 1,000 Gallons	\$5.40k	\$5.40k	\$5.90k	\$6.40k
 <u>HYDRANT OUTPUT CHARGE</u>				
\$5.70 per 1,000 Gallons	\$6.00k	\$6.00k	\$6.50k	\$7.00k
 <u>FIRE SERVICE LINES</u>				
\$2.00 per meter inch and no charge for consumption	\$2.00	\$2.00	no fee for service after meter	

UNIT OF SERVICE

This charge will be discontinued as of 4/1/13

A unit of service shall consist of any residential or small commercial aggregation of space or area occupied for distinct purpose, such as a residence, apartment, flat, store, or office, which is equipped with one or more fixtures for rendering water service, separate and distinct from other users. Each unit of service shall be regarded as one consumer and a surcharge for additional consumers on a meter assessed accordingly. For each additional unit of service on one meter, add twenty-five (25%) percent of the applicable service charge. The surcharge provided for in the rates shall apply to each additional unit on one service pipe with no increase in the amount of flow allowed the minimum charge.

The Minnesota Department of Natural Resources (DNR) guidelines have discouraged a declining block rate structure and it is our plan to continue to work on water rates that promote conservation as we have discussed and worked towards for the last three to five years.

2013 Budget Changes:

- Water rates are proposed to increase for services provided as of the bills due June 15th (April usage). Another increase is proposed to be put in place effective August, 2013. Information regarding the rate increases will be included in the utility bill flyer that is delivered on April 1st.
- The budgeted revenues do not contemplate any increase in revenue because of increased consumption. Another way of saying that is, we do not expect to sell more water to our current customers. The 2013 budget includes sales of \$2,333,656 (including the above recommendations).
- Residential irrigation meters continue to be installed and are required in all new construction. Residential irrigation meters will continue to have no monthly base charges applied.
- The Water Fund transfers 6.5% of sales to the General Fund. This percentage has been in place for a number of years.
- The water reserve goal has been discussed and set at \$1.4 million. We will not reach that goal for 2013.
- We have proposed no changes in Water Access Charges (WAC). These charges do not have a significant impact on our budget. They are based on a rate philosophy that newcomers should help pay and catch up a bit for the investment previous rate payers made in infrastructure.
- This 2013 budget anticipates capital costs to be funded from reserves of \$164,800 which include improvements for hydrants, water meters, water treatment membranes and other miscellaneous items. There is also a bond issue of \$55,000 anticipated in relationship to the North Third Street Improvements.

Current Debt issues:

- G.O. WATER, SEWER IMPROVEMENT REFUNDING BOND - 2004E (1997 imprmts)
 - 2013 Debt Service \$34,025; remaining debt \$0; Final payment 2013
- G.O. WATER & SEWER REVENUE BOND, 2004C (Nicollet Avenue)
 - 2013 Debt Service \$49,467; remaining debt \$47,000; Final payment 2014
- G.O. Water Revenue Refunding Bonds, 2011B (water tower)
 - 2013 Debt Service \$120,018; remaining debt \$1,315,000; Final payment 2026
- G.O. Water Revenue Refunding Bonds, 2012C
 - 2013 Debt Service \$77,778; remaining debt \$680,000; Final payment 2023

- PFA G.O. Water Revenue Bonds (2009 treatment facilities)
 - 2013 Debt Service \$704,730; remaining debt \$15,118,000; Final payment 2029
- PFA G.O. Water Revenue Bonds (2009 wells)
 - 2013 Debt Service \$91,322; remaining debt \$1,122,000; Final payment 2028
- \$870,000 Taxable GO utility revenue and TIF Bonds, Series 2010B (2009 imprmts)
 - 2013 Debt Service \$4,675; remaining debt \$18,480; Final payment 2020

Other Budget information:

- Wages and benefits are recorded in the areas of work actually performed. For budget purposes, the wage and benefits are allocated based on a percentage.
- The rate change proposals are included in the 2013 budget for revenues.
- Approval of the budget does not allow for the purchase of large items without additional City Council approval. Budgeted items over \$5,000 will be presented to the Council for final approval of purchase.

FISCAL IMPACT:

The proposed water rate changes are (service date):

- **April 1, 2013** - lower the first tier of water rates to include only the first 1,000 gallons instead of 2,000 gallons, flow charge to increase (\$.50/1,000) the "under 10,000 gallons" to \$4.95 and "10,000 and over" to \$5.25 per thousand. Irrigation fee to increase \$.75/1,000 to \$5.40 and hydrant usage is proposed to increase (\$.30/1,000) to \$6.00 per thousand.
- **August 1, 2013** – flow charge to increase (\$.25/1,000) the "under 10,000 gallons" to \$5.20 and "10,000 and over" to \$5.50 per thousand.
- **December 1, 2013** - eliminate the 1,000 gallons for \$1.00/1,000, flow charge to increase (\$.50/1,000) the "under 10,000 gallons" to \$5.70 and "10,000 and over" to \$6.00 per thousand. Irrigation fee to increase \$.50/1,000 to \$5.90 and Hydrant usage is proposed to increase (\$.50/1,000) to \$6.50 per thousand.
- **December 1, 2014** - flow charge to increase (\$.50/1,000) the "under 10,000 gallons" to \$6.20 and "10,000 and over" to \$6.50 per thousand. Irrigation fee to increase \$.50/1,000 to \$6.40 and Hydrant usage is proposed to increase (\$.50/1,000) to \$7.00 per thousand.

Base charges will be adjusted in four phases that take effect April and August of 2013 as well as March and August of 2014.

These changes provide for an additional \$307,000 in revenue to the fund. They also continue to help us move toward meeting the DNR rate structure rules.

The ending fund balance of the water fund in 2013 will be \$384,287 and, as indicated earlier, our goal fund balance is \$1,400,000. We will continue to monitor this fund closely with the onset of greater debt service and continued fine-tuning of our new operations.

Attached to this memo please find copies of the water budget, capital improvement information, and a water charge comparison for a sample group of customers.

The approval of these budgets will give the City a plan to work toward. Again, the actual purchase or initiation of large projects will be presented individually to the City Council for authorization along with the funding mechanism.

Water Superintendent Moulton assisted with the preparation of this memo.

Please let us know if you have any questions or concerns on this agenda item.

TP/PO/LG/bal

CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER

REVENUES		(----- 2012 -----)					(----- 2013 -----)	
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
<u>STATE AID/GRANTS</u>								
33422 OTHER STATE GRANTS & AID	2,961,442	756	756	10,273	10,651	10,651	756	
TOTAL STATE AID/GRANTS	2,961,442	756	756	10,273	10,651	10,651	756	
33422 OTHER STATE GRANTS & AID	PERMANENT NOTES: pera aid							
<u>MISCELLANEOUS</u>								
36101 SPECIAL ASSESSMENT PRINCIPAL	59,732	27,545	19,399	25,000	2,717	25,000	25,000	
36102 SPECIAL ASSESSMENT INTEREST	0	0	0	0	0	0	0	
TOTAL MISCELLANEOUS	59,732	27,545	19,399	25,000	2,717	25,000	25,000	
<u>INTEREST INCOME</u>								
36210 INTEREST EARNINGS	13,803	14,437	20,769	20,000	10,900	20,000	16,000	
TOTAL INTEREST INCOME	13,803	14,437	20,769	20,000	10,900	20,000	16,000	
<u>DONATIONS & REFUNDS</u>								
36250 REFUNDS & REIMBURSEMENTS	0	0	0	0	0	0	0	
TOTAL DONATIONS & REFUNDS	0	0	0	0	0	0	0	
<u>WATER SALES</u>								
37110 RES/COM SALES WATER	1,161,951	1,117,903	1,265,406	1,310,000	1,341,400	1,341,400	1,585,108	
37120 BULK SALES WATER	725	543	641	700	799	799	700	
37131 GUSTAVUS ADOLPHUS WATER	215,965	210,461	225,683	270,000	284,214	284,214	321,424	
37132 REGIONAL TREATMENT CENTER WATE	128,165	143,687	126,699	130,215	134,968	134,968	156,484	
37140 WATER SALES TO OTHER PUBLIC AU	29,460	31,702	47,341	60,174	69,106	69,106	70,000	
37141 INTERDEPARTMENTAL WATER SALES	150,704	152,559	278,052	280,000	205,823	205,823	190,000	
37145 SERVICE SALES	1,000	1,000	1,000	1,000	1,000	1,000	1,000	
TOTAL WATER SALES	1,687,971	1,657,855	1,944,821	2,052,089	2,037,310	2,037,310	2,324,716	
<u>WATER FIRE LINES</u>								
37180 FIRE SERVICE LINE	9,024	8,935	8,978	9,180	9,181	9,180	9,180	
37181 FIRE SERVICE SALES TO OTHER PU	288	288	288	288	288	288	288	
37182 INTERDEPARTMENTAL FIRE SERVICE	144	144	144	144	144	144	144	
TOTAL WATER FIRE LINES	9,456	9,367	9,410	9,612	9,613	9,612	9,612	
<u>WATER OTHER</u>								
37150 WATER CONNECTION FEES	525	500	325	500	275	275	500	
37155 WATER ACCESS CHARGE	27,200	39,200	19,900	26,000	26,000	26,000	15,000	
37157 LEASES	0	0	0	35,000	34,842	35,000	32,000	
37160 PENALTY REVENUES	10,081	10,629	11,649	10,400	11,316	11,316	10,500	
37170 MISCELLANEOUS WATER REVENUES	53,621	56,800	128,684	28,000	23,046	28,000	28,000	
TOTAL WATER OTHER	91,427	107,129	160,558	99,900	95,479	100,591	86,000	
37157 LEASES	PERMANENT NOTES:							

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER

REVENUES	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	(----- 2012 -----) CURRENT BUDGET	(----- 2012 -----) Y-T-D ACTUAL	(----- 2012 -----) PROJECTED YEAR END	(----- 2013 -----) REQUESTED BUDGET	(----- 2013 -----) PROPOSED BUDGET
At&T and T-mobile tower leases								
<u>FIXED ASSET DISPOSAL</u>								
39101 SALE OF GENERAL FIXED ASSETS	175	23,149	(138,624)	0	0	0	0	
TOTAL FIXED ASSET DISPOSAL	175	23,149	(138,624)	0	0	0	0	
39101 SALE OF GENERAL FIXED ASSETS	NEXT YEAR NOTES: sale of jefferson ave property?							
<u>TRANSFER FROM OTHER FUND</u>								
39200 TRANSFERS FROM OTHER FUNDS	27,937	0	0	0	0	0	0	
TOTAL TRANSFER FROM OTHER FUND	27,937	0	0	0	0	0	0	
<u>CONTRIBUTED ASSETS</u>								
39210 CONTRIBUTED ASSETS	775,000	30,755	0	0	0	0	0	
TOTAL CONTRIBUTED ASSETS	775,000	30,755	0	0	0	0	0	
TOTAL REVENUES	5,626,944	1,870,993	2,017,090	2,216,874	2,166,671	2,203,164	2,462,084	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 SOURCE OF SUPPLY
 EXPENDITURES

	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012			2013	
				CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
PERSONNEL SERVICES								
49400-100 SOURCE OF SUPPLY WAGES	20,708	20,846	15,522	21,564	20,575	20,575	19,307	
49400-101 SOURCE OF SUPPLY WAGES - T	16	77	1,078	2,050	4,769	4,769	2,050	
49400-102 SOURCE OF SUPPLY WAGES - O	171	267	394	320	0	0	246	
49400-112 SOURCE OF SUPPLY CAR ALLOW	351	360	360	450	360	360	450	
49400-121 SOURCE OF SUPPLY PERA CONT	1,303	1,444	1,239	1,587	1,452	1,452	1,418	
49400-122 SOURCE OF SUPPLY FICA CONT	1,210	1,253	1,144	1,484	1,551	1,551	1,339	
49400-126 SOURCE OF SUPPLY MEDICARE	283	293	268	347	363	363	313	
49400-131 SOURCE OF SUPPLY HEALTH IN	3,517	4,325	2,756	3,362	3,376	3,376	3,619	
49400-132 SOURCE OF SUPPLY DENTAL IN	113	231	223	276	185	185	232	
49400-133 SOURCE OF SUPPLY LIFE INSU	8	8	6	8	6	6	7	
49400-151 SOURCE OF SUPPLY WORKERS C	796	817	709	941	723	723	867	
TOTAL PERSONNEL SERVICES	28,477	29,920	23,700	32,389	33,359	33,360	29,848	
OFFICE EXPENSES								
49400-210 SOURCE OF SUPPLY OPERATING	8	21	0	3,000	78	78	3,000	
49400-211 SOURCE OF SUPPLY MOTOR FUE	1,296	2,135	1,463	4,000	2,828	2,828	4,000	
49400-220 SOURCE OF SUPPLY REPAIR &	0	0	0	2,000	0	0	2,000	
TOTAL OFFICE EXPENSES	1,305	2,157	1,463	9,000	2,906	2,906	9,000	
PROFESSIONAL SERVICES								
49400-300 SOURCE OF SUPPLY PROFESSIO	1,547	185	0	3,200	3,060	3,060	1,500	
49400-310 SOURCE OF SUPPLY CONTRACTU	0	0	0	200	0	0	200	
49400-360 SOURCE OF SUPPLY INSURANCE	5,440	3,201	3,679	6,000	2,742	2,742	6,000	
49400-380 SOURCE OF SUPPLY UTILITIES	26,423	25,318	18,637	45,000	21,455	21,455	35,000	
TOTAL PROFESSIONAL SERVICES	33,409	28,704	22,315	54,400	27,257	27,257	42,700	
49400-380 SOURCE OF SUPPLY UTILITIES	NEXT YEAR NOTES: Utilities - need to take a % of treatment meter.							
REPAIR & MAINTENANCE								
49400-401 SOURCE OF SUPPLY BLDG- REP	0	0	0	100	0	0	1,000	
49400-404 SOURCE OF SUPPLY EQUIP&MAC	0	0	31	614	614	614	500	
49400-405 SOURCE OF SUPPLY WELLS- RE	6,212	3,256	808	5,000	5,316	5,316	5,000	
49400-415 SOURCE OF SUPPLY EQUIPMENT	0	0	0	500	5	5	500	
49400-430 SOURCE OF SUPPLY MISCELLAN	0	0	0	500	0	0	500	
49400-433 SOURCE OF SUPPLY DUES & SU	3,527	4,859	3,400	5,000	4,661	4,661	5,000	
TOTAL REPAIR & MAINTENANCE	9,739	8,114	4,238	11,714	10,595	10,596	12,500	
49400-433 SOURCE OF SUPPLY DUES & SUPERMANENT	NOTES: DNR appropriations permit							
TOTAL SOURCE OF SUPPLY	72,930	68,896	51,716	107,503	74,117	74,119	94,048	

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601-WATER
 PURIFICATION AND TREATMEN
 EXPENDITURES

		(----- 2012 -----) (----- 2013 -----)						
	2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
PERSONNEL SERVICES								
49420-100	PURIFICATION & TRTMT WAGES	53,355	63,454	102,403	59,542	112,759	112,759	142,191
49420-101	PURIFICATION & TRTMT WAGES	24	34	887	2,050	0	0	2,050
49420-102	PURIFICATION & TRTMT WAGES	3,211	4,223	6,317	8,316	8,252	8,252	11,235
49420-112	PURIFICATION & TRTMT CAR A	351	360	360	280	360	360	280
49420-121	PURIFICATION & TRTMT PERA	3,664	4,678	8,004	4,920	8,702	8,702	11,123
49420-122	PURIFICATION & TRTMT FICA	3,264	3,919	6,668	4,334	7,235	7,235	9,640
49420-126	PURIFICATION & TRTMT MEDIC	763	916	1,560	1,014	1,692	1,692	2,254
49420-131	PURIFICATION & TRTMT HEALT	13,651	16,719	25,134	25,874	28,164	28,164	38,358
49420-132	PURIFICATION & TRTMT DENTA	418	813	1,306	868	1,485	1,485	2,045
49420-133	PURIFICATION & TRTMT LIFE	26	28	47	25	50	50	60
49420-151	PURIFICATION & TRTMT WORKE	2,314	2,403	1,977	2,652	2,036	2,036	6,115
TOTAL PERSONNEL SERVICES		81,042	97,547	154,663	109,875	170,736	170,735	225,351
49420-100	PURIFICATION & TRTMT WAGES	NEXT YEAR NOTES: includes wage and benefits of a new position.						
OFFICE EXPENSES								
49420-210	PURIFICATION & TRTMT OPERA	18,231	17,081	154,127	120,000	123,780	123,780	125,000
49420-211	PURIFICATION & TRTMT MOTOR	679	855	4,283	2,000	1,484	1,484	2,000
49420-220	PURIFICATION & TRTMT SUPPL	141	0	0	2,000	127	127	5,000
TOTAL OFFICE EXPENSES		19,051	17,936	158,410	124,000	125,391	125,391	132,000
PROFESSIONAL SERVICES								
49420-300	PURIFICATION & TRTMT PROFE	17,662	15,644	9,930	5,000	4,776	4,776	5,000
49420-310	PURIFICATION & TRTMT CONTR	0	0	0	500	0	0	500
49420-360	PURIFICATION & TRTMT INSUR	1,691	1,114	1,172	2,500	994	994	2,500
49420-380	PURIFICATION & TRTMT UTILI	82,047	77,717	514,854	325,000	390,288	390,288	350,000
TOTAL PROFESSIONAL SERVICES		101,400	94,474	525,956	333,000	396,057	396,058	358,000
49420-380	PURIFICATION & TRTMT UTILI	NEXT YEAR NOTES: 2011 Actual = \$514,854 minus \$202,807 = \$312,047 2012 Actual						
REPAIR & MAINTENANCE								
49420-401	PURIFICATION & TRTMT BLDG-	1,653	145	2,737	4,500	2,271	2,271	4,500
49420-404	PURIFICATION & TRTMT EQUIP	9,567	10,321	26,241	26,000	29,533	29,533	26,000
49420-410	PURIFICATION & TRTMT SCADA	1,507	0	(211)	500	0	0	2,000
49420-415	PURIFICATION & TRTMT EQUIP	0	0	14	0	0	0	1,000
49420-430	PURIFICATION & TRTMT MISC	0	36	0	500	0	0	500
TOTAL REPAIR & MAINTENANCE		12,726	10,502	28,782	31,500	31,803	31,804	34,000
TOTAL PURIFICATION AND TREATMEN		214,220	220,460	867,811	598,375	723,988	723,988	749,351

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601-WATER
 DISTRIBUTION AND STORAGE
 EXPENDITURES

		(----- 2012 -----)			(----- 2013 -----)			
	2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
PERSONNEL SERVICES								
49430-100	DIST & STORAGE WAGES	189,102	181,972	122,833	163,838	112,505	112,505	85,602
49430-101	DIST & STORAGE WAGES-TEMPO	8,467	8,362	11,669	2,050	895	895	2,050
49430-102	DIST & STORAGE WAGES-OVERT	13,995	3,466	4,463	4,416	3,538	3,538	2,083
49430-112	DIST & STORAGE CAR ALLOWAN	351	360	360	360	360	360	360
49430-121	DIST & STORAGE PERA CONTRI	13,325	12,933	9,537	12,198	8,298	8,298	6,357
49430-122	DIST & STORAGE FICA CONTRI	12,229	11,223	8,569	10,559	6,958	6,958	5,564
49430-126	DIST & STORAGE MEDICARE CO	2,860	2,625	2,004	2,469	1,627	1,627	1,301
49430-131	DIST & STORAGE HEALTH INSU	49,411	50,676	31,691	23,536	23,999	23,999	18,905
49430-132	DIST & STORAGE DENTAL INSU	1,874	2,036	858	2,367	1,663	1,663	1,158
49430-133	DIST & STORAGE LIFE INSURA	97	93	53	68	43	43	34
49430-142	DIST & STORAGE UNEMPLOYMEN	0	0	0	0	0	0	0
49430-151	DIST & STORAGE WORKERS COM	6,545	6,809	5,221	6,669	5,121	5,121	3,588
TOTAL PERSONNEL SERVICES		298,257	280,555	197,260	228,530	165,008	165,007	127,002
OFFICE EXPENSES								
49430-210	DIST & STORAGE OPERATING S	12,572	11,148	8,022	10,000	8,215	8,215	10,000
49430-211	DIST & STORAGE MOTOR FUELS	8,513	8,552	9,512	9,000	8,768	8,768	9,000
49430-220	DIST & STORAGE SUPPLIES-RE	4,291	4,983	2,334	5,000	4,678	4,678	5,000
TOTAL OFFICE EXPENSES		25,376	24,683	19,868	24,000	21,661	21,661	24,000
PROFESSIONAL SERVICES								
49430-300	DIST & STORAGE PROFESSIONA	9,387	3,798	3,888	5,000	3,806	3,806	2,500
49430-310	DIST & STORAGE CONTRACTUAL	0	0	3,650	0	0	0	2,500
49430-360	DIST & STORAGE INSURANCE	3,619	2,380	2,385	4,000	2,021	2,021	4,000
49430-380	DIST & STORAGE UTILITES	63,405	75,790	86,901	40,000	40,400	40,400	40,000
TOTAL PROFESSIONAL SERVICES		76,410	81,968	96,824	49,000	46,227	46,227	49,000
REPAIR & MAINTENANCE								
49430-401	DIST & STORAGE BLDG - REP&	101	689	10	500	75	75	500
49430-402	DIST & STORAGE- STORAGE FA	1,693	2,307	1,140	5,000	4,481	4,481	5,000
49430-404	DIST & STORAGE EQUIP- REP&	6,586	4,920	5,737	5,000	4,970	4,970	5,000
49430-406	DIST & STORAGE MAINS- REP&	5,326	10,544	8,488	15,000	14,420	14,420	14,000
49430-407	DIST & STORAGE METERS- REP	23,160	30,831	18,378	18,000	13,785	13,785	14,000
49430-408	DIST & STORAGE HYDRANTS-RE	20,134	11,692	784	4,000	1,618	1,618	24,000
49430-410	DIST & STORAGE SCADA- REP&	745	41	13	1,000	0	0	1,000
49430-430	DIST & STORAGE MISCELLANEO	0	0	0	500	0	0	500
TOTAL REPAIR & MAINTENANCE		57,745	61,025	34,550	49,000	39,349	39,349	64,000
49430-408	DIST & STORAGE HYDRANTS-RENEXT YEAR NOTES: \$20,000/year (1st of 3 year program)- hydrant painting							
TOTAL DISTRIBUTION AND STORAGE		457,788	448,230	348,502	350,530	272,245	272,244	264,002

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 ADMIN AND GENERAL
 EXPENDITURES

		(----- 2012 -----)			(----- 2013 -----)				
		2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
		ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
PERSONNEL SERVICES									
49440-100	ADMIN AND GENERAL WAGES	39,548	35,926	39,130	42,934	43,135	43,135	43,718	
49440-102	ADMIN AND GENERAL WAGES-OV	213	107	716	274	142	142	279	
49440-112	ADMIN AND GENERAL CAR ALLO	354	363	363	370	363	363	370	
49440-121	ADMIN AND GENERAL PERA CON	2,609	2,518	3,019	3,127	3,096	3,096	3,183	
49440-122	ADMIN AND GENERAL FICA CON	2,273	2,111	2,410	2,679	2,494	2,494	2,728	
49440-126	ADMIN AND GENERAL MEDICARE	532	493	563	627	583	583	638	
49440-131	ADMIN AND GENERAL HEALTH I	9,775	9,783	12,413	11,522	12,560	12,560	13,264	
49440-132	ADMIN AND GENERAL DENTAL I	626	724	682	711	1,097	1,097	696	
49440-133	ADMIN AND GENERAL LIFE INS	21	17	21	21	19	19	21	
49440-151	ADMIN AND GENERAL WORKERS	354	374	317	723	555	555	749	
TOTAL PERSONNEL SERVICES		56,304	52,415	59,634	62,988	64,044	64,044	65,646	
OFFICE EXPENSES									
49440-200	ADMIN AND GENERAL OFFICE S	2,072	1,476	3,787	4,300	4,741	4,741	4,000	
49440-205	ADMIN AND GENERAL MISC EMP	5,466	5,130	5,796	6,700	8,367	8,367	6,500	
49440-210	ADMIN AND GENERAL OPERATIN	6,608	724	1,161	1,000	821	821	1,500	
49440-211	ADMIN AND GENERAL MOTOR FU	5	0	393	205	71	71	205	
49440-220	ADMIN AND GENERAL REPAIR &	1,359	1,197	1,184	3,000	2,849	2,849	2,500	
TOTAL OFFICE EXPENSES		15,509	8,526	12,321	15,205	16,848	16,849	14,705	
PROFESSIONAL SERVICES									
49440-300	ADMIN AND GENERAL PROFESSI	18,468	14,974	33,020	38,000	49,304	49,304	25,000	
49440-321	ADMIN AND GENERAL TELEPHON	3,723	2,693	5,456	5,400	5,478	5,478	5,400	
49440-322	ADMIN AND GENERAL POSTAGE	208	149	228	550	110	110	550	
49440-331	ADMIN AND GENERAL TRAVEL &	4,854	4,065	3,721	7,000	6,184	6,184	7,000	
49440-340	ADMIN AND GENERAL ADVERTIS	195	245	1,058	700	368	368	1,100	
49440-351	ADMIN AND GENERAL LEGAL NO	661	297	6	100	0	0	100	
49440-354	ADMIN AND GENERAL PRINTING	1,640	1,921	2,094	500	0	0	1,000	
49440-360	ADMIN AND GENERAL INSURANC	10,555	6,462	6,369	15,000	5,805	5,805	15,000	
49440-380	ADMIN AND GENERAL UTILITIE	3,642	3,757	3,224	3,000	2,735	2,735	4,000	
TOTAL PROFESSIONAL SERVICES		43,946	34,563	55,175	70,250	69,984	69,984	59,150	
49440-300	ADMIN AND GENERAL PROFESSINEXT YEAR NOTES: Bonding fees (2 issues)								
REPAIR & MAINTENANCE									
49440-401	ADMIN AND GENERAL BLDG-REP	690	544	1,278	1,500	1,137	1,137	1,500	
49440-404	ADMIN AND GENERAL EQUIP- R	2,087	1,304	2,532	2,200	1,891	1,891	2,200	
49440-430	ADMIN AND GENERAL MISCELLA	50	0	0	50	0	0	50	
49440-433	ADMIN AND GENERAL DUES & S	1,203	1,708	1,381	1,450	1,291	1,291	1,450	
TOTAL REPAIR & MAINTENANCE		4,030	3,556	5,190	5,200	4,319	4,319	5,200	
TOTAL ADMIN AND GENERAL		119,789	99,060	132,320	153,643	155,196	155,196	144,701	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 CUSTOMER ACCOUNTS
 EXPENDITURES

			2012			2013		
	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
PERSONNEL SERVICES								
49445-100	CUSTOMER ACCTS WAGES	15,208	15,137	15,032	17,740	16,695	16,695	16,011
49445-102	CUSTOMER ACCTS WAGES - OVE	408	60	98	326	163	163	332
49445-121	CUSTOMER ACCTS PERA CONTRI	985	1,050	1,122	1,161	953	953	1,185
49445-122	CUSTOMER ACCTS FICA CONTRI	897	886	929	993	874	874	1,013
49445-126	CUSTOMER ACCTS MEDICARE CO	210	207	217	232	204	204	237
49445-131	CUSTOMER ACCTS HEALTH INSU	3,045	3,334	3,345	2,903	3,136	3,136	3,389
49445-132	CUSTOMER ACCTS DENTAL INSU	173	163	209	158	161	161	154
49445-133	CUSTOMER ACCTS LIFE INSURA	5	5	5	5	5	5	5
49445-151	CUSTOMER ACCTS WORKERS COM	89	93	83	111	85	85	115
TOTAL PERSONNEL SERVICES		21,020	20,935	21,040	23,629	22,277	22,276	22,441
OFFICE EXPENSES								
49445-200	CUSTOMER ACCTS OFFICE SUPP	886	903	313	1,225	1,024	1,024	1,225
49445-211	CUSTOMER ACCTS MOTOR FUELS	221	306	454	371	407	407	371
TOTAL OFFICE EXPENSES		1,107	1,209	767	1,596	1,431	1,431	1,596
PROFESSIONAL SERVICES								
49445-300	CUSTOMER ACCTS PROFESSIONA	2,852	2,026	2,016	3,000	1,886	1,886	3,000
49445-322	CUSTOMER ACCTS POSTAGE	4,845	5,085	5,189	5,000	5,235	5,235	5,100
49445-331	CUSTOMER ACCTS TRAVEL & TR	0	0	0	100	0	0	100
49445-354	CUSTOMER ACCTS PRINTING &	99	0	742	1,000	977	977	1,000
49445-360	CUSTOMER ACCTS INSURANCE	285	167	165	683	140	140	683
TOTAL PROFESSIONAL SERVICES		8,081	7,278	8,112	9,783	8,237	8,238	9,883
REPAIR & MAINTENANCE								
49445-404	CUSTOMER ACCTS EQUIP- REP&	1,256	1,343	1,353	2,000	1,772	1,772	2,000
49445-430	CUSTOMER ACCTS MISCELLANEO	0	0	0	0	0	0	0
TOTAL REPAIR & MAINTENANCE		1,256	1,343	1,353	2,000	1,772	1,772	2,000
BAD DEBT								
49445-904	CUSTOMER ACCTS BAD DEBT EX	638	244	0	200	245	245	200
TOTAL BAD DEBT		638	244	0	200	245	245	200
TOTAL CUSTOMER ACCOUNTS		32,102	31,008	31,271	37,208	33,963	33,962	36,120

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 DEPRECIATION EXPENSE
 EXPENDITURES

	2009	2010	2011	(----- 2012 -----)	(----- 2013 -----)			
	ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
REPAIR & MAINTENANCE								
49970-420 DEPRECIATION EXPENSE DEPRE	<u>449,648</u>	<u>479,513</u>	<u>523,904</u>	<u>800,000</u>	<u>971,307</u>	<u>971,307</u>	<u>980,000</u>	
TOTAL REPAIR & MAINTENANCE	449,648	479,513	523,904	800,000	971,307	971,307	980,000	
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TOTAL DEPRECIATION EXPENSE	449,648	479,513	523,904	800,000	971,307	971,307	980,000	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 INTEREST EXPENSE
 EXPENDITURES

	2009 ACTUAL	2010 ACTUAL	2011 ACTUAL	2012			2013	
				CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
<hr/>								
<u>AGENT FEES</u>								
49980-611 INTEREST EXPENSE BOND INTE	101,274	341,848	543,213	529,624	529,059	529,059	498,678	
TOTAL AGENT FEES	101,274	341,848	543,213	529,624	529,059	529,059	498,678	
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49980-611 INTEREST EXPENSE BOND INTENEXT YEAR NOTES:								
2013 Debt Interest:								
\$2,468 - 2004C water & sewer bond								
\$585 - 2004E Water & Sewer Bond								
\$422,730 -PFA GO Water Revenue Bond -water trmt (estimate only)								
\$33,223 -PFA GO Water Revenue Bond -wells (estimate only)								
\$0 -PFA HWY 169 paid from fund 233								
\$715 - 2010B Taxable Bond								
\$30,018 -2011B Rfdg Bond								
\$12,778 -2012C revenue bond greenhill refurbish								
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TOTAL INTEREST EXPENSE	101,274	341,848	543,213	529,624	529,059	529,059	498,678	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 TRANSFERS AND CONTRIBUTIO
 EXPENDITURES

		(----- 2012 -----)			(----- 2013 -----)				
		2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
		ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
<hr/>									
TRANSFERS									
49990-720	TRANSFERS AND CONTRIBUTION	110,341	957,321	131,693	134,000	146,288	146,288	151,666	
49990-722	TRANSFERS AND CONTRIBUTION	<u>30,326</u>	<u>32,946</u>	<u>49,240</u>	<u>34,000</u>	<u>63,752</u>	<u>63,752</u>	<u>34,000</u>	
TOTAL TRANSFERS		140,667	990,267	180,933	168,000	210,040	210,040	185,666	
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TOTAL TRANSFERS AND CONTRIBUTIO		140,667	990,267	180,933	168,000	210,040	210,040	185,666	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 CAPITAL-SOURCE OF SUPPLY
 EXPENDITURES

		2009	2010	2011	(----- 2012 -----)			(----- 2013 -----)	
		ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
PROFESSIONAL SERVICES									
48110-300	CAPITAL-SOURCE OF SUPPLY P	1,683	2,336	0	0	0	0	2,000	
TOTAL PROFESSIONAL SERVICES		1,683	2,336	0	0	0	0	2,000	
CAPITAL									
48110-510	CAPITAL-SOURCE OF SUPPLY L	0	0	0	0	0	0	0	
48110-520	CAPITAL-SOURCE OF SUPPLY B	0	0	0	0	0	0	0	
48110-532	CAPITAL-SOURCE OF SUPPLY U	0	0	0	15,000	14,371	14,371	10,000	
48110-540	CAPITAL-SOURCE OF SUPPLY H	0	0	0	0	0	0	0	
TOTAL CAPITAL		0	0	0	15,000	14,371	14,371	10,000	
48110-532	CAPITAL-SOURCE OF SUPPLY UNEXT YEAR NOTES: Well Repairs/Replacements, STJU Well Meter Replacement \$10,000								
TOTAL CAPITAL-SOURCE OF SUPPLY		1,683	2,336	0	15,000	14,371	14,371	12,000	

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 CAPITAL-WATER TREATMENT
 EXPENDITURES

		2009	2010	2011	(----- 2012 -----)			(----- 2013 -----)	
		ACTUAL	ACTUAL	ACTUAL	CURRENT BUDGET	Y-T-D ACTUAL	PROJECTED YEAR END	REQUESTED BUDGET	PROPOSED BUDGET
PROFESSIONAL SERVICES									
48120-300	CAPITAL-WATER TREATMENT PR	6,114	0	0	16,640	16,640	16,640	4,500	
TOTAL PROFESSIONAL SERVICES		6,114	0	0	16,640	16,640	16,640	4,500	
CAPITAL									
48120-510	CAPITAL-WATER TREATMENT LA	0	0	0	0	0	0	0	
48120-520	CAPITAL-WATER TREATMENT BU	0	0	0	15,000	5,755	5,755	61,300	
48120-580	CAPITAL-WATER TREATMENT OT	0	0	0	0	0	0	2,500	
TOTAL CAPITAL		0	0	0	15,000	5,755	5,755	63,800	
48120-520	CAPITAL-WATER TREATMENT BUNEXT YEAR NOTES: Broadway Building Repairs/Replacements \$14,500 - changed to \$12,500; Membranes \$36,000; Pre-filters \$4,800. STJU Building Repairs/Replacements \$8,000 - changed to \$6,000; Laboratory Equipment \$2,000								
48120-580	CAPITAL-WATER TREATMENT OTNEXT YEAR NOTES: Scada/fiber improvements.								
TOTAL CAPITAL-WATER TREATMENT		6,114	0	0	31,640	22,395	22,395	68,300	

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601-WATER
 CAPITAL-WATER DISTRIBUTI
 EXPENDITURES

		(----- 2012 -----) (----- 2013 -----)						
	2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
	ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
PROFESSIONAL SERVICES								
48130-300	CAPITAL-WATER DISTRIBUTION	3,616	0	0	44,528	47,076	47,076	10,000
	TOTAL PROFESSIONAL SERVICES	3,616	0	0	44,528	47,076	47,076	10,000
48130-300	CAPITAL-WATER DISTRIBUTION							
	NEXT YEAR NOTES:							
	Tower Engineering, Project Engineering							
CAPITAL								
48130-520	CAPITAL-WATER DISTRIBUTION	0	0	0	700,000	655,061	655,061	0
48130-532	CAPITAL-WATER DISTRIBUTION	3,616	0	0	0	0	0	74,000
48130-533	CAPITAL-WATER DISTRIBUTION	0	0	0	20,000	9,836	9,836	34,000
48130-540	CAPITAL-WATER DISTRIBUTION	0	0	0	0	0	0	0
48130-580	CAPITAL-WATER DISTRIBUTION	3,710	0	0	5,300	3,835	3,835	2,000
	TOTAL CAPITAL	94	0	0	725,300	668,732	668,732	110,000
48130-532	CAPITAL-WATER DISTRIBUTION							
	NEXT YEAR NOTES:							
	Hydrant Replacement \$19,000; GAC Loop 12" \$225,000 - changed to \$0; N 3rd Street \$55,000; Watermain Upgrades \$35,000 - changed to \$0; Sunrise Tower Maint \$25,000 changed to \$0.							
48130-533	CAPITAL-WATER DISTRIBUTION							
	NEXT YEAR NOTES:							
	Water Meter Replacements \$34,000							
48130-580	CAPITAL-WATER DISTRIBUTION							
	NEXT YEAR NOTES:							
	wacker cutoff saw.							
	TOTAL CAPITAL-WATER DISTRIBUTION	3,710	0	0	769,828	715,808	715,808	120,000

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CITY OF ST. PETER
 PROPOSED BUDGET WORKSHEET
 AS OF: DECEMBER 31ST, 2012

601-WATER
 CAPITAL-GENERAL PLANT
 EXPENDITURES

		(----- 2012 -----) (----- 2013 -----)							
		2009	2010	2011	CURRENT	Y-T-D	PROJECTED	REQUESTED	PROPOSED
		ACTUAL	ACTUAL	ACTUAL	BUDGET	ACTUAL	YEAR END	BUDGET	BUDGET
CAPITAL									
48140-520	CAPITAL-GENERAL PLANT WATE	0	0	0	0	0	0	5,000	
48140-540	CAPITAL-GENERAL PLANT WATE	0	0	0	0	0	0	0	
48140-550	CAPITAL-GENERAL PLANT WATE	0	0	0	0	0	0	0	
48140-580	CAPITAL-GENERAL PLANT WATE	2,729	4,703	727	9,000	8,735	8,735	14,500	
TOTAL CAPITAL		2,729	4,703	727	9,000	8,735	8,735	19,500	
48140-520	CAPITAL-GENERAL PLANT WATENEXT YEAR NOTES: pw improvements \$3,000; GIS mapping/data system \$2,000.								
48140-550	CAPITAL-GENERAL PLANT WATENEXT YEAR NOTES: Unit #1 - \$12,000 (33% of \$36,000)-changed to \$0; Unit #36 \$9,000 (33% of \$27,000)-changed to \$0.								
48140-580	CAPITAL-GENERAL PLANT WATENEXT YEAR NOTES: Replace Mechanics Truck \$6,500(10% of \$65,000)-changed to \$0; Riding Mower \$4,000(33% of \$12,000); Safety Equipment \$5,000; Computer's; \$3,000; Locator \$2,000; radio replacements \$500.								
TOTAL CAPITAL-GENERAL PLANT		2,729	4,703	727	9,000	8,735	8,735	19,500	
TOTAL EXPENDITURES		1,602,653	2,686,319	2,680,397	3,570,351	3,731,224	3,731,224	3,172,366	
REVENUE OVER/(UNDER) EXPENDITURES		4,024,290	(815,327)	(663,308)	(1,353,477)	(1,564,553)	(1,528,060)	(710,282)	

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13entWATER

	B	C	D	F	R	S	T	U	V	W	X
236									2013	2014	2015
237					2010	2011	2012	2012	Proposed	Proposed	Proposed
238					Actual	Actual	Budget	Projected	Budget	Budget	Budget
239	Sources of Cash:										
240											
241				Net Income (loss)	(\$936,259)	(\$631,222)	(\$528,009)	(\$766,750)	(\$490,483)	(\$199,350)	(\$29,761)
242				Add depreciation	479,513	523,904	800,000	971,307	980,000	980,000	980,000
243											
244				Total	(456,746)	(107,318)	271,991	204,557	489,517	780,650	950,239
245											
246	Application of cash:										
247											
248				Purchase of fixed assets	(11,523,102)	(428,664)	(825,468)	(761,309)	(219,800)	(758,000)	(1,172,900)
249											
250				Change in assets and liabilities	4,944	(78,193)	0	0	0	0	0
251											
252				Bond Proceeds	12,590,134	600,627	745,000	745,000	55,000	400,000	950,000
253											
254				Principal payments of long-term debt	(157,871)	(269,010)	(520,530)	(520,530)	(623,065)	(594,125)	(892,125)
255											
256				Capital contributed by other sources	0	0	0	0	0	0	0
257											
258				Total	914,105	(175,240)	(600,998)	(536,839)	(787,865)	(952,125)	(1,115,025)
259											
260				Net increase (decrease) in cash	457,359	(282,558)	(329,007)	(332,282)	(298,348)	(171,475)	(164,786)
261											
262											
263				Cash balance - January 1	1,176,378	1,633,737	1,351,179	1,351,179	1,018,897	720,548	549,073
264											
265				Cash balance - December 31							
266				Restricted Cash (Bond Reserve & Project)	\$75,000	\$150,000	\$225,000	\$225,000	\$264,000	\$243,000	\$282,000
267				Unrestricted Cash	\$1,558,737	\$1,201,179	\$797,172	\$793,897	\$456,548	\$306,073	\$102,287
268				Percent of next year operations	58.9%	43.8%	27.0%	26.9%			
269				Percent of same year operations					15.5%	10.3%	3.4%

Water Utility Capital Plan

Planning Issue:		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
601.48110	Source of Supply										
300	Professional Services	\$2,000	\$7,500	\$7,500	\$7,500	\$8,000	\$8,000	\$8,000	\$8,200	\$8,200	\$8,200
520	STJU Well (s) Generator					\$10,000					
532	Well #6 Repairs							\$7,000			
532	Well #7 Repairs			\$10,000					\$10,000		
532	Well #8 Repairs		\$14,000					\$14,000			
532	Well #9 Repairs							\$11,000			
532	Well #10 Repairs		\$14,000					\$14,000			
532	Well #11 Repairs				\$10,000						
532	Well #12 Repairs			\$10,000					\$9,000		
532	Well #13 Repairs			\$11,000							\$14,000
532	Well #14 Repairs							\$12,000			
532	STJU Well Meter Replacement	\$10,000					\$10,000				
532	Broadway Well Meter Replacement					\$14,000					
601.48110	TOTAL SOURCE OF SUPPLY	\$12,000	\$35,500	\$38,500	\$17,500	\$32,000	\$18,000	\$66,000	\$27,200	\$8,200	\$22,200
601.48120	Water Treatment										
300	Professional Services	\$4,500	\$10,000	\$10,000	\$10,000	\$11,000	\$12,000	\$12,000	\$13,000	\$13,000	\$13,000
520	Water Plant Pipe Replacements and Painting	\$2,500			\$3,500				\$2,000		
520	Broadway Water Treatment Facility	\$10,000	\$13,000	\$14,000	\$17,000	\$19,000	\$20,000	\$20,000	\$22,000	\$20,000	\$20,000
520	Sodium Hydroxide Chemical feed pump (2)				\$4,000					\$4,000	
520	Antiscalant Chemical feed pump (6)							\$12,000			
520	Fluoride Chemical feed pump (4)					\$8,000					\$8,000
520	Sodium Metabisulfite Chemical feed pump (6)			\$12,000						\$12,000	
520	Corrosion Inhibitor Chemical feed pump (3)						\$6,000				
520	Potassium Permanganate Chemical feed pump (2)		\$4,000					\$4,000			
520	Sodium Hypochlorite Chemical feed pump (2)								\$4,000		
520	Broadway/Saint Julien Reclaim Pump (3)				\$10,000			\$10,000		\$5,000	
520	Broadway/Saint Julien Sludge Disposal Pump (3)		\$10,000	\$5,000			\$10,000	\$5,000			\$5,000
520	Broadway / Saint Julien Membranes	\$36,000	\$96,000	\$36,000	\$36,000	\$36,000	\$348,000	\$36,000	\$36,000	\$36,000	\$96,000
520	Broadway / Saint Julien Membrane Prefilters	\$4,800	\$5,000	\$5,500	\$6,000	\$6,000	\$6,400	\$6,800	\$7,000	\$7,500	\$8,000
520	Broadway High Service Upper System Pump (2)								\$40,000		
520	Broadway / Saint Julien Lower System Pumps (4)						\$30,000	\$30,000			
520	Broadway / Saint Julien Membrane Feed Pumps (6)					\$60,000	\$60,000				
520	Broadway / Saint Julien RO high pressure pumps (10)						\$40,000		\$60,000		
520	Broadway / Saint Julien RO #3 Membrane Feed Pump (2)				\$5,000	\$5,000					
520	Broadway / Saint Julien Permeate Flush Pump (4)								\$10,000	\$10,000	
520	Broadway / Saint Julien CIP Pump (4)										
520	Broadway / Saint Julien Air Compressor (3)			\$15,000	\$15,000				\$15,000	\$15,000	\$15,000
520	Broadway Boilers (3)						\$15,000				
520	Broadway Boiler Recirculation Pump (2)						\$2,000				
520	Broadway Make up Air Units (6)							\$4,000	\$4,000	\$4,000	\$4,000
520	Broadway Pressure Washer								\$3,000		
520	Broadway Energy Recovery Units (2)							\$4,000	\$4,000		
520	STJU Unit AC/Heater (3)								\$4,000	\$4,000	
520	Laboratory Equipment	\$2,000		\$2,700			\$2,700		\$2,800		\$3,000
520	Saint Julien Plant Treatment Facility	\$6,000	\$8,000	\$12,000	\$15,000	\$17,000	\$20,000	\$20,000	\$22,000	\$20,000	\$20,000
580	SCADA/FIBER Improvements	\$2,500		\$2,500		\$35,000		\$2,500		\$2,500	
601.48120	TOTAL WATER TREATMENT	\$68,300	\$146,000	\$114,700	\$121,500	\$197,000	\$572,100	\$166,300	\$248,800	\$153,000	\$192,000

25

601.48130 Water Distribution and Storage

300	Professional Services		\$10,000	\$35,000	\$12,000	\$14,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000
520	Greenhill Reservoir Improvements	2014		\$1,500								
532	Sunrise Drive Water Tower	2013	\$0									\$450,000
532	Broadway Ave. Water Tower	2015			\$450,000		\$20,000					
532	Broadway Ave. Reservoir	2017					\$5,000					
532	Annual Hydrant Replacements (8)		\$19,000	\$19,000	\$20,000	\$21,000	\$21,000	\$22,000	\$22,000	\$23,000	\$23,000	\$23,000
532	Subdivision/Oversizing Construction		\$0	\$12,000	\$15,000	\$18,000	\$21,000	\$24,000	\$25,000	\$27,000	\$29,000	\$29,000
532	GAC 12" Loop		\$0		\$29,700							
532	North Third Street		\$55,000									
532	Watermain Upgrades	(1 block)	\$0	\$37,000	\$38,000	\$38,000	\$38,000	\$40,000	\$40,000	\$38,000	\$38,000	\$38,000
532	Replace 2" Construction Pump			\$2,500			\$2,500			\$2,500		
532	Watermain Tapping Machine						\$3,500					
533	Water Meters (Meters and Reading System)		\$34,000	\$400,000	\$400,000	\$400,000	\$31,000	\$32,000	\$32,000	\$34,400	\$34,400	\$34,400
580	Valve Operator - purchased 2002					\$7,000						
580	Trench box hauler #41 33% of \$3600							\$1,200				
580	Trailer #811	50%			\$1,500					\$1,500		
580	Hydrant Carts Corrections					\$5,900						
580	Wacker Cut off Saw	75%	\$2,000				\$2,000				\$22,000	

601.48130 TOTAL WATER DISTRIBUTION AND STORAGE

601.48140 General Plant Water

300	Professional Services	Master Planning					\$22,000					
520	Public Works Improvements		\$3,000	\$4,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
520	GIS Mapping / Data System		\$2,000		\$5,000						\$5,000	
550	Replace Unit #1(2003) (33% of \$36,000) - 2013		\$0			\$6,000						
550	Replace Unit #5	2004 - 2014	100%			\$33,000						
550	Replace Unit #36 (2001) (33% of \$27,000) - 2013		\$0		9000							
550	Replace Unit #22	2001 - 2014	100%	\$30,000								
550	Replace Unit #106	2006 - 2016	100%			\$33,000						
550	Replace Light Tower	2010 - 2015			\$10,000							
580	Replace Unit #64 - 94 F250 Truck (10% - \$65,000)		\$0									
580	Riding Lawn Mower with attachments	33% of 12,000	\$4,000	\$	4,000	\$	4,000	\$	4,000	\$	4,000	
580	Radio Replacements		\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$1,000	\$1,000	\$1,000
580	Safety Equipment		\$5,000			\$5,000					\$5,000	
580	Computer Upgrades & Maintenance.		\$3,000	\$4,000	\$5,000	\$5,000	\$6,000	\$5,000	\$6,000	\$6,000	\$6,000	\$6,000
580	Line Locator Replacement	50% of \$3500	\$2,000		\$2,000		\$2,000		\$2,000		\$2,000	
580	Backhoe Replacement	40% of \$50,000		\$20,000								
580	Jackhammer for Backhoe - 5 years	2004 - 2014		\$11,000						\$14,000		
580	Ferris Mower Replacement				\$13,000						\$20,000	

601.48140 TOTAL GENERAL PLANT WATER

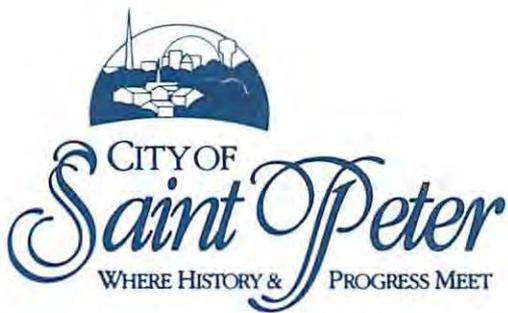
CAPITAL IMPROVEMENTS TOTAL COST

Bond Debt Service Payments	\$1,134,719	\$1,089,939	\$1,375,129	\$1,373,468	\$1,368,387	\$1,365,477	\$1,607,940	\$1,613,383	\$1,607,666	\$1,614,786
Capital Plus Bond Debt yearly change	\$1,354,519	\$1,847,939	\$2,548,029	\$2,120,868	\$1,779,887	\$2,101,277	\$1,992,740	\$2,057,783	\$1,979,266	\$2,431,386
		\$493,421	\$700,089	(\$427,161)	(\$340,981)	\$321,389	(\$108,537)	\$65,043	(\$78,517)	\$452,120

Water Utility Capital Plan

Planning Issue:		Cost	FUNDING SOURCE:				Total
		RESERVES/ CASH	ASSESS/ Developer	TIF Funding	State Aid	BOND (Finance)	
601.48110	Source of Supply						
300	Professional Services	\$2,000					\$2,000
532	STJU Well Meter Replacement	\$10,000					\$10,000
							\$0
601.48110	TOTAL SOURCE OF SUPPLY	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$12,000
							\$0
601.48120	Water Treatment						\$0
300	Professional Services	\$4,500					\$4,500
520	Water Plant Pipe Replacements and Painting	\$2,500					\$2,500
520	Broadway Water Treatment Facility	\$10,000					\$10,000
520	Broadway / Saint Julien Membranes	\$36,000					\$36,000
520	Broadway / Saint Julien Membrane Prefilters	\$4,800					\$4,800
520	Laboratory Equipment	\$2,000					\$2,000
520	STJU Treatment Facility	\$6,000					\$6,000
580	SCADA/FIBER Improvements	\$2,500					\$2,500
601.48120	TOTAL WATER TREATMENT	\$68,300	\$ -	\$ -	\$ -	\$ -	\$68,300
601.48130	Water Distribution and Storage						
300	Professional Services	\$10,000					\$10,000
532	Sunrise Drive Water Tower	\$0					\$0
532	Annual Hydrant Replacements (8)	\$19,000					\$19,000
532	Subdivision/Oversizing Construction	\$0					\$0
532	GAC 12" Loop					\$0	\$0
532	North Third Street			\$55,000			\$55,000
532	Watermain Upgrades (1 block)	\$0					\$0
533	Water Meters (Meters and Reading System)	\$34,000					\$34,000
580	Wacker Cut off Saw	\$2,000					\$2,000
601.48130	TOTAL WATER DISTRIBUTION AND STORAGE	\$65,000	\$ -	\$ 55,000	\$ -	\$ -	\$120,000
601.48140	General Plant Water						
520	Public Works Improvements	\$3,000					\$3,000
520	GIS Mapping / Data System	\$2,000					\$2,000
550	Replace Unit #1(2003) (33% of \$36,000) - 2013	\$0					\$0
550	Replace Unit #36 (2001) (33% of \$27,000) - 2013	\$0					\$0
580	Replace Unit #64 - 94 F250 Truck (10% - \$65,000)	\$0					\$0
580	Riding Lawn Mower with attachments 33% of 12,000	\$4,000					\$4,000
580	Radio Replacements	\$500					\$500
580	Safety Equipment	\$5,000					\$5,000
580	Computer Upgrades & Maintenance.	\$3,000					\$3,000
580	Line Locator Replacement	\$2,000					\$2,000
							\$0
601.48140	TOTAL GENERAL PLANT WATER	\$19,500	\$ -	\$ -	\$ -	\$ -	\$19,500
CAPITAL IMPROVEMENTS TOTAL COST		\$164,800	\$ -	\$ 55,000	\$ -	\$ -	\$ 219,800
Bond Debt Service Payments							\$1,134,719
Capital Plus Bond Debt							\$1,354,519

27



Memorandum

TO: Todd Prafke
City Administrator

DATE: 03/14/13

FROM: Juwon Onadipe
Administrative Intern

RE: iPad Upgrades

ACTION/RECOMMENDATION

None needed. For your information and input.

BACKGROUND

The question of whether or not there is a more effective way of distributing and viewing Council packets as well as workshop packets is a question that was raised by the Council at a previous goal setting session. The packets are currently received in hard copy form and a change in this method is being considered. The one alternative may be to have council packets and workshop packets viewed electronically via the use of iPads.

I have estimated the annual cost of producing council and workshop packets is approximately \$3,319. A change from hard copies to electronic format through iPads will cost the City a minimum of \$19,572 (tax excluded). I arrived at this number by multiplying the iPad cost and the number of people who receive council packets. There are other options that are available for those who may prefer to view the packets electronically. For instance, the packets are available through the City's website and anyone interested in an electronic version can use whatever electronic device (personal laptops, iPads, Kindle Fire etc) that they are already in possession of to view the packets.

Based on my research, I have also arrived at the conclusion that it might not be in the City's best interest because of the rate at which technology changes. For instance, if the City made a switch to iPads in 2010 which was when the iPads were first released, they would have long since been outdated because newer versions have been released every year since 2010 and the manufacturing company keeps coming out with something newer every year.

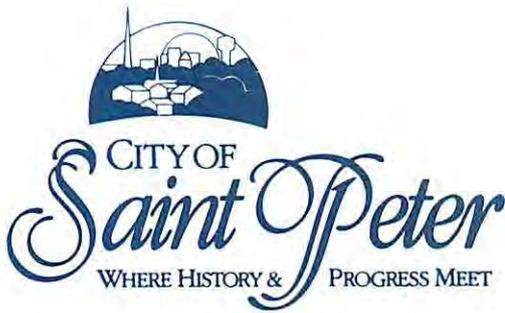
Other cities have made sure that the packets can be downloaded electronically through their website but not necessarily through having iPads. I suspect the main reason and the benefit of this is that the packets do not have to be printed for every single Councilmember. I contacted the City Clerk in the cities of Mankato and Burnsville. They both have gone to electronic versions and according to the Burnsville City Clerk, it has made a difference in their savings. They save on paper, ink and other materials used in making copies for people that need

packets. One alternative for Saint Peter to save money without changing to iPads could be for the City to hold council and workshop meetings in computer labs where they can electronically view the packets and the City will not have to spend money on printing.

Although I have suggested here that the upgrades are unnecessary, I still believe that the City should be conscious of technology so that it doesn't get outdated. My recommendation goes against what everyone else is doing because the way packets are currently being viewed does not present a serious obstacle to the work that is being done and the cost of switching to iPads to save on the amount of paper printed is still too expensive.

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

JO/



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 3/15/13

FROM: Todd Prafke
City Administrator

RE: Transit Update

ACTION/RECOMMENDATION

For your information and discussion.

BACKGROUND

At your last goal session, the Council received information on and discussed the need to look at modification to our transit (dial-a-ride) system so that we could continue to provide services to community members. It has been clearly expressed on numerous occasions that transit is the primary, if not sole, source of transportation for many of our riders. Therefore, this work and any changes are taken very seriously. We anticipate moving very methodically with greater than 30-day notice before changes take place.

Challenges include substantial increases in use (in 2013 we will provide over 70,000 rides of which we estimate about 40,000 will be dial-a-ride), flat revenue stream, and ever changing fuel costs that affect the transit fund's ability to provide for cash flow and replacement or improved equipment.

Staff has looked at the issues identified and are continuing to work with a focus group of mostly service providers to review ways to keep our system self-sustainable while minimizing impact on riders. Goals that have been articulated are as follows:

- Improve service times, which may mean a different system type
- Temper cost increases to system
- Generate more revenue through changes so that replacement and improved equipment can be purchased
- Understand that we are experimenting so ongoing analysis is needed.

After a couple meetings with this focus group, the input has been great and they have been very receptive to potential changes while knowing that this is an experiment and other changes may be brought forward as we continue to learn about the needs of our users and how these changes have impacted them.

While we continue to work out details, the general plan will include continuing to operate the dial-a-ride system with rate increases and overlap a major portion of the day with a route system at current prices. The route is based on work that was done about a year ago to analyze where the biggest use pick-up and drop-off spots were at three different times throughout the year. You may remember our Intern Jude Keyoore making presentation to you and utilizing GIS data to help analyze the data.

Please find attached two maps that represent a "first take" on the route. Each map represents a 30 minute half-route. Again, please note that we plan to continue dial-a-ride service but at an increased fare. We also plan to continue to offer discounts, as we do now, for certain user groups and if tickets are purchased in quantities and in advance.

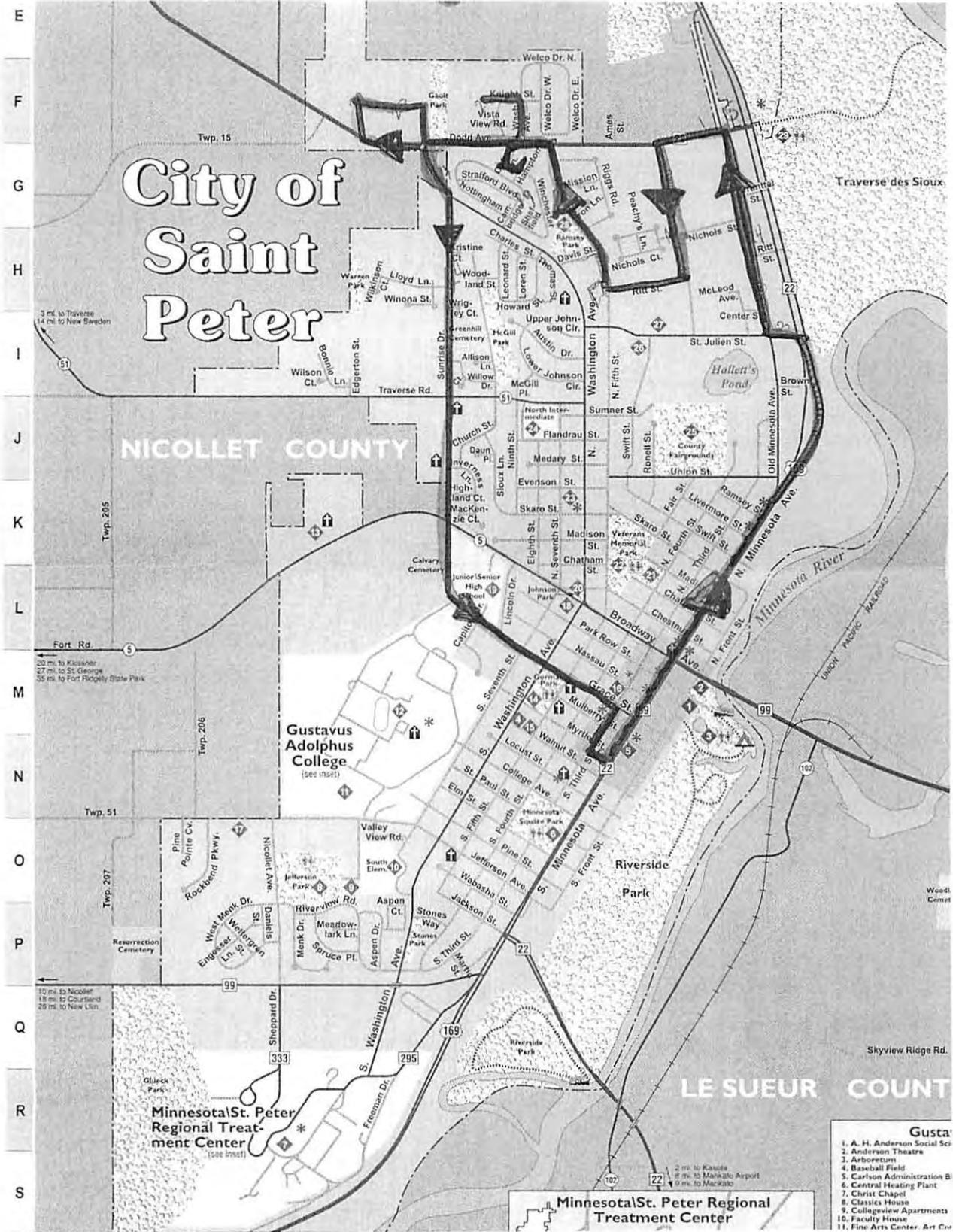
If we are successful with these changes, I hope it will provide the resources needed to enhance services to the community as the Council discussed. As you know, our efforts will be to make sure we are on sound, sustainable ground with our basic service before we move into new and other areas.

We continue to work through some of the details but I wanted to give you an update. Any rate or system changes will be reviewed by the Council before we move forward. My goals for your meeting are to provide information to you, solicit ideas from you, and for the Council to provide generalized direction as we move forward. Rates can only be changed by the Council and I would expect general system issues to be reviewed and approved by the Council. Specifics on which street to travel and other details would be left to staff.

Lastly, as a part of this project, we have a better understanding of use and users and of equal importance, other resources that are available. The City likely cannot solve all transportation issues for all people, but maybe an additional goal will be for the City to be a convener and facilitator along with other groups that work to meet transportation needs as well. A couple of those other providers are Nicollet County (Sylvia Perron) Volunteer Driver program at 934-0459 and The Ecumen Sand Prairie taxi type service at 931-4375.

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

TP/bal



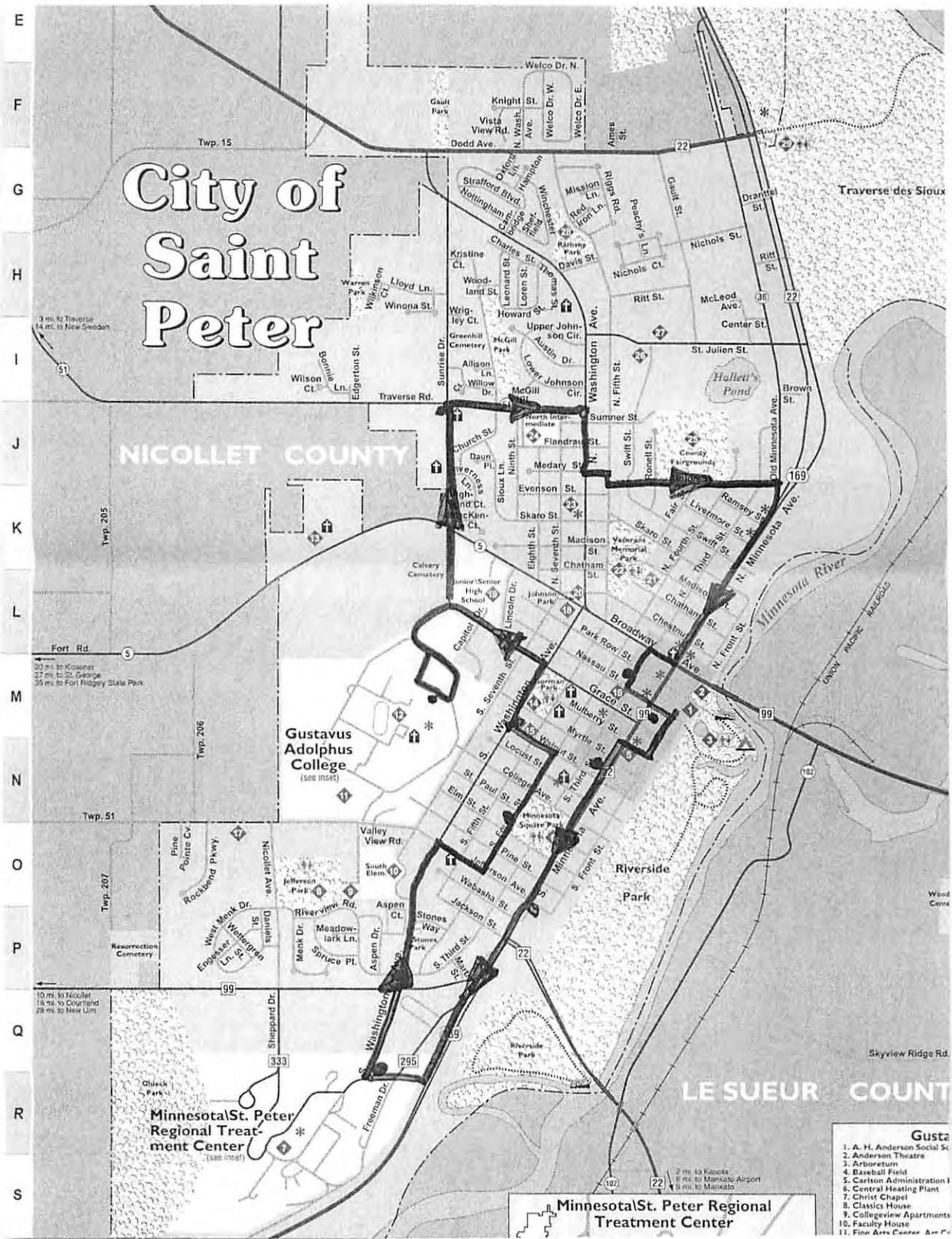
City of Saint Peter

NICOLLET COUNTY

LE SUEUR COUNTY

- Gusta**
1. A. H. Anderson Social Sci
 2. Anderson Theatre
 3. Arboretum
 4. Baseball Field
 5. Carlson Administration B
 6. Central Heating Plant
 7. Christ Chapel
 8. Classics House
 9. Collegeview Apartments
 10. Faculty House
 11. Fine Arts Center Art Co

Minnesota St. Peter Regional Treatment Center



City of Saint Peter

NICOLLET COUNTY

LE SUEUR COUNTY

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S

3 mi. to Traverse
14 mi. to New Sweden

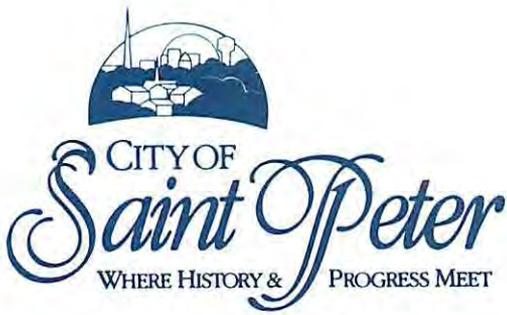
33 mi. to Keweenaw
27 mi. to St. George
35 mi. to Fort Ridgely State Park

10 mi. to Nicollet
15 mi. to Courtland
28 mi. to New Ulm

2 mi. to Kasota
8 mi. to Mankato Airport
6 mi. to Mankato

Minnesota St. Peter Regional Treatment Center

- Gusta**
1. A. H. Anderson Social Sc
 2. Anderson Theatre
 3. Arboretum
 4. Baseball Field
 5. Carlson Administration I
 6. Central Heating Plant
 7. Christ Chapel
 8. Classics House
 9. Collegeview Apartments
 10. Faculty House
 11. Fine Arts Center



Memorandum

TO: Honorable Mayor Strand
Members of the City Council

DATE: 3/15/13

FROM: Todd Prafke
City Administrator

RE: Park Row Crossing Update

ACTION/RECOMMENDATION

None needed. For your information.

BACKGROUND

Along with staff, representatives from Southwest Minnesota Housing Partnership (SWMHP) will be in attendance at the workshop on Monday evening to provide an update on work and designs for the Park Row Crossing project since your last discussion on this issue.

Issues that I hope to specifically cover include:

- Handicap unit and number of bedrooms
- The extent of handicap accessibility including 36" doorways, elevators locations and "visit-ability"
- A few "Green Community" enhancements
- Review of the site plan recommended and approved by Planning and Zoning.

Members may recall that an open house is scheduled for March 26th at 5:30 p.m. in the main lobby of the Community Center. My goal is to help ensure you have the most update information prior to that event.

I have attached some of the previous graphics for your use.

Let me know if you have any additional questions or concerns on this agenda item.

TP/bal

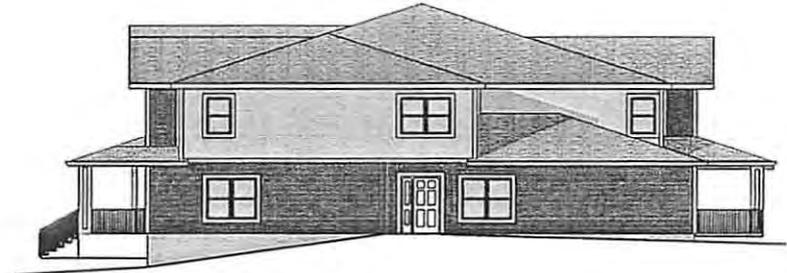


West Elevation

35



South Elevation



North Elevation



PAULSEN
ARCHITECTS

209 South Second Street, Suite 201 Mankato, MN 56001
Phone: 507.388.9811 Fax: 507.388.1751 www.paulsen-arch.com

Park Row Crossing

Exterior Elevations
February 12, 2013

Sheet

A2



36

Perspective



PAULSEN
ARCHITECTS

209 South Second Street, Suite 201 Mankato, MN 56001
Phone: 507.388.9811 Fax: 507.388.1751 www.paulsen-arch.com

Park Row Crossing

Exterior Elevations

February 12, 2013

Sheet

A3

37

WEST BROADWAY AVENUE

(120 Foot Right of Way)

14

SOUTH 7TH STREET
(80 Foot Right of Way)



5

PARK ROW STREET

(80 Foot Right of Way)

5

WASHINGTON AVENUE
(100 Foot Right of Way)



PAULSEN ARCHITECTS

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Mankato, Minnesota 56001
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Phone: 507.388.5811 Fax: 507.388.1754
Email: lpard@paulsenarchitects.com

PROJECT TITLE:
**PARK ROW CROSSING
APARTMENT PROJECT
ST. PETER, MN**

**PRELIMINARY
NOT FOR
CONSTRUCTION**

No.	Description	Date

I HEREBY CERTIFY THAT THIS PLAN, SPECIFICATION OR REPORT WAS PREPARED BY ME OR UNDER MY CLOSE PERSONAL SUPERVISION AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MINNESOTA.

NOTE:
THESE PLANS ARE AN INSTRUMENT OF SERVICE AND, IN THE EVENT OF ANY DISCREPANCY BETWEEN THESE PLANS AND THE PROCEEDING GENERAL CONTRACT TO VERIFY ALL CONDITIONS AND CONDITIONS AS PREVIOUSLY CHECKED SHALL BE REPORTED TO THE ARCHITECT/ENGINEER PRIOR TO THE COMMENCEMENT OF ANY WORK.

PROJECT NUMBER: 1056-1
DATE: 2-1-13
DRAWN BY: GAF
CHECKED BY:

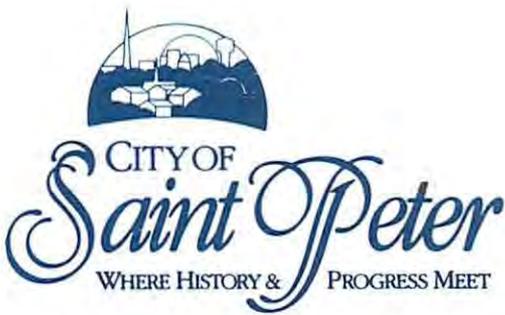
DRAWING TITLE:
LANDSCAPE PLAN

SHEET:
L1.2

1 LANDSCAPE PLAN
SCALE: 1"=20'-0"

SITE LIGHTING WILL MEET THE CRIME FREE MULTI FAMILY HOUSING REQUIREMENTS.

REVISION: February 27, 2013 3:50:40 PM
lpard_L1.2.rvt



Memorandum

TO: Todd Prafke
City Administrator

DATE: 3/15/2013

FROM: Russ Wille
Community Development Director

RE: 500 Block South Minnesota Avenue – Abatement Request

ACTION/RECOMMENDATION

Discuss and provide direction on a request from Nash-Finch for a \$40,000 appropriation to facilitate the further development of the Econofoods/Food Coop block(s) that would improve vehicular circulation (safety), enhance property values, and improve the aesthetics of the immediate area.

BACKGROUND

In 2011, the Saint Peter Food Coop purchased the former Nielsen Chevrolet dealership site at the corner of South Third Street and West Mulberry Street. Following a \$3+ million renovation, the retail operations of the Food Coop were relocated to the former auto dealership site.

Upon the sale to the property to the Coop, Bob Nielsen and Paul Rislove (Nielsen-Rislove) retained ownership of a portion of the site abutting Minnesota Avenue. Following the successful relocation of the Coop, Nielsen-Rislove negotiated the sale of their remaining property to a developer seeking to construct a strip mall. The Heritage Preservation Commission (HPC) reviewed the design, scale, lighting, signage, and building materials of the planned strip mall and gave their approval to the plan and construction.

Subsequent to HPC approval, it was determined that the proposed building could not be built without encroaching upon the right-of-way of the east-west alley. As a result, the City was unable to issue a building permit for construction of the strip mall.

To remedy the matter, Nielsen-Rislove attempted to have the alleyway in question vacated. Given the location of the property within the Amended Plat of Saint Peter, the rules for vacation in this circumstance require 100% of the property owners on the block to consent to the vacation. Nash Finch (Econofoods) has refused to consent to the vacation due to concerns regarding the visibility of their existing retail operation.

Left owning a property that could not be reasonably developed, Nielsen-Rislove sought the advice and assistance of legal counsel. It was determined by staff that it would be

advantageous for the City to attempt to mediate an agreement between Nielsen-Rislove and Nash Finch.

Should the matter proceed to litigation, it is expected that Nielsen-Rislove would allege that both Nash Finch and the City of Saint Peter have encroached into the alleys within the block and that the encroachment was undertaken without obtaining the consent of adjoining property owners and without vacating the alleyways. It would likely be alleged that those same property rights are now being withheld from Nielsen-Rislove and that they have not been afforded equal protection.

In 2009, while the Highway 169 corridor was being redeveloped in downtown Saint Peter, the City and the Minnesota Department of Transportation determined that the curb cut to the Nielsen-Rislove site was to be eliminated. A solid curb-line, sidewalk, landscaping and decorative fencing were installed at the time of the highway improvements. The closure of the curb cut was deemed warranted given that Nielsen Chevrolet was closed and subject to redevelopment. The only remaining access to the Nielsen-Rislove property is via the Food Coop site off West Mulberry Street as per the terms of a shared parking agreement between Nielsen-Rislove and the Coop.

When Nielsen-Rislove challenged the closure of the highway access, the City entered into a "Curb Cut Agreement" with Nielsen-Rislove. Under the terms of the agreement, Nielsen-Rislove consented to the elimination of the access from the highway. Likewise, the City consented that, ***"In the event Nielsen-Rislove sell the above tract as a larger parcel and the Nielsen-Rislove buyer requires highway access to this tract, the City shall pay all costs to install the access and remove the sidewalk, fence or any other obstructions within the right-of-way."*** If a new building (strip mall) were to be built, a curb cut could be required which would mean additional costs to the City. Those dollars might be better spent to improve the property and City and Highway 169 situation rather than putting in a curb cut that is less safe, more costly, and does not improve the performance of traffic at this location. I have been trying to seek a remedy that would meet the needs of Nash-Finch, the City, and Nielsen-Rislove.

At this time, Nash-Finch and Nielsen-Rislove are negotiating Nash-Finch's purchase of the remaining property in front of the Saint Peter Food Coop. Recognizing that the public would benefit from a sale, the City is being asked by Nash-Finch to appropriate \$40,000 towards improvements to the property that would benefit the public.

The Econofoods and St. Peter Food Coop developments are uses that are typically located abutting major thoroughfares such as Highway 169 (Minnesota Avenue). However, in Saint Peter a significant challenge is created in that both highway uses are located within the Central Business District (CBD) abutting the historic downtown. The rules and regulations for development within the Central Business District are not a good fit when applied to highway service type establishments.

The physical development of the Econofoods/Food Coop properties does not allow for vehicular circulation within the two-block area. Motor vehicles are currently prohibited from circulating between the parking lots of the two uses. Cars and trucks must utilize Highway 169 or South Third Street to travel from one store to the other. The safety and efficiency of vehicular circulation would be significantly enhanced if the two uses would allow for shared access, circulation, and parking.

The Nash-Finch purchase of the Nielsen-Rislove property would support and enhance the current remodeling and reconfiguration of the Econofoods store. The purchase would protect the visibility of the Econofoods operations and allow for the construction of a stand-alone liquor store on the property. ***If the purchase were to proceed, Nash-Finch would commit to the construction and furnishing of a 5,000 square foot liquor store to be built along the South Third Street right-of-way, in line with the existing Econofoods and Food Coop stores.***

Upon the purchase of the Nielsen-Rislove property, Nash-Finch would also commit to making improvements that would allow for vehicular circulation between their parking lot and the Food Coop's parking lot. This would significantly improve the safety and efficiency of the vehicular circulation within the downtown.

Finally, upon the purchase, Nash-Finch would consent to the vacation of all alleys within the two-block area. Upon the vacation, the City would be provided with the easements necessary to maintain and repair the existing municipal utility system within the block(s).

The construction of a stand-alone liquor store and the renovation of the existing Econofoods store are expected to create 17 new, full-time equivalent positions.

A new 5,000 square foot, stand-alone liquor store would generate an estimated market value of \$390,000 as calculated by the Nicollet County Assessor's office. This would be the basis for calculating the taxes due each year.

The redevelopment of the Econofoods/Food Coop block(s) and reconfiguration of traffic access, circulation, and parking would be a significant improvement to the downtown area. The improvements would be undertaken in a manner and design that would be sympathetic to the historic downtown north of Grace Street.

The improvements could also spur additional downtown development on Parking Lot #5, the former library site across from City Hall and other vacant properties that would support in-fill development. The Saint Peter Development Corporation has had preliminary talks about the development of a speculative building with commercial space on the ground floor and apartment units on the second level. The developer that had planned to construct a strip mall on the Nielsen-Rislove property would be encouraged to consider their investment at an alternative Saint Peter site.

Finally, the City's participation in financing the improvements would support and protect the \$330,000 revolving loan made in 2010 to the St. Peter Food Coop. An analysis of the Food Coop's operations after the first year following their relocation indicates a considerable public benefit of the project. The amount of electricity that the Food Coop purchases from the City of Saint Peter increased 71% after the first year post-relocation. Payroll expenditures of the Food Coop increased by 50% and 18 new jobs were created after the first year. Finally, the market value of the Food Coop property increased by 47% following their investment and reuse of the property.

It is expected, but cannot be guaranteed, that a prudent \$40,000 investment in the Econofoods project would garner similar results.

In lieu of TIF, it is suggested that the City provide an abatement of its share of the new tax dollars to contribute \$25,000 towards the project. To the greatest extent, the project would be

assembled so that the use of the abatement would be nearly indistinguishable from the use of Tax Increment Financing.

The City of Saint Peter would typically utilize a Tax Increment Financing (TIF) district to finance an improvement project like the one envisioned by Nash-Finch. TIF uses the new tax revenues of the development to fund the public costs of the project. However, given the population of Saint Peter, TIF cannot be used to assist general retail operations if the retail development isn't undertaken as a redevelopment of substandard properties.

The use of the abatement dollars would be limited to the physical improvements undertaken to enhance vehicular access, circulation and parking. The \$25,000 would be provided at the onset of the project and the City would be repaid via the anticipated annual abatement. A David Drown and Associates analysis suggests that the abatement would be repaid in full after approximately 10 years.

The proposal would only abate the City's share of the new taxation. Nicollet County and School District #508 would not be asked to participate in the abatement and thus would have an immediate, tangible benefit following construction. The City has only used abatement in one other circumstance. While we are hesitant to use abatement in just about every other instance, staff believes that use of abatement in this situation is prudent when reviewed against the alternative costs we are likely to face. As previously stated, if we are in the position to spend money at this location in some way, it is best spent in a way that provides the greatest opportunity for improvement and overall increase in tax base, improved safety and increased utilities of an area that can positively influence the downtown.

The construction cost of a new, stand-alone liquor store would be anticipated to be approximately \$500,000. The building permit, including plan review, state surcharges, and utility access fees would be obtained at a cost of \$9,039.29. It is suggested that the City of Saint Peter forgive up to \$6,169 of the \$9,039.29 in review fees, state surcharge and utility access fees. The funds would be repaid to the Building Department from the professional services line item of the Community Development departmental budget within the general fund.

The remaining \$8,831 of the proposed \$40,000 in assistance would be proposed to be provided utilizing in-kind municipal services. Nash-Finch is in the process of itemizing the construction costs associated with the parking lot access and circulation improvements. Parking lot improvements are expected to include, but are not necessarily limited to, curb removal, fence demolition, pavement removal and landscaping. The City and Nash-Finch would need to identify specific line items to be accomplished by, and paid by the City.

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

RW

