CITY OF ST. FRANCIS
CITY COUNCIL AGENDA
July 2, 2018
ISD #15 CENTRAL SERVICE CENTER
4115 Ambassador Blvd NW
6:00 pm

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
2. ROLL CALL
3. APPROVAL OF AGENDA
4. CONSENT AGENDA - *All matters listed within the Consent Agenda are considered routine items to be enacted upon by one motion by the City Council. Items on the Consent Agenda are reviewed in total by the City Council and may be approved through one motion with no further discussion by the Council. Any item may be removed by any Council Member, staff member or person from the public for separate consideration.*
   A. City Council Minutes – June 18, 2018
   B. City Council Work Session Notes – June 11, 2018
   C. Accept the Resignation of Fire Fighter Harry Everth
   D. Accept the Donation from the St. Francis American Legion to the Fire Department
   E. Routine Equipment Maintenance – Generator Load Bank Testing
   F. Transfer from General Fund to Street Fund – Resolution 2018-23
   G. City Council Minutes –Special Meeting – June 25, 2018
   H. Payment of Claims

5. MEETING OPEN TO THE PUBLIC

6. SPECIAL BUSINESS
   A. Storm Water Pollution Prevention Program (SWPPP) Annual Report

7. PUBLIC HEARINGS

8. OLD BUSINESS

9. NEW BUSINESS
   A. Water/Sewer Utility Rates – Ordinance 241, Second Series Amending the Fee Schedule 2nd Rdg.
   B. Development Design Standards for Bridge Street Corridor

10. MEETING OPEN TO THE PUBLIC

11. REPORTS
   A. Councilmember Reports -
   B. Upcoming Events –

July 4	City Offices Closed
July 16	City Council Meeting @ ISD #15 Central Services Center 6 pm
July 18	Planning Comm. Mtg @ ISD #15 Central Services Center 7 pm
Aug 6	City Council Meeting @ ISD #15 Central Services Center 6 pm
Aug 7	Night to Unite
Aug 14	State Primary – Polls are open 7 am to 8 pm

12. ADJOURNMENT

TO: Mayor & City Council

MEMO

FROM: Joe Kohlmann, City Administrator

RE: Agenda Memorandum – July 2nd, 2018 Council Meeting

Agenda Items:

4. **CONSENT AGENDA:**
   a. *City Council Minutes* – June 18th, 2018

   b. *Worksession Notes* - June 11th, 2018

   c. *Accept Resignation* – Fire Fighter Harry Everth

   d. *Accept Donation from S.F. American Legion to Fire Department* – Accept donation from the American Legion in the name of Tony Walters. This will be used to purchase extrication gloves for the fire fighters

   e. *Generator Load Bank Testing* – Biannual maintenance on the City's generators to ensure that they are functioning properly. Low quote from Pioneer in the amount of **$7,056.** This is a budgeted expenditure.

   f. *Transfer from General Fund to Street Fund*- The recommended and proposed transfer amount is **$1,400,000**.

Currently, the City has a General Fund Balance of **$3,884,013** which equals **94%**.

The $1,400,000 transfer will reduce the Fund Balance to **$2,484,013** or **60%**.

The State Auditor recommends a fund balance of **35% - 50%**.

The Fund Balance will have a cushion of **$409,577** from **60%** to **50%**.

   g. City Council Minutes – *Special Meeting on June 25th, 2018.*
   h. Payment of Claims -

6. **Special Business:**
   A. *Stormwater Pollution Prevention (SWPPP) Annual Report* – Annual meeting to present on Stormwater Pollution Prevention Plan and receive public comment. Kaci Fisher from Hakanson Anderson will be in attendance to present.

7. **PUBLIC HEARINGS**
   A. *None* –

8. **OLD BUSINESS**
   A. None

9. **NEW BUSINESS**

A. *Water and Sewer Utility Rates* – **Ordinance 241, Second Series** – Staff is proposing a 20% reduction in FINAL BILLS for utility users. **2nd Reading**

B. *Development Design Standards* – Proposal from Sambatek to create a proposed set of design standards to the City's commercial district.

11. **Reports:**

A. Council Member Reports
B. Attorney Report –

12. **Adjournment**

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

CITY COUNCIL MINUTES
JUNE 18, 2018

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE
The regular City Council meeting was called to order at 6:00 pm by Mayor Steve Feldman.

2. ROLL CALL
Members present: Mayor Steve Feldman, Councilmembers Jerry Tveit, Joe Muehlbauer, Robert Bauer and Rich Skordahl

Also present: Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Craig Jochum (Hakanson Anderson), City Administrator Joe Kohlmann, Community Development Department Kate Thunstrom, Police Chief Todd Schwieger, Public Works Director Paul Teicher, Liquor Store Manager John Schmidt, Finance Director Darcy Mulvihill, and Acct Tech/Deputy Clerk Lori Streich

3. APPROVAL OF AGENDA
MOTION TO APPROVE TONIGHT'S AGENDA BY MUEHLBAUER, SECONDED BY SKORDAHL; ALL IN FAVOR, MOTION PASSES.

4. CONSENT AGENDA
A. City Council Minutes – June 4, 2018
B. City Council Work Session Notes – May 22, 2018
C. Administrative Agreement between Anoka County and St. Francis for the use of Pollbooks.
D. MN Waterfowl Assoc. Cedar Creek –Lawful Gambling @ SF American Legion 9/13/18
E. Transient License – Jimmy's Express Concessions (Food Truck) @ St. Francis Bottle Shop
F. Payment of Claims $465,532.35 (ACH #230E – #231E $180,168.58; Check #074308-#074375 $285,363.77)

MOTION TO APPROVE THE CONSENT AGENDA BY BAUER, SECONDED BY TVEIT; ALL IN FAVOR, MOTION PASSES.

5. MEETING OPEN TO THE PUBLIC
Mike Rodger, 2770 232nd Lane NW said that it was brought to his attention that one of the candidates for Mayor has a husband that works on the fire department. Would there be a conflict of interest if this candidate were elected?

Assistant City Attorney Schaps said that if this is something Council would like them to look into, they can certainly can.

6. SPECIAL BUSINESS
NONE

7. PUBLIC HEARINGS
NONE

8. OLD BUSINESS
NONE

9. NEW BUSINESS
   A. Assessment Policy
   B. HKGI – 2040 Comp Plan Preliminary Draft Review
   C. Outdoor Warning Sirens
   D. Water/Sewer Utility Rates – Ordinance 241, Second Series Amending the Fee Schedule 1st Rdg.
   E. Schedule a Work Session for Riverbank Lane/Kings Hwy Street Improvement

Kohlmann provided potential revisions to the assessment policy consistent with the work session that city staff held with the council on April 9th. There was a presentation several meetings ago discussing road and eliminating road assessments. If council is in favor with moving forward with this, the revisions are here for your consideration for approval.

Feldman said we have been working on this for quite a while. They had talked about leaving the rates the same and using that money for road improvements. One of the problems over the past years is the fact that this was not addressed and got ignored. In the meantime, the roads got worse which becomes more costly assessment wise to correct those roads. At this time, his opinion is that this would be a good thing to do because the roads are not getting any younger and this will be a continuous problem. There are a couple options in the overview for funding to do away with assessments. The city would allocate 2% of tax levy annually or do a franchise fee, which was done in Elk River with success. He doesn't like the idea of pulling bonds if not necessary.
As he's stated before in past meetings, a $166,000 valued home may have a property tax increase of $50. The city would then take that $50 and use it towards road improvements to do away with assessments.

In things to consider, #5 talks about a franchise fee to allow for payment from non-property tax paying entities to contribute to road improvements whereas the tax law exempts these properties. That would be post offices, libraries, and ISD #15 buildings. But #6 states that property taxes would apply to vacant lots where franchise fees will not. We will be taking a 1.3 million dollar transfer from the general fund reserve which would be needed to jump start any cash payment program. The general fund currently has 80%+ in reserves and this is far above the state auditor recommendation of 35-50%. The 1.3 million dollars bring that fund balance closer to auditor recommendations. We will take that as a shot of adrenaline for this fund and then with the 2% and the rate the same this year, we will have some funds to start funding the road improvements in the proper way and doing away with assessments. This is a real win-win for the public.

Skordahl said to be clear all this is doing in eliminating the assessment portion. This is just the first step. And it wouldn't eliminate someone living on a gravel road that needs to get their road paved for the first time. He wants to make sure that's clear because that's a pretty hefty bill and shouldn't be included here. He's in favor of this and feels that assessments can be pretty hard to deal with. There are a lot of neighborhoods in our city that haven't been faced with this and it can be sticker shock. He thinks this is a much smarter way to do it, the funding stream is predictable and we can implement and work a plan and know what we are going to be doing several more years from now. He thinks it's the right thing to do.

Kohlmann confirmed that this would eliminate the assessment for the road portion but not eliminate a utility improvement.

Bauer said that he's accustomed to the sticker shock because he's one of the residents that was recently assessed. He is for this plan to get city dollars allocated. In the short term he thinks that the way to go is with franchise fees and this 2% would go away. It's just where we are pulling the dollars from and getting the most participants that are using our roads is the best way to look at how we are spending your money. He thinks this is a good plan in moving towards road improvements.

Feldman agreed that this is a good start and the ultimate goal would be franchise fees.

Muehlbauer likes the idea of the franchise fee. He's read through the policy and said that now it's just a matter of cleaning up the language in regards to what was talked about in the work session.

Tveit said whether we go with a franchise fee or 2% it doesn't matter. As far as the assessment policy itself, he's split. He feels that for somebody on a city lot, without a lot of frontage, and a lot of people on their road, the assessment wouldn't be that much, compared to someone with a much larger lot. He tries to look at the fairness. Some people may have been assessed in the past, and now going forward others don't get assessed. With any policy change that's what may happen. He's leaning towards voting in favor because the funding stream is more predictable and easier to plan.

Feldman added that we can't grandfather in what the past was and we can't go back in and pay for past assessments, but we have to have a starting point. This council has discussed this with guidance of staff. You can't ignore a problem because it doesn't go away. It just gets worse. This one has gone on far too long. Passing on $7,000-$10,000 assessments to individual residents is a lot of money.

Another thing that this new council has put into effect is planning, preparing and looking out 10-20 years, and we are starting to see that through our development. Getting ahead of it is much better than trying to catch up to it. That's what this plan does and he thinks it's a good start.

Bauer said that it was his understanding during the work session that he paid an assessment and then 2% of his tax dollars were taken. After the year is over, he can go to the city and get his portion back. He asked Kohlmann if that was correct.

Kohlmann said that was talked about and Elk River did something similar because they did a franchise fee, they were rebating the franchise fee. That may be an option.

Assistant City Attorney Dave Schaps said that there are two things that city council would have to do to enact a franchise fee. First is to enact a franchise agreement. We have been in consultation with Centerpoint Energy in regard to putting together that franchise but that's language we need to modify. That will take a couple more months. It takes time to get through and get the proper language. The second portion of that would be bringing the franchise fee so the city council can consider the franchise fee. If the city council approves that, there would be a number of months before it can actually be implemented and collected. Then it would be remitted back to the city.

Feldman said he thinks the best way would be to allocate the 2% tax annually while city staff works towards implementing the franchise fee.

MOTION TO ADOPT TONIGHT'S ASSESSMENT POLICY BY MUEHLBAUER, SECONDED BY SKORDAHL; ALL IN FAVOR, MOTION PASSES.

HKGI – 2040 Comp Plan Preliminary Draft Review

HKGI provided a power point presentation explaining the 2040 Comp Plan Preliminary Draft Review.

What they are asking for tonight is approval sending this out to adjacent jurisdictions for review. This is an approval of the entire plan. What you are basically saying is that you are at a spot where you feel comfortable sending this out to the cities around us, the water commissioner, the county, etc. They will take a look and provide their feedback. The same is going on for all of the surrounding communities to St. Francis. The plan will be updated and incorporate some of the planning and zoning input, council input, and the other jurisdictions. The plan will be available on the city's website and people will have the opportunity to provide input as well. Planning and Zoning will review the updated plan and hold a public hearing. City Council will then approve sending that plan to the Met Council for final review. Once approved by Met Council, it will be approved by City Council as an official city document. That would lead into zoning and subdivision ordinances.

Feldman said that through this whole process, which they've all been involved in, there are two things he's liked from their end and one is that they downgrade the projections of the Met Council, which he doesn't think are conceivable in the time frame. Theirs are more apt to come to fruition. He also likes that they understand that the ISD will not be moving anytime soon, so working around that is the best thing they can do. We are following our St Francis forward plan. We have a good mix of townhomes and residential, and now we have developments, rehab center and assisted living this year. We are seeing things come to light. His opinion is that the plan needs to go forward.

Tveit said we've been over this plan many times and he is more comfortable with it and thinks it's a good plan.

Muehlbauer agrees that it's a great plan and appreciates all the hard work. He thinks the most important part is getting the feedback from the people.

Bauer likes the plan and hopes that ISD #15 comes in line with our Comp Plan and starts working with the City and not against it. He thinks that's the best route to get that intersection at Hwy 47 is to work with the school and have the school work with the city. He hopes they are listening and they come together with our Comp Plan.

Skordahl congratulated HKGI on a lot of good work. Whatever we did at the beginning of this process where we had 1500 items of input. Hopefully we took notes and figured out how we did that. We received engagement and participation from the citizens and that was great. They did a couple unique things that he doesn't remember doing the last time, and it was just a simple thing of just standing back and looking at the map showing what could feasibly be done and where we can grow. He feels it a realistic good plan and is in favor of going forward.

Tveit said during one of the comment periods he had some citizens raise some question on the minimum lot size and he noticed on here that it was still 1 for 10 acres. What are the odds of changing that to 1 for 5? He knows that Met Council is really against that but there are several people out there that own just under 20 acres (like 19.9), and they can't subdivide because minimum lot size must be 10 acres. Could we do something to try to alleviate some of those issues?

HKGI said that the approach in terms of that is in Section 3-7, there's a section on flexible residential development. The reason Met Council sets those acres is they don't want to get to a spot where there are lots that are subdivided to the point where they can't continue to grow. There are some opportunities that are discussed in terms of clustering for developments or ghost platting. Those are things to make sure are incorporated into the subdivision ordinance and zoning when that comes up. By including it in the Comp Plan we are saying that we are open to looking at it to try to alleviate that exact issue.

Tveit said when we get to the updating of the ordinances and subdivisions, he would like to take a look at that.

Feldman said definitely looking into it is a good thing since we have had that issue a couple times now.

MOTION TO APPROVE HKGI – 2040 COMP PLAN PRELIMINARY PLAN REVIEW TO GO FORWARD BY TVEIT, SECONDED BY BAUER; ALL IN FAVOR, MOTION PASSES.

Tornado Warning Sirens

Chief Schwieger explained that there has been some discussions on tornado warning sirens within the city. The purpose of an outdoor siren is to alert persons outside of potential danger. There is no nationwide requirement for outdoor sirens, so it's up to local communities as far as how many they want, where they want to put them, and how they want to pay for them. Typical sirens have a sound decibel of about 1-2 miles.

Weather goals outlined in the Anoka County mitigation plans specific to St. Francis are to increase awareness to disasters by continuing to improve our capabilities to prepare for, respond to and mitigate natural disasters. St. Francis is about 24 square miles, (about 12 miles wide). We currently have two federal 2001 outdoor warning sirens that were installed in 1996. The current locations of these are Roanoke Street, north of Ambassador Blvd, and Woodbine Street just north of 232nd Lane.

The proposed siren location would be at 237th Ave and the intersection of Nightengale Street. This area has seen substantial residential development since 1996. The total cost for the siren and installation would be between $23,000 to $24,000. He is waiting for an estimate from Connexus Energy to hook up the power.

Feldman said that what he is understanding from reading the packet is that staff had purchased the 1996 sirens through CDBG funding. Staff did contact the Community Development Manager at Anoka County who advised that there are currently no CDBG funds available for warning sirens. Staff also reached out to Anoka County Emergency Management and the Minnesota Department of Homeland Security of Emergency Management Division, who both advised that they are not aware of grant money for outdoor warning sirens.

City Administrator Kohlmann met with Feldman today and let him know that we did get a one time payment on the antenna over by the Liquor store, and there is also a lease with that. So, there is money available in our general fund and it's more than what this would call for. Feldman feels a need for it. He home was hit by a tornado in Andover in 2005, and the sirens helped a lot.

Bauer said he did some research after he read the packet. He looks at it like this, there's a need to put a red light at Pederson and 47. The city can't just go do that. The sirens are run by Anoka County, and if we made our presentation to the county board, maybe they can give us some funds to put this up. It's a little premature right now. He called Matt Look from Anoka, and he was unaware that there was a study that was done showing a need for a siren. There's a speed study for road work. He's wondering if they can do a siren study. He's for the siren, but maybe since our tax dollars are going to Anoka County, we could get some funds from them. He would like to table this until we can get more information and maybe some funding from Anoka County.

Skordahl said he agrees with Bauer a little bit. We've definitely grown and things have changed. When he moved into his house out here in rural residential, he thinks that he shouldn't expect to hear a tornado siren. He thinks the bang for the buck is to make sure you get the high density area around the ponds. We need more coverage on that side of town. For $24,000 you want to make sure you get as many residents as you can. If you were to shift that siren south and approach Oak Grove, you could reach a lot of citizens around the ponds that aren't in our city. Might be better as a county problem to be solved rather than a City of St. Francis problem. He agrees that we need to do something but there's more investigation that we need to do. He didn't realize it hasn't been addressed since 1996. He likes the presentation and the map. It gave a good idea of what kind of coverage we do have. Let's look at some more options.

Muehlbauer likes the presentation and map as well. It definitely shows that there's a need for it. A majority of our tax dollars goes to public safety whether it's Fire Department or Police Department. He agreed with what Feldman said about it being something you hope you don't have to use. He has no problems at looking into other sources of funding. It doesn't hurt to ask.

Tveit said at the local government level, public safety is one of their #1 priorities. That's reflected in our budget and nearly everything they do. He is in favor of the siren, but not sure of the process in going about doing it as Bauer, Skordahl and Muehlbauer have indicated. Do we go through the county or is this just something that we do. There's a need, and if we do have a funding source available, he's not opposed to spending. He thinks this is money well spent. If there is other sources of funding available, or our county tax dollars could pay for it, then that's what should happen. He doesn't want us to assume the responsibility of the bill if we don't have to because $24,000 could be spent in our city somewhere else. He's not sure how high up on the County's priority list this would be and if we can help move it up. If they don't budge then we should just do it. Either way it should get done.

Feldman agrees and thinks that the consensus of the council is that there's a need for it, it's just a matter of where the funding is. He would like to direct staff to reach out to the county or state level to see what we can do, and after we've done our due diligence and it still can't be done with grant money, we do have the funds and if it comes down to it, it's the right thing to do. Public safety is a constant concern of ours.

One audience member stated that he just looked on the internet and found that grant money is out there through the federal government, FEMA and Homeland Security.

Water/Sewer Utility Rates – Ordinance 241

Kohlmann gave a presentation explaining the water/sewer utility rates and Ordinance 241 amending the water and sewer rates. Staff has a proposal in front of council with an ordinance amendment to reduce final bills by 20%.

Feldman stated that the surest and best way to reduce the rates is by expanding the user base through long term, reputable development. After 18 months of hard work, we are finally at a place where we have River's Edge in play which just broke ground last Wednesday, Woodhaven coming up with 55 lots, Meridian in the Spring and assisted living on Bridge Street. The public has seen one building go down, the church on the corner of Ambassador and Bridge Street will be acquired in July and shortly after going down, and then some land behind Subway that they are dealing with too. The EDA is doing a real fine job of economic development and positioning us for future development bringing the St. Francis forward plan to fruition.

Feldman wants to thank our City Administrator Joe Kohlmann, Finance Director Mulvihill, Justin over at Abdo, and Councilmember Muehlbauer for helping and working on it with him for 18 months in order to bring it to Council for a vote tonight. They didn't want to put out a rate cut that they would have to take back shortly after. They wanted to be prudent and fiscally sound about it, and know that they can afford this. The reason they can do this right now is because of the development that is in play. A stand alone system on waste water is always going to cost you more than being hooked to a met region. Met region has hundreds of thousands of users and that's why their rates are so much lower than ours. We are a stand alone, with 7500 people, and only about 4600 are hooked up to that system. The rates for Cambridge were $98.00, and they have a stand alone system. North Branch has a stand alone system and their rates were at $147.00. We were right in the middle at $123.00 and not out of line. The whole problem was how it was pushed on the public. In 1990-2010 when we had a growth period here, we did nothing. And for all of the years after that, we did nothing. Had we gradually raised rates from 1990, 3% per year over all of those years, we would be fine with the $123.00 because people would have been able to add that to their budget. But when you dump a 45/85 hike on people who may have never seen a cost of living increase in their latter years, or at all, that's a hard thing to swallow. That is why this staff and council have worked hard to reduce the rates the best that we can. This has been a lot of hard work. The public hasn't seen the 18 months of hard work behind this.

Skordahl would also like to thank everyone for their hard work on this. It is an important topic to a lot of people. He has well and septic and doesn't pay these bills, but that does not come into play when making his decision on this. He does want to make sure we are clear that there is risk in doing this. We have seen the Meridian project come to us three times. It's not a guarantee, and we don't have a development agreement in place yet, and there's no check being written for SAC and WAC on any of those units. Staff is doing a phenomenal job getting properties ready for sale and getting people up here and interested in developing, but it has to be absolutely crystal clear that there is some risk in doing this. We had a very successful ground breaking last week on the new River's Edge development of 200 units. There has not been a single SAC and WAC payment made on any of those units. We don't know what the crystal ball holds next year. We don't know if the developer is going to face difficulties or decide that his focus needs to change to a different development.

That's the risk we are taking in doing this. The option is there to maybe wait a year and let some of these things happen so we can build up that balance and reality, that way we are lowering that risk. This is a difficult decision for him because he could see if things were to go south, he could hear a Mayor, five or six years from now telling stories about how the council did not do their due diligence and counted their eggs before they were hatched. He is torn. Not whether or not they need to be reduced, but if it's the right time to do it based on what we assume is going to happen in the future.

Feldman said that this will be re-evaluated every year. Staff has done real well with giving us a 50% cushion. We are very conservative on these numbers. He does think it's time that we do something for the public and feels the risk is low because of the conservative numbers. He wouldn't recommend it if he thought it was a bad time. The public needs to see something from our end.

Bauer asked if the water fund cash balance was similar to the fund balance that the city covers at 85%? What he is seeing is that we are letting that fund balance come down a little bit to give our residents relief because we have that extra money. He sees that as a plus to give residents a relief without bringing the fund down to a negative. He called other cities and talked about their base rates. He found that we are not too far out of line as far as before he turns his faucet on, what does it cost the city to take your water bill and your sewer bill. Andover has a lot more users at $24.82 before you turn your faucet on, but they are connected to the met region. Cambridge's base rate is $32.31. We are not too far out of line as far as the base rate. He struggles with the base rate because he understands that to be what the city would charge to send the bill and getting a company to come out and read the meter. But looking at all of the work that was done in bringing it down 20%, he applauds staff. It's something that he thinks over the next 4 or 5 years can bring that fund balance down to where we will be collecting exactly what we will be paying.

Muehlbauer said he agrees with Skordahl's comments about the risk being involved. The comfort he has in the graphs is the years that it's spread out with that cushion. He hopes it's the right time. His biggest concern is more with the sewer side where the lines cross. That definitely needs to be monitored closer than the water in his opinion. This was a huge goal. The hard work from staff to double check and triple check makes him feel more comfortable about it. Something that the public needs to understand too is that every year it needs to be re-evaluated. He trusts staff to do that. If something catastrophic to the economy happens, this will be affected.

Tveit is fairly conservative and doesn't believe that government should keep a whole lot of surpluses on the balance sheets. What surpluses mean are tax revenues collected that are over and above expenditures. Keep in mind there are times when they need to do that if there's a capital improvement project that we need to try and budget for. When he was on the council from 2009 to 2015 there was a pretty substantial recession, and 25% of houses that were bought, were being foreclosed. So the message he got was that it was the wrong time to raise rates. People were losing their houses and now you want to attach a tax increase on them. Every year they did talk about it. Times are fairly flush now, making it easier to make decisions. He's in favor of lowering the water rates, but not in favor of having a fund balance of a million dollars higher in our sewer and water than what we need. The same pressures are going to be put on the people sitting in the council seats. When times go bad and people are up for re-election, and there needs to be a tax increase, are you going to do it, knowing that people may vote you out? That's what they are going to do. He does think that something should have been done with the water treatment plant sooner.

Building that water treatment plant when they did has raised a lot of criticisms, but none of this development would have been able to happen because it was at capacity. St. Francis would have been in a spot where we would have had to turn away builders and create a moratorium. Unless you build an outside water and sewer district, we can't bring any more on the system. They did make a tough decision and build the water treatment plant. Keep in mind that it took three years to build and it just got done last April. If we would have waited, we wouldn't be reaping the benefits now. It all goes back to planning, like when Public Works Director Teicher is saying that we need to get this done when he did, and having the council push that forward. We are also out of the recession now and it's a growing economy and people are building. There's a couple ways he could look at this. He's in favor of lowering the water rates. Perhaps take that one million dollars in excess over in expenditures and pay off a bond sooner. If you can't prepay, then lower the rates. He's in favor of the idea, but nervous.

Feldman said he checked into prepaying a bond, but it's not possible. He also wanted to clarify a few things that he was hearing. First of all, he's read a lot of council packets. In the time that Tveit talked about the recession, the city did not receive $118,000 from the state. If a city is that close on budget that $118,000 makes a difference, they have other problems besides that.

Secondly, he's talked about a trifecta more than once. A trifecta is having affordable housing and lots. The cheapest lot in Andover is $80,000. Dayton is $90,000-$120,000. That is why people are coming here to build. The third part of the trifecta is to get the water rates down. As we expand, our expenses will go up and taxes will go up. We will have more roads to plow, more parks to mow, more police coverage, etc. How we do that is key. Economy is always in play and we don't know what it's going to do. We have been more than conservative on these numbers and have given ourselves a 50% cushion, plus we are going to re-evaluate every year. Right now we are taking advantage of keeping the tax rate the same with the market out there.

As a council, we are for the first time, a strong budgetary management that's fiscally responsible. When we first came into office, we put in Plan-It Software to look out 10-20 years for capital equipment. We have a new plow truck because of that. We got new equipment because we are planning ahead. We are thinking and spending wiser. Had this been done gradually we wouldn't be discussing this right now. People would have been able to understand that the stand alone system with 7500 more people is going to cost money. That was not done and we waited, and waited, and waited. Because of that, this plant went from $16 million dollars up to $24 million dollars overnight, and nobody on the council asked why. Did we have to build it this big, no, but we did. We have expansion way beyond our limitations right now. That was not responsible. It should have been built for $12 million dollars with expansion and grow into it. Now we are forced to do other things. He is working with staff now to try and see what can be done and will bring it to the public once it becomes permanent and factual. They are working on everything and will leave no stone unturned. There is a risk in doing this, but it's not high and it's controllable. This is a well thought out plan.

MOTION TO APPROVE THE WATER/SEWER UTILITY RATES – ORDINANCE 241 BY MUEHLBAUER, SECONDED BY BAUER; ALL IN FAVOR, MOTION PASSES.

ROLL CALL AYES: TVEIT, MUEHLBAUER, SKORDAHL, BAUER, FELDMAN
NAYES: NONE

Schedule a work session for Riverbank Lane/Kings Hwy Street Improvement

Council work session Monday, June 25th at 5:30 pm at City Hall.

Work session scheduled for Riverbank residents and council for July 23rd at 6:00 pm at the Community Center.

Public Works Director Teicher presented the May monthly report for Public Works. He pointed out a couple key points. Street sweeping was late because they were plowing snow.

148 tons of debris were collected off of the city roads. 468 tires were collected by Mosquito Control at our Recycle Day. That's a huge amount of tires, and it's an awesome service that Mosquito Control provides. As long as it's not on a metal rim, there is no charge for it. Mosquito Control will come out and collect tires right from your site if you have a significant amount of tires on your land. You just have to call them.

If you look at finished water produced at the water treatment plant, you will see that the number is creeping up. That shows that it is dried out. We are approaching that million gallon/day usage.

Lastly, they were able to flush hydrants late in May, but to accomplish that was two days of flushing. Prior to the drinking water treatment plant, it would take staff two weeks to flush all of the city hydrants, just based on the amount of rust and iron deposited in the water mains. It took a long time to flush that water out in order to get clean water. They had to do it twice a year. Now it's only 2 days and only in the spring. The facility is working well.

Mayor commended the Public Works staff.

10. MEETING OPEN TO THE PUBLIC

11. REPORTS
   A. Public Works – Monthly Reports
   B. Councilmember Reports -
   B. Upcoming Events –

June 20	Planning Commission Meeting - CANCELLED
July 2	City Council Meeting @ ISD #15 Central Services Center 6 pm
July 4	City Offices Closed
July 16	City Council Meeting @ ISD #15 Central Services Center 6 pm

Councilmember Reports

Skordahl mentioned that the information on Mosquito Control was good, and it's an example of another one of those topics that we need to get the word out on. He didn't know that Mosquito Control comes out.

Bauer wanted to say that he got out during Pioneer Days and it was an exciting, great event. He enjoyed meeting with a lot of people. He also wanted to reiterate that we all pay the bills on our septic system. It's brand new. There were eight rags pulled out of pumps. Please don't do that on our new system. It will get clogged up and more work for the city, and costs us more money.

Muehlbauer said he got to the fireworks at Pioneer Days and they were cool. Sunday he enjoyed a BBQ in the park.

Tveit congratulated the St. Francis Ambassadors. He is on the Board of Directors and it's nice to see a great organization for these young ladies representing St Francis. They go to an outrageous number of parades every year and all of them are wearing their sashes that say "St. Francis". They do a really great job of representing our city. Congratulations to the incoming Ambassadors. The outgoing Ambassadors did a great job, and the incoming Ambassadors have big shoes to fill.

He also wanted to say that some of the utility guys went to the Minnesota Rural Water Training. That's great that they are keeping up with their hours in order to get their licenses renewed. Working in that field he likes to see employers support that additional training.

The last thing he wanted to mention was that he has heard a lot of comments on how great the fireworks were. Thank you to the St Francis Bottle Shop for sponsoring that.

Mayor Feldman said that he was in the parade and thought that was fun. He was also able to attend the Ambassador program and he just cannot commend that program enough. There was a six year old girl talking to an auditorium full of people with no hesitation. He respects and likes to see when younger people get involved at an early age. They are our future.

He also thought the fireworks were excellent. He hopes the public sees the direction the city is taking. It's moving into a progressive time right now. Staff is working well with council, and there's a group of residents that are working with council. He wishes there was more of it. We will figure out how to get the communication out there. This council works for you and there's no stone unturned.

In regards to the consent agenda tonight, and Jimmy's Pizza, he was wondering when they will be coming, and if there will be a trailer parked in the liquor muni parking lot.

Jimmy's Pizza was in attendance and stated that they are hoping to get started on Wednesday, the 20th of June. They will be there for 21 days, every day 11:00 am – 8:00 pm, carryout. Hopefully this will help the Liquor Store as well.

Feldman stated that he hopes the city sees that we are working hard for them. It was nice to go to a ground breaking ceremony. That's the first major development since 2006. We are working on a lot of other things and will bring it to the public's attention as soon as they can nail it down.

He also wanted to remind everyone that this is a campaign season. Starting June 27th you will start to see election signs out. It's part of the process. He will be going door to door coming up in July to talk about what's going on in our city and getting input from you. There are two council members, and the mayor up for re-election.

He ended by saying that July 4th is right around the corner. Be safe with fireworks but enjoy the day and what the holiday means.

12. ADJOURNMENT
Meeting adjourned at 8:09 pm

Respectfully submitted by

Lori Streich, Acct Tech/Deputy Clerk

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

WORK SESSION MINUTES
JUNE 11, 2018

Mayor Steve Feldman called the Work Session to order at 5:30 pm

Members present: Mayor Steve Feldman, Councilmembers Jerry Tveit, Joe Muehlbauer, Robert Bauer and Rich Skordahl.

Also present: Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), City Engineer Craig Jochum (Hakanson Anderson), City Administrator Joe Kohlmann, Community Development Director Kate Thunstrom.

1) Code Enforcement
Kate Thunstrom explained the Code Enforcement information as provided in the agenda packet. The City of St. Francis operates under a complaint made basis.

Mayor Feldman stated that he doesn't want to burden staff that's already busy, but he's wondering, just for now, if Public Works mixed with the Police Department could be educated on code compliance. That way, when they are already out and about and they see something that fits the criteria for code compliance, they could notify staff, and staff goes from there. This wouldn't be something they would make a special trip for, just when they are already out on their every day working routes. He's not against the idea of a Compliance Officer, but with everything else that's going on in the city, and the development that's finally starting in the city, he doesn't really want to see a budgeted line item for a seasonal part time/full time employee. He would rather see if we can work it within our own house, not to burden staff but to utilize them in areas where they are already out and about, and of course educating the public too.

Skordahl said that this is one of his pet peeves and he does not want to spend the money on a Compliance Officer. With our overall budget the way it stands today, he would rather have other services than a Code Compliance Officer until this city grows a little bit more. This is another topic that falls into the category of what's the best way to educate people. Some of these neighbors that don't like some of these properties, but don't know the process of reporting it, a Facebook post could reach some people. In our newsletter there's a "did you know" section of 5 or 6 bullet points. That list could be three times that long. He doesn't feel that what we are doing right now is working, and that's not the fault of the city. Maybe we hire a qualified person from Metro West for a week who knows what they are looking for. When you have staff that doesn't do this for a living, drive around the city, what are they supposed to look for? Would you give them a checklist? You don't want them to come back with a bunch of addresses and then give staff enough work for two days to chase them down to see if they really are issues. He thinks one step would be to try and educate people on the process for reporting anonymously. For a nominal fee, pay someone that's trained to do this kind of stuff, whether it be Metro West or another, to put together an inventory of things that really need to be addressed. He doesn't know the magic answer but doesn't feel we can afford to move towards a full time person at this point. He questioned how we compare to other cities as far as our fee schedule goes. He doesn't want to give someone a $500 fine for their first offense because if they didn't know they will get it fixed.

Thunstrom said that she hasn't directly compared our fee schedule with other cities, but 90% of the households respond to the Administrative Notice. They get the first notice and either weren't aware, or didn't see it the same way, and a lot of them do clean it up. We also have households that don't get a notice because they are not reported, and we have households that get the notice and just don't care to comply.

Bauer agreed with Skordahl that education is first and foremost. He would have liked to see how many code violations and what the workload is rather than for a seasonal or full time person and what can they accomplish. He knew this was coming down the pipes and has walked a couple of parks himself and there's some extra time out there from our Parks & Rec people. If you get a violation, you can task someone in Public Works just to drive by and see if it's the right address, if there is a violation based on our statutes, and have them knock on the door telling them what needs to be done. To him that's the first step to make sure the city is actually being aware. We don't want to get caught where someone could say that even the city didn't know, and another person comes to the city and says that they provided a letter and pictures and we did nothing. There are those neighbors that are going to constantly badger their other neighbors. There is a happy medium but he thinks they really need to concentrate on the big offenders and he doesn't think that's a full time job in the city.

Muehlbauer agrees with everyone's comments and also doesn't think we need a full time position at this point. He would be interested in any data that they come back with as far as work load. If you are talking about Public Works, the Police Department, or anybody other than someone that is fully trained in this, you would be looking at a huge grey area. Unless it's something completely obvious. It's not really their job and if they are looking for an unsafe deck they aren't able to look for what they really should be looking for. There are so many different possibilities with violations.

Tveit said that he's not in favor of having a Compliance Officer. We are currently on a complaint based system. If someone sees something they call in and it's the city's responsibility to investigate it. He stated that Thunstrom laid out three scenarios. The first being that someone would get a notice that they are not in compliance and the problem is fixed. It's not an issue at that point because the problem got fixed. The second is that there's an issue but it's not reported. He counts that as no harm, no foul. The last thing is when there's an issue and they've been given a notice of non-compliance and they ignore it. He said that our fee schedule is specifically set up to address that additional cost for that. Like with a fence, they get noticed and have 30 days or 90 days to fix it, and then they get noticed again. The longer it goes on, the more time and money we have invested into the issue. The fee structure was actually set up to address that. If they don't pay it, it gets assessed to their property. He doesn't think we need to change how we are doing it. Sometimes he wrestles with how much he thinks the city needs to get involved. We don't need to go out looking for offenses.

Feldman said that maybe it's a combination of three things. Education, prioritizing the top things we are looking for, and utilizing staff to notify if it is an obvious violation. If it's brought to our attention we have to deal with it. The question is what should be brought to our attention and how to do it. With the help of the public, yes, but at the same time he's pleased with hearing that when 90% are notified, they make the correction. It's the 10% we have to deal with. The city needs to step in when it comes to safety or liability reasons. We owe it to the public to address it.

Thunstrom will contact the local technical colleges and see if there's a chance to get an intern here for the summer. She thinks that they would have had to do that back in February but at least she can get the city's name on a list for the future.

2) <u>Riverbank Lane/Kings Hwy Street Improvement</u>
City Engineer Craig Jochum gave a power point presentation explaining the River's Edge Development project.

Mayor Feldman mentioned that they tried to get the grant money from the Minnesota State Aid Program which hadn't been funded in two years. There were over 270 cities that applied for it for a total of over $584 million dollars, and there were only $25 million dollars in play. Of that, $7.7 million dollars was in play for rural areas, not city, so we had no chance. We tried, we didn't get it and there's nothing we can do about that at this particular point. The council have discussed this through work sessions and they strongly believe that this area needs to be paved and it's gone on too long and too far.

Discussion continued with Riverbank residents regarding the three different options, signage, total costs to the residents, franchise fees and changes in property values.

Council will take the discussions from this work session, rework the numbers, update the information and bring them back to the next work session. They will look at 100% for residents for pavement and the city to pay the rest of it. Or 60%/40% and the whole project being storm water related. This is preliminary and there will be much more design before it gets to the actual work. In the meantime they need to clarify some things and will be checking with Isanti and the other areas and do what they can with them.

Feldman stated that these discussions are a good thing. What he doesn't like is having this council be blamed for 40 years of past council's negligence. He doesn't appreciate that. This council has done nothing but work with the residents and more than one occasion and have shown flexibility when they can. He's not going to worry about being threatened to get sued. He doesn't like being associated with other councils and the mistakes they made 40 years ago.

3) Other Business
NOTHING

Feldman closed the work session at 8:17 pm.

City of St. Francis

CITY COUNCIL
AGENDA REPORT
Agenda Item #:
4 C

TO: Mayor & City Council

FROM: Dave Schmidt, Fire Chief

SUBJECT: **Accept the Resignation of Firefighter Harry Everth**

DATE: 07-02-2018

OVERVIEW:

Effective 6-30-2018, Firefighter Harry Everth has tendered his resignation from the St. Francis Fire Department. Firefighter Everth first joined the organization on 10-1-2012. Firefighter Everth served the citizens and community with pride and honor and will be missed by all. Firefighter Everth is moving to Plymouth, MN.

Action to be considered:
Motion to accept the resignation of Firefighter Harry Everth.

City of St. Francis

CITY COUNCIL
AGENDA REPORT
Agenda Item #:
4 D

TO: Mayor & City Council

FROM: Dave Schmidt, Fire Chief

SUBJECT: **Accept Donation From American Legion**

DATE: 07-02-2018

OVERVIEW:

The American Legion has donated 1,000.00 dollars to the fire department. This donation is in appreciation of the fire department and all they do for the community. This donation takes on an additional sentimental status as the American Legion wanted this donation to be in name of Tony Walters, a retired St. Francis Firefighter and American Legion member who passed away earlier this year. Our intention is to use this donation to purchase every firefighter a set of Extrication Gloves.

Action to be considered:

Motion to accept a donation from the American Legion in the name of Tony Walters for the amount of 1000.00 dollars to be used to purchase Extrication Gloves for every firefighter.

City of
St. Francis

CITY COUNCIL
AGENDA REPORT
Agenda Item #:
4 E

TO: Joe Kohlmann, City Administrator

FROM: Paul Teicher, Public Works Director

SUBJECT: **Information on Routine Equipment Maintenance; Generator Load Bank Testing**

DATE: 7-4-2018

OVERVIEW:

Every two years, the City performs a maintenance procedure called "load bank testing or load banking" on all seven emergency generators. Load bank testing is essentially connecting a large heater coil to the generator for two hours and running the unit to 100 percent full power. This procedure serves several purposes. The first is to make sure that the generator can sustain running at 100 percent load in an emergency situation. The second reason is to catch any irregularities of operating at full power and to prevent any carbon or oil deposit build-up called wet stacking. This maintenance also helps to ensure the generators assigned as "peak-shaving" with Connexus Energy will perform properly so the City can receive rebates or credits from our energy provider.

ACTION TO BE CONSIDERED:

Council authorizes the approval of quotes.

BUDGET IMPLICATION:

None, this is an annual budgeted item in our yearly operation and maintenance budgets, typically approved by Council every December.

Attachments: Quotes from Pioneer Critical Power Inc. and Kodiak Power Systems Inc.

KODIAK
POWER SYSTEMS

QUOTE

☐ Maintenance ☐ Repair ☒ Other

From:	To:	
Kodiak Power Systems Inc.	*Name*	Parish Barten
Power Generation Maintenance & Repair	*Company*	City of St. Francis -Public Works
P.O Box 10555	*Address*	4058 St. Francis Blvd NW
White Bear Lake, MN 55110	*City*	St. Francis, MN 55070
612-508-8424	*Phone*	320-333-6830
mproulx@kodiakpowerstems.com	*email*	
Type of Quote	☐ *Estimate Only* ☒ *Firm Price* ☐ *Time & Material*	

Salesperson	*Job Description*	*Payment Terms*
MJP	Provide (7) 2-hour Resistive Load Bank Tests w/ reports on the units listed	*15-Net*

Item	*Qty*	*Item Description*	*$ Line Total*
1	1	Rivers Edge Lift Station- 100kw	850.00
2	1	Ambassador Lift Station- 60kw	850.00
3	1	Fire Department- 40kw	850.00
4	1	Water Plant -600kw	1990.00
5	1	Waste Water Plant -700kw	1990.00
6	1	Police Department/Public Works- 600kw	1990.00
7	1	Portable Genset - 60kw	850.00
		Includes pre-run inspection prior to testing. Any decrepencies found prior to	
		testing which require repair may result in additional charges and rescheduling fee's	
Travel Time		Hrs. @ 55.00/Hour	
Travel Miles		Miles @ .80/ Mile	
EPA Charge		2% on Parts	
Misc. Charges		Description	

Sub-Total	9370.00
Sales Tax	na
Discount %	
Total	$ 9,370.00

Terms: Prices are firm through December 31 2018. Sales tax (if applicable is additional) Prices quoted are per service event, and based on performing services during regular business hours (7:00am to 4:00pm) Monday through Friday, excluding holidays. Technicians and other reports will be furnished via e-mail. Additional repairs (if any), will be quoted separately and subject to approval. Payment terms are 15 days-Net from receipt of invoice. Kodiak Power Systems is not responsible for: Providing a rental generator used during repairs, building electrical systems, fuel piping or fuel tanks, fuel gas piping, gas regulators, gas meters, damage caused by customer abuse, lack of regular maintenance, overloading beyond rated capacity, vandalism, acts of nature, hidden damage discovered after disassembly of components not initially evident or any other unforeseen damage. *Includes:* The above list of proposed maintenance or repair includes all parts, labor, travel, environmental fees, and shop supplies as quoted. Warranty 60-days on Parts – 180-days on Labor

Please countersign where indicated below to affirm your acceptance of the terms herein, or furnish a formal Purchase Order reflecting prices and terms quoted herein.
Thank you for your business!! Michael J. Proulx - owner

Customer PO #	*Signature:*
Date:	
Tax Exempt #	

Load Banking Total Quote:

City of St. Francis

Date of Quote:	06/26/18
Quote Expires:	30 Days
Generator Des:	Qty.(7) Generators located throughout St. Francis, MN
Location:	St. Francis, MN
Attn:	Parish Barten
Service Level:	**Load Bank Testing (2hr)**
Service Description	Preventative Maintenance Services to be performed per the schedule set-forth. Maintenance Standards and Additional Terms and Conditions details below.

		1-Yr Load Bank Agreement	Approx. Service Dates
		Portable: $850.00 *Water Plant*: $1,266.00 *Ambassador LS:* $785.00 *Public Works:* $1,266.00 *Waste Water*: $1,416.00 *Fire Dept:* $688.00 *River's Edge LS*: $785.00	**TBD**
		Load Bank: $7,056.00	
		initials _______	

Each visit will be billed according to the type of visit completed and will be invoiced after the work has been performed per Titan Energy Systems Inc. Additional Terms and Conditions. The field service report will be sent following the invoice and available at customer's request. Tax not included, where applicable.

Cancellations will only be accepted in writing and must be received 60 days prior to the next scheduled service. There will be a cancellation fee equal to 10% of the remaining agreed amount.

Companies that sign a maintenance contract are offered a discount of 10% on repair labor charges, repair travel charges (mileage not included) and repair parts.

Upon acceptance, please sign below and send via email to the address listed below. We appreciate your business and look forward to assisting you in all of your power generation needs in the future.

Accepted by (in accordance with attached Additional Terms and Conditions):

Signature________________________________ **Date**______________________________

Printed ________________________________ **Title**______________________________

Adam Humphries | Service Sales
Direct: (612)-723-8773 | Fax: 952-938-3290 | E-Mail: ahumphries@pioneercriticalpower.com
9210 Wyoming Avenue N Suite 250 | Brooklyn Park, MN 55445 | 952-960-2371

City of St. Francis

CITY COUNCIL
AGENDA REPORT
Agenda Item #:
4F

TO: Mayor & City Council

FROM: Joe Kohlmann, City Administrator

SUBJECT: **General Fund Transfer to Street Fund**

DATE: July 2nd, 2018

OVERVIEW:

The City amended the assessment policy and adopted the attached street maintenance plan in the CIP. The major impacts of these changes will result in the City paying cash for street projects on paved roads. The City will not be assessing the street portion of road projects, including mill/overlays and reconstructions. There are still potential assessments for utility work and stormwater improvements. However, a majority of all improvement costs would likely be associated with street maintenance. Finally, the excerpt of the attached plan inventories street conditions for every city street and outlines a timeframe to conduct the appropriate maintenance to ensure the longest preservation of the city's assets *(as seen in the pavement life attachment)*.

In order to accomplish moving to cash payments for road improvements, the City must transfer excess fund balance in the General Fund to the Street CIP.

The recommended and proposed transfer amount is **$1,400,000**.

Currently, the City has a General Fund Balance of **$3,884,013** which equals **94%**.

The $1,400,000 transfer will reduce to the Fund Balance to **$2,484,013** or **60%**.

The State Auditor recommends a fund balance of **35% - 50%**.

The Fund Balance will have a cushion of **$409,577** from **60%** to **50%**.

Staff recommends leaving this excess of **10%** beyond the State Auditor's recommendation in place for the following uses:

1) Working Capital
2) Unforeseen budgeting/cash flow circumstances
3) Economic Development opportunities

Note: the resolution also closes out previous street funds that have been completed.

ACTION TO BE CONSIDERED:
Adopt **Resolution 2018-23 Transfer from General Fund to Street Fund.**

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

RESOLUTION 2018-23

TRANSFER FROM GENERAL FUND TO STREET FUND

BE IT RESOLVED that the City Council of the City of St. Francis hereby approve the following transfers of funds:

	FROM	TO	PURPOSE	AMOUNT
1	General Fund	Street Fund	Street Improvements	$1,400,000.00
	Rum River Bluffs	Street Fund	Street Improvements	127,737.39
	Pederson Drive	Street Fund	Street Improvements	(32,308.75)
	Total			1,495,428.64

1. To establish a Street Fund for future street improvements.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF ST. FRANCIS THIS 2ND DAY OF JULY, 2018.

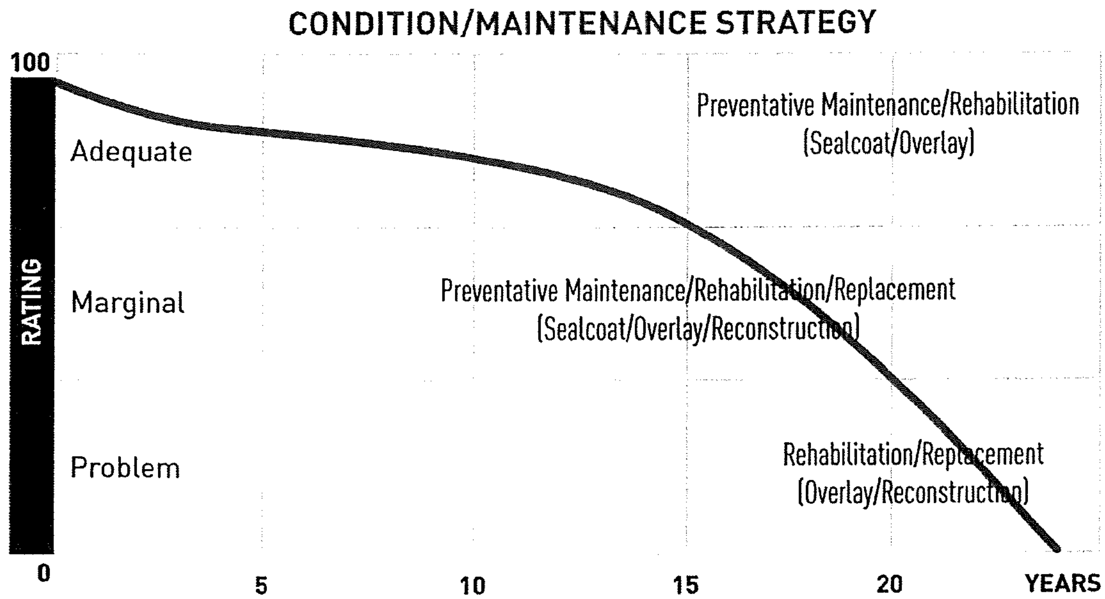
APPROVED:

Steven D. Feldman, Mayor

ATTEST:

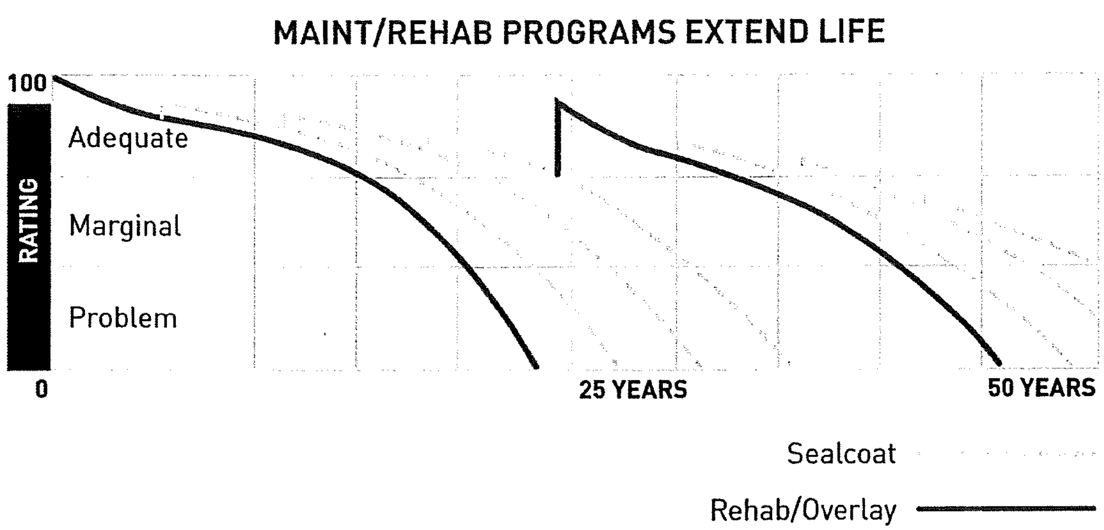
Barbara I. Held, City Clerk

ESTIMATED PAVEMENT LIFE CYCLE



Criteria for selection of sealcoat/overlay/reconstruction is based on the combined evaluation of the following:

- Street surface condition rating
- Existence of concrete curb and gutter
- Existence of storm sewer
- Edge drainage control/grade of street
- Subbase and subsoil condition
- Storm sewer condition
- Sanitary sewer main and services condition
- Water main and services condition
- Private utilities (electric, gas, telephone, cable TV) condition



City of St. Francis
Street Fund-Tax Levy

		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
General Fund Transfer		$ 1,400,000.00											
Rum River Bluffs Fund		$ 124,737.39											
Pederson Drive		$ (32,308.75)											
Tax		$ 60,000.00	$ 120,000.00	$ 180,000.00	$ 240,000.00	$ 300,000.00	$ 360,000.00	$ 420,000.00	$ 480,000.00	$ 540,000.00	$ 600,000.00	$ 660,000.00	$ 720,000.00
Right of Way Permits		$ -	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00	$ 1,500.00
General Fund Paid		$ 126,540.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special Assessments		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Municipal Maintenance		$ -	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00	$ 115,000.00
Municipal Construction		$ 112,500.00	$ 1,480,000.00	$ 225,000.00	$ 125,000.00								
Total		$ 1,791,468.64	$ 1,716,500.00	$ 521,500.00	$ 481,500.00	$ 416,500.00	$ 476,500.00	$ 536,500.00	$ 596,500.00	$ 656,500.00	$ 716,500.00	$ 776,500.00	$ 836,500.00
Expenditures:													
Sealcoating/crack filling													
District 1	CIP-PW-001					$ 231,435.00		$ 175,000.00					
District 2	CIP-PW-001	$ 126,540.00							$ 175,000.00				
District 3	CIP-PW-001		$ 103,230.00							$ 175,000.00			
District 4	CIP-PW-001			$ 206,460.00							$ 175,000.00		
District 5	CIP-PW-001				$ 250,520.00							$ 175,000.00	
Off Year	CIP-PW-001						$ 100,000.00						
Rehab/Overlay													
Guarani/230th/Jivaro/Pederson/Makah	CIP-PW-002	$ 202,500.00											
Stark/Zea/Yucca/233rd/227th Ct/Vintage/Woodbine/232nd/227th/226th/Tulip /225th Lane	CIP-PW-002		$ 448,750.00										
230th Lane/Flora/Arrowhead/230th Lane/229th/235th	CIP-PW-002			$ 303,750.00									
Tamarack-North Half	CIP-PW-002				$ 125,000.00								
Street Reconstruction													
Butterfield/232/229th/Poppy/229th/227th	CIP-PW-003		$ 1,155,000.00										
239th/245th/47 to Kings Highway	CIP-PW-003				$ 1,190,000.00								
Downtown Parking Lot	CIP-PW-004		$ 135,000.00										
Routine Asphalt Repair & Maintenance			$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00	$ 35,000.00
Gravel Repair & Maintenance			$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00	$ 30,000.00
Engineering			$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00	$ 10,000.00
ROW-Engineering			$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00	$ 4,000.00
Paving Gravel													
Total Expenditures		$ 329,040.00	$ 1,920,980.00	$ 589,210.00	$ 1,644,520.00	$ 310,435.00	$ 179,000.00	$ 254,000.00	$ 254,000.00	$ 254,000.00	$ 254,000.00	$ 254,000.00	$ 79,000.00
Difference		$ 1,462,428.64	$ (204,480.00)	$ (67,710.00)	$ (1,163,020.00)	$ 106,065.00	$ 297,500.00	$ 282,500.00	$ 342,500.00	$ 402,500.00	$ 462,500.00	$ 522,500.00	$ 757,500.00
Beginning Cash Balance		$ -	$ 1,462,428.64	$ 1,257,948.64	$ 1,190,238.64	$ 27,218.64	$ 133,283.64	$ 430,783.64	$ 713,283.64	$ 1,055,783.64	$ 1,458,283.64	$ 1,920,783.64	$ 2,443,283.64
Ending Cash Balance		$ 1,462,428.64	$ 1,257,948.64	$ 1,190,238.64	$ 27,218.64	$ 133,283.64	$ 430,783.64	$ 713,283.64	$ 1,055,783.64	$ 1,458,283.64	$ 1,920,783.64	$ 2,443,283.64	$ 3,200,783.64

Paving Gravel is unfunded at this time.

		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Municipal State Construction Funds $	860,045.91	$ 347,083.00	$ 372,853.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00	$ 347,083.00
		$ (112,500.00)	$ (1,480,000.00)	$ (225,000.00)	$ (125,000.00)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
		$ 1,094,628.91	$ (12,518.09)	$ 109,564.91	$ 331,647.91	$ 678,730.91	$ 1,025,813.91	$ 1,372,896.91	$ 1,719,979.91	$ 2,067,062.91	$ 2,414,145.91	$ 2,761,228.91	$ 3,108,311.91

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY
SPECIAL MEETING MINUTES
JUNE 25, 2018

Mayor Steve Feldman called the Special Meeting to order at 5:35 pm.

Members present: Mayor Steve Feldman, Councilmembers Jerry Tveit, Joe Muehlbauer, Robert Bauer and Rich Skordahl.

Also present: City Administrator Joe Kohlmann, Assistant City Attorney Dave Schaps (Barna, Guzy & Steffen), Assistant City Engineer Shane Nelson (Hakanson Anderson), Public Works Director Paul Teicher.

1) American Tower Lease
Asst. City Attorney Schaps explained the resolution approving the lease amendment with American Tower Asset Sub, LLC as described in the packet.

Tveit said that he thinks it would be foolish not to move forward with this. Money doesn't grow on trees and $20,000 is $20,000. We've already approved the plans, and they haven't changed.

Bauer understands the 125 square feet, but doesn't understand why the rush? Is there an increased property value that the 125 square feet brings? He doesn't have a problem with it. He just wants to know that it's legal and covered.

MOTION TO ADOPT THE RESOLUTION 2018-22 APPROVING THE LEASE AMENDMENT WITH AMERICAN TOWER ASSET SUB LLC BY BAUER, SECONDED BY MUEHLBAUER; ALL IN FAVOR, MOTION PASSES.

Feldman continued the discussion and stated that we are talking about a siren for $24,000. When this was originally talked about, there was going to be a $60,000 one time charge that it was going to be put into the capital improvement fund for future expenditures. Now it's $80,000. He would like to see if the council would consider the fact that they will have $24,000 in the material cost for the siren, plus another $1,000 or so for Connexus to hook it up, so $25,000 total. He doesn't know if the grant will ever come into fruition over time, but what he does know is there is a dead zone because of the city's expansion since 1996, and in his opinion there is a need for another siren in that area to obtain a larger range of emergency notifications. If a siren saves just one family from any hazard, it's worth $25,000 to him. This is the goose that laid the golden egg. We could take $25,000 from this $80,000, put $55,000 into the Capital Improvement Fund, and get our siren sooner than later.

Skordahl asked if the sirens were in the Capital Improvement Plan. They will fail some day and we should try to figure out a plan to deal with that 20 years down the line. He did not realize that they were that expensive.

Skordahl also mentioned that he had remembered a conversation they had at a previous council meeting where they were going to use this antenna money to pay something else off.

Tveit said that he's not opposed to doing this. At the last council meeting it was agreed that they would wait and see if they could get a grant. He would hate to find out that there is money available, but since you already spent the money you aren't able to get reimbursed. If grant money is not available, he definitely agrees they should do it. If it were him though, he would first exhaust the avenues of looking at a grant first. The area has never been covered and people aren't expecting it to be covered right now, so he doesn't think we are losing anything by checking the options.

Feldman said he doesn't want to be in a rush to do this either. He only brought up the idea because of the timing and it wasn't something they saw coming. If we exhaust it and can't find it, at least we have the funds available.

Bauer questioned the location of the tower and also mentioned the fact that if it's county ran, why not get county tax money to facilitate adding one. He's not opposed to adding one because there is that need.

Council agreed to direct staff to look at grant dollars, federal, state or county, and come back to council with a timeframe and availability. Council would then take it from there and make a decision based on those findings. Either way there's funding in place if we can't get grant money.

2) Riverbank Lane/Kings Hwy Street Improvement

Feldman started off the discussion by explaining all scenarios as described in the packet. Scenario #2C leaves us vulnerable to litigation. He thinks it's important that we do not change our policy. Our City Planner, Ben Gozola of Sambatek has warned us about the idea of changing policies and ordinances. We don't want to start a precedent because there are nine miles of gravel roads in the city and once this gets done, residents living on those roads will be talking about it on their end.

Feldman worked out another option that he would like to present to council. His option is almost like Scenario 2C, but taking out the maintenance part of storm water. The old total as of October 17th was $461,079. The new total is $482,600. His proposal is 50% city, 50% residents. $156,524 pavement, plus $326,076 storm water. City portion of the new storm water amount would be $195,645.60 which would be 60% of that storm water amount. Resident's portion of the new storm water amount, plus pavement assessed would be $286,954, which is 40% of the storm water, 100% of the pavement.

The benefits of this new option are that the city is consistent with the current storm water assessment policy, fill and upgradable to both residents and the city, less funds used from the dedicated storm water fund, and no precedence started.

Bauer said that he understands what Feldman is saying about the numbers in Scenario 2C, but you also have to look at the numbers on Scenario 2A. If you tell the residents you are going to do this at 50% / 50%, that negates our policy of 60% / 40% any way you look at it.

Tveit said that he gets frustrated when he hears of a resident getting pulled over by a police officer and the resident telling them that their taxes pay their wages. In reality, only pennies of their taxes are going towards their wages. This is a similar situation. The amount of money that these 29 residents will be paying with their taxes towards this street is really compared to about one day of grading. That grader costs a lot of money. And it's not just the time for the grader, we had to purchase the grader. There's maintenance and storage on the grader. Then we have to add in the employee's time. This stuff is expensive. The amount of money that they are paying in taxes is not enough for this project, even if 100% of their tax dollars went just for this project, and it doesn't. Their tax dollars are going towards police & fire service, general government, the administrative part of it, etc. Now if you start taking all of those items off the amount they pay in city taxes each year, and how much actually goes into street maintenance, then divide it out by population and how much ends up going to their street, they are nowhere near even a quarter of this expense. So that bothers him a lot when people say that they pay their taxes all the time and get nothing for it. It may be a good idea to have the numbers available for residents to see the breakdown of where their tax dollars are going.

Tveit is not opposed to doing any of these projects, and would like to stick to our policy and not set a precedence because he doesn't want anyone coming back saying that anyone was treated special. He also has a loyalty to the other citizens in the city. As a citizen, he doesn't want to pay for their road. He gets no benefit by paving their road. His neighbors do not get a benefit by paving their road. He's trying to balance the benefit for the people living on that road with the 7400 other citizens that live in St. Francis that aren't getting a benefit from this.

Skorahl said that it's been agreed that they all want to stay in policy. Policy tells us that storm sewer improvements completed by the city shall be assessed at 40% resident, 60% city for the total storm water improvement cost. To him, that's one end of the spectrum. The city council may consider increasing the city contribution by utilizing the funds from the storm water utility fund. At one end of the spectrum you can look at it like they pay for the pavement and we pick up everything else. Or, they pay for the pavement and then we divide it up 60% / 40%. Somewhere in the middle lies something else. It sounds like what Mayor Feldman did was try to find something in between the two. He's not sure if 50% / 50% is the right answer or not. One thing that he thinks didn't happen well at the last meeting was that emotions ran a lot of the discussion. We have to find a way to take the emotion out of it. We need to state the facts and explain that we will be staying within policy and let them know what we can do.

Muehlbauer agreed with Skordahl that they just need to lay it out to the residents with the facts.

Kohlmann explained that if you were to call this a street resurfacing project on the most expensive end, you assess 100% of the cost with no question of the entire project, the city doesn't even pick up one dime. If it's a storm water project, which it looks like that's what we are classifying it as, then council has the benchmarks of 60% / 40% on it, but you also have the attitude that you can pay 100% of it. You basically have one extreme to the other on what you are willing to pay for depending on how you classify it.

Feldman said that pavement alone, without the ditches, culverts and holding ponds will not solve this problem. It will just make water run off faster in some other place. He just wants to put this one to rest once and for all so they can move on to other projects. They've put more than enough time into it.

Engineer Nelson said that Scenario 2A best lines up with the city policy.

They discussed the option of annexation within the city. Kohlmann suggested asking Asst. City Attorney Schaps to write up a memo on annexation and what it may or may not mean for this situation.

Kohlmann brought up another issue that there are a couple properties that have two lots and whether or not they will receive two assessments.

Council agreed that the residents will be assessed 100% of the pavement costs, plus they will be assessed 26% of storm water improvements, 74% of storm water improvements will be paid by the city.

Meeting adjourned at 7:05 pm.

City of St. Francis

CITY COUNCIL
AGENDA REPORT
Agenda Item #:
4 H

TO: Joe Kohlmann, City Administrator

FROM: Darcy Mulvihill, Finance Director

SUBJECT: Bill List to be considered by Council

DATE: 06/28/2018

OVERVIEW:

Attached are the bills received since the last council meeting. Total checks to be written are $204,294.11 plus any additional bills that are handed out on Monday night. Also to be approved are the June Manual Checks of $354.00.

ACTION TO BE CONSIDERED:

Approved under consent agenda to allow Finance Director to draft checks or ACH withdrawals for the attached bill list. Please note additional bills may be handed out at the council meeting.

BUDGET IMPLICATION:

City bills

Attachments:

- 07-02-2018 Packet List
- 07-02-2018 Other Checks

City of St. Francis

06/28/2018 1:00 pm

PAYMENT BATCH AP 07-02-18

ALWAYS BRIGHT LIGHTS LTD

06/13/2018	733	E 101-45230-311	Contract	REMOVE PIONEER DAYS BANNI	250.00
					$250.00

ARK TOWING AND RECOVERY

06/11/2018	89336	E 101-42110-441	Miscellaneous	FORFEITURE 2006 HONDA	124.00
					$124.00

ASPEN MILLS

06/14/2018	218337	E 101-42210-437	Uniform Allowance	UNIFORMS-WENTWORTH	41.95
06/14/2018	218338	E 101-42210-437	Uniform Allowance	UNIFORMS-PHELPS L	28.50
06/14/2018	218339	E 101-42210-437	Uniform Allowance	UNIFORMS-HERBST	94.90
06/14/2018	218340	E 101-42210-437	Uniform Allowance	UNIFORMS-PHELPS L	159.70
06/14/2018	218341	E 101-42210-437	Uniform Allowance	UNIFORMS-GOERS	41.95
06/14/2018	218342	E 101-42210-437	Uniform Allowance	UNIFORMS-HUGHES	41.95
					$408.95

BAUER BUILT INC.

06/15/2018	940051459	E 101-42110-221	Vehicle Repair & Maintenance	TIRES	129.10
					$129.10

BELLBOY CORPORATION

06/19/2018	64678900	E 609-49751-206	Freight and Fuel Charges	FREIGHT	34.10
06/19/2018	64678900	E 609-49751-251	Liquor For Resale	LIQUOR	2,685.41
06/19/2018	97783300	E 609-49750-210	Operating Supplies	OP SUPPLIES	273.00
06/19/2018	97783300	E 609-49751-206	Freight and Fuel Charges	FREIGHT	5.52
06/19/2018	97783300	E 609-49751-254	Miscellaneous Merchandise	OP SUPPLIES	53.60
					$3,051.63

BERNICK COMPANIES, THE

06/08/2018	431346	E 609-49751-252	Beer For Resale	BEER	148.00
06/15/2018	432780	E 609-49751-252	Beer For Resale	BEER	148.00
06/22/2018	434243	E 609-49751-252	Beer For Resale	BEER	149.60
					$445.60

BREAKTHRU BEVERAGE

06/14/2018	1080814871	E 609-49751-206	Freight and Fuel Charges	FREIGHT	20.15
06/14/2018	1080814871	E 609-49751-251	Liquor For Resale	LIQUOR	1,009.06
06/14/2018	1080814871	E 609-49751-253	Wine For Resale	WINE	17.43
06/21/2018	1080818371	E 609-49751-206	Freight and Fuel Charges	FREIGHT	73.16
06/21/2018	1080818371	E 609-49751-251	Liquor For Resale	LIQUOR	3,849.21
06/21/2018	1080818371	E 609-49751-253	Wine For Resale	WINE	480.00
					$5,449.01

BROTHERS FIRE PROTECTION CO

06/15/2018	107670	E 101-42210-401	Repairs/Maint Buildings	FD ALARMS	277.50
					$277.50

CAPITOL BEVERAGE SALES, L.P

06/11/2018	2115768	E 609-49751-252	Beer For Resale	BEER	409.50
					$409.50

CINTAS

06/19/2018	4006869762	E 602-49490-417	Uniform Clothing & PPE	UNIFORMS	9.31
					$9.31

CLARK EQUIPMENT					
06/05/2018	975152	E 402-43100-552	Toolcat	BOBCAT TOOLCAT	23,615.62
					$23,615.62
CMI, INC.					
06/07/2018	8013405	E 101-42110-237	Small Equipment	MOUTH PIECES	81.36
					$81.36
COLLIER, SHANNON					
05/20/2018	2341	G 601-22200	Deferred Revenues	REFUND ACCT #2341	182.07
					$182.07
COLONIAL INSURANCE					
06/25/2018	7129661-0705437	G 101-21712	Colonial Insurance	JULY INSURANCE	371.24
					$371.24
CONNEXUS ENERGY					
06/21/2018	06180	E 101-41940-381	Electric Utilities	CITY HALL	392.66
06/21/2018	06180	E 101-41940-381	Electric Utilities	SIGN	97.58
06/21/2018	06180	E 101-42110-381	Electric Utilities	SIREN	5.00
06/21/2018	06180	E 101-42110-381	Electric Utilities	SIREN	5.00
06/21/2018	06180	E 101-42110-381	Electric Utilities	POLICE/PW	1,062.02
06/21/2018	06180	E 101-42210-381	Electric Utilities	FIRE	609.55
06/21/2018	06180	E 101-43100-381	Electric Utilities	POLICE/PW	265.51
06/21/2018	06180	E 101-43100-386	Street Lighting	STREET LIGHTS	2,467.83
06/21/2018	06180	E 101-45200-381	Electric Utilities	POLICE/PW	265.51
06/21/2018	06180	E 101-45200-381	Electric Utilities	PARKS	400.03
06/21/2018	06180	E 601-49440-380	Electric-System	WATER	5,307.46
06/21/2018	06180	E 601-49440-381	Electric Utilities	POLICE/PW	265.51
06/21/2018	06180	E 602-49490-381	Electric Utilities	POLICE/PW	265.49
06/21/2018	06180	E 602-49490-381	Electric Utilities	WWTP	9,675.30
06/21/2018	06180	E 602-49490-381	Electric Utilities	LIFT STATIONS	891.93
06/21/2018	06180	E 609-49750-381	Electric Utilities	LIQUOR STORE	1,166.85
07/13/2018	454468	E 101-45230-311	Contract	ELECTRIC	245.05
					$23,388.28
CORE & MAIN					
06/07/2018	I961781	E 601-49440-237	Small Equipment	SUBSURFACE MAG LOCATOR	586.29
06/07/2018	I961781	E 602-49490-237	Small Equipment	SUBSURFACE MAG LOCATOR	586.29
					$1,172.58
COUNTRY SIDE SERVICES					
06/15/2018	1-101092-01	E 402-43100-550	Vehicles	EQUIPMENT FOR TRUCK	4,629.78
					$4,629.78
CRYSTAL SPRINGS ICE					
06/09/2018	003.B006849	E 609-49751-254	Miscellaneous Merchandise	MISC	107.50
06/12/2018	003.B006893	E 609-49751-254	Miscellaneous Merchandise	MISC	131.14
06/16/2018	003.B006963	E 609-49751-254	Miscellaneous Merchandise	MISC	130.26
06/19/2018	002.B003640	E 609-49751-254	Miscellaneous Merchandise	MISC	66.42
06/23/2018	002.B003700	E 609-49751-254	Miscellaneous Merchandise	MISC	172.26
					$607.58
DAHLHEIMER DIST. CO. INC.					
06/13/2018	179089	E 609-49751-252	Beer For Resale	BEER	11,048.00
06/13/2018	179089	E 609-49751-254	Miscellaneous Merchandise	MISC	264.00
06/20/2018	1352110	E 609-49751-252	Beer For Resale	BEER	9,288.95
06/20/2018	1352110	E 609-49751-255	N/A Products	N/A	26.05
					$20,627.00
DELL MARKETING L.P.					
05/22/2018	10243560852	E 402-41400-560	Computers	LORI'S COMPUTER	565.00
					$565.00
DELTA DENTAL					
06/15/2018	7321400	G 101-21711	Dental Insurance	JULY PREMIUM	1,156.95
					$1,156.95

DOOR SERVICE COMPANY					
06/07/2018	1002-10466	E 101-42210-401	Repairs/Maint Buildings	FD GARAGE DOOR REPAIRS	4,743.00
					$4,743.00
EAGLE GARAGE DOOR CO.					
06/18/2018	5010	E 101-42210-401	Repairs/Maint Buildings	PARTS & LABOR	265.00
					$265.00
ELITE SANITATION					
06/11/2018	24841	E 101-45230-311	Contract	PIONEER DAYS	2,323.00
					$2,323.00
EMERGENCY MEDICAL PRODUCTS					
06/27/2018	062718	E 101-42210-217	Other Operating Supplies	CURAPLEX FINGER PULSE OXIN	100.49
					$100.49
F.I.R.E.					
06/27/2018	3374	E 101-42210-208	Training and Instruction	VENTILATION CLASS/SIMULATO	1,200.00
					$1,200.00
FERRELLGAS					
06/20/2018	1101691897	E 101-43100-217	Other Operating Supplies	CYLINDER RENTAL	61.42
					$61.42
GRANITE CITY JOBBING CO.					
06/12/2018	94462	E 609-49751-206	Freight and Fuel Charges	FREIGHT	4.25
06/12/2018	94462	E 609-49751-256	Tobacco Products For Resale	TOBACCO	2,727.64
					$2,731.89
HACH COMPANY					
06/08/2018	10996068	E 601-49440-217	Other Operating Supplies	PHOSVER 3 PWD	162.15
06/23/2018	315154896	G 602-16500	Construction in Progress	SUPPLIES	5,149.84
					$5,311.99
HAKANSON ANDERSON ASSOC., INC.					
06/14/2018	40114	G 803-22102	Esc-Meridian Beh Health	MERIDIAN BEHAVIORAL HEALTH	425.00
06/14/2018	40115	G 803-22154	ALS-WOODHAVEN COND USE	WOODHAVEN 6TH	1,458.00
06/14/2018	40116	G 803-22043	Esc-River s Edge/Siwek	RIVERS EDGE	5,509.75
06/14/2018	40117	E 101-43100-303	Engineering Fees	MUNICIPAL STATE AID	27.01
06/14/2018	40118	E 603-49490-303	Engineering Fees	MS4 PERMIT	168.00
06/14/2018	40119	E 101-43100-303	Engineering Fees	GEN ENGINEERING	1,903.23
06/14/2018	40119	G 803-22158	ESC-BROOKSIDE-241ST DRIVEV	GEN ENGINEERING	206.00
06/14/2018	40120	E 101-41910-303	Engineering Fees	ROUTINE SERVICES	266.67
06/14/2018	40120	E 101-43100-303	Engineering Fees	ROUTINE SERVICES	266.67
06/14/2018	40120	E 101-45200-303	Engineering Fees	ROUTINE SERVICES	266.67
06/14/2018	40120	E 601-49440-303	Engineering Fees	ROUTINE SERVICES	266.67
06/14/2018	40120	E 602-49490-303	Engineering Fees	ROUTINE SERVICES	266.67
06/14/2018	40120	E 603-49490-303	Engineering Fees	ROUTINE SERVICES	266.65
06/14/2018	40121	E 101-42400-303	Engineering Fees	MUNICIPAL REVIEW	1,034.00
06/14/2018	40122	E 101-43100-303	Engineering Fees	UTILITY PERMIT REVIEWS	1,420.25
06/14/2018	40123	E 601-49440-303	Engineering Fees	2040 COMP PLAN UPDATES	1,725.75
					$15,476.99
IDEAL SERVICE, INC					
06/01/2018	9354	E 602-49490-229	Project Repair & Maintenance	PM SERVICE	1,225.00
					$1,225.00
INNOVATIVE OFFICE SOLUTIONS, L					
06/19/2018	IN2089565	E 101-42110-200	Office Supplies	OFFICE SUPPLIES	54.30
06/21/2018	IN2092385	E 101-41400-200	Office Supplies	OFFICE SUPPLIES	98.28
					$152.58
ISD #15					
06/07/2018	3819	E 601-49440-221	Vehicle Repair & Maintenance	2011 RAM PICKUP	479.07
06/13/2018	3822	E 101-42110-221	Vehicle Repair & Maintenance	2017 DODGE CHARGER	466.41
					$945.48

JJ TAYLOR DISTRIBUTING					
06/13/2018	2855813	E 609-49751-206	Freight and Fuel Charges	FREIGHT	3.00
06/13/2018	2855813	E 609-49751-252	Beer For Resale	BEER	685.11
06/20/2018	2855862	E 609-49751-206	Freight and Fuel Charges	FREIGHT	3.00
06/20/2018	2855862	E 609-49751-252	Beer For Resale	BEER	1,622.45
					$2,313.56
JOHNSON BROS WHLSE LIQUOR					
05/29/2018	681767	E 609-49751-206	Freight and Fuel Charges	FREIGHT	(1.83)
05/29/2018	681767	E 609-49751-251	Liquor For Resale	LIQUOR	(175.00)
06/13/2018	1031825	E 609-49751-206	Freight and Fuel Charges	FREIGHT	92.63
06/13/2018	1031825	E 609-49751-251	Liquor For Resale	LIQUOR	4,473.50
06/13/2018	1031826	E 609-49751-206	Freight and Fuel Charges	FREIGHT	15.70
06/13/2018	1031826	E 609-49751-253	Wine For Resale	WINE	408.35
06/13/2018	1031827	E 609-49751-252	Beer For Resale	BEER	123.00
06/20/2018	1037649	E 609-49751-206	Freight and Fuel Charges	FREIGHT	25.38
06/20/2018	1037649	E 609-49751-251	Liquor For Resale	LIQUOR	1,617.88
06/20/2018	1037650	E 609-49751-206	Freight and Fuel Charges	FREIGHT	31.40
06/20/2018	1037650	E 609-49751-253	Wine For Resale	WINE	1,113.80
					$7,724.81
LEPAGE & SONS					
06/17/2018	44391	E 101-45230-311	Contract	PIONEER DAYS	669.48
					$669.48
LINDALA, KASEY & HEATHER					
05/20/2018	4815	G 601-22200	Deferred Revenues	REFUND ACCT #4815	27.04
					$27.04
MCDONALD DIST CO.					
06/12/2018	112-0333	E 609-49751-252	Beer For Resale	BEER	(33.20)
06/12/2018	449930	E 609-49751-252	Beer For Resale	BEER	4,951.70
06/12/2018	449930	E 609-49751-255	N/A Products	NA	84.75
06/13/2018	450174	E 609-49751-252	Beer For Resale	BEER	86.00
06/18/2018	449094	E 609-49751-252	Beer For Resale	BEER	3,190.00
06/19/2018	112-0343	E 609-49751-252	Beer For Resale	BEER	(68.64)
06/19/2018	450815	E 609-49751-252	Beer For Resale	BEER	9,407.00
06/19/2018	450815	E 609-49751-255	N/A Products	N/A	22.35
					$17,639.96
METRO SALES, INC.					
05/25/2018	INV086450	E 101-41400-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 101-42110-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 101-42400-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 101-43100-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 101-45200-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 601-49440-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 602-49490-200	Office Supplies	COPIES	112.23
05/25/2018	INV086450	E 609-49750-200	Office Supplies	COPIES	112.27
					$897.88
MN FIRE CERTIFICATION BOARD					
06/20/2018	5727	E 101-42210-208	Training and Instruction	FIREFIGHTER I & II - PHELPS	100.00
					$100.00
NORTHERN LIGHTER PYROTECHNICS,					
06/26/2018	060918	E 101-45230-311	Contract	FIREWORKS 2018	10,000.00
					$10,000.00
NOVAK-FLECK, INC.					
05/20/2018	5328	G 601-22200	Deferred Revenues	REFUND ACCT #5328	4.21
					$4.21
OPUS 21					
06/15/2018	180462	E 601-49440-382	Utility Billing	UTILITY BILLING	1,567.24
06/15/2018	180462	E 602-49490-382	Utility Billing	UTILITY BILLING	1,567.24
06/15/2018	180557	E 601-49440-382	Utility Billing	UTILITY BILLING	1,579.46
06/15/2018	180557	E 602-49490-382	Utility Billing	UTILITY BILLING	1,579.45

					$6,293.39
PACE ANALYTICAL SERVICES					
06/11/2018	181294458	E 602-49490-313	Sample Testing	SAMPLE TESTING	291.50
06/14/2018	181294700	E 602-49490-313	Sample Testing	SAMPLE TESTING	254.50
					$546.00
PAUL EMMERICH CONSTRUCTION					
06/25/2018	10789	G 803-22000	Deposits	REF ESC 23508 VINTAGE CT	4,800.00
					$4,800.00
PAUSTIS WINE COMPANY					
06/11/2018	13814	E 609-49751-206	Freight and Fuel Charges	FREIGHT	5.25
06/11/2018	13814	E 609-49751-253	Wine For Resale	WINE	317.13
					$322.38
PHILLIPS WINE & SPIRITS CO.					
06/13/2018	2372946	E 609-49751-206	Freight and Fuel Charges	FREIGHT	56.52
06/13/2018	2372946	E 609-49751-251	Liquor For Resale	LIQUOR	3,867.81
06/13/2018	2372947	E 609-49751-206	Freight and Fuel Charges	FREIGHT	6.28
06/13/2018	2372947	E 609-49751-253	Wine For Resale	WINE	192.00
06/20/2018	2377025	E 609-49751-206	Freight and Fuel Charges	FREIGHT	10.99
06/20/2018	2377025	E 609-49751-251	Liquor For Resale	LIQUOR	939.88
06/20/2018	2377026	E 609-49751-206	Freight and Fuel Charges	FREIGHT	21.19
06/20/2018	2377026	E 609-49751-253	Wine For Resale	WINE	552.25
					$5,646.92
QUILL CORPORATION					
05/22/2018	7398827	E 101-41400-200	Office Supplies	NAME PLATE-STREICH	22.28
06/13/2018	7882933	E 101-41400-200	Office Supplies	SELF INKING STAMP	29.48
					$51.76
RENOVATION GROUP					
05/20/2018	5358	G 601-22200	Deferred Revenues	REFUND ACCT #5358	109.10
					$109.10
ROBERTS, FRANCIS					
05/20/2018	4688	G 601-22200	Deferred Revenues	REFUND ACCT #4688	99.81
					$99.81
ROCKSTAD CONSTRUCTION					
06/25/2018	5285	G 803-22000	Deposits	REF ESC 24121 NEON ST	4,500.00
					$4,500.00
ROSEVILLE, CITY OF					
06/21/2018	0224661	E 101-41110-310	Computer Consulting Fees	IT SERVICES	291.98
06/21/2018	0224661	E 101-41400-310	Computer Consulting Fees	IT SERVICES	948.95
06/21/2018	0224661	E 101-41910-310	Computer Consulting Fees	IT SERVICES	146.06
06/21/2018	0224661	E 101-42110-310	Computer Consulting Fees	IT SERVICES	3,357.85
06/21/2018	0224661	E 101-42210-310	Computer Consulting Fees	IT SERVICES	540.17
06/21/2018	0224661	E 101-42400-310	Computer Consulting Fees	IT SERVICES	270.08
06/21/2018	0224661	E 101-43100-310	Computer Consulting Fees	IT SERVICES	291.98
06/21/2018	0224661	E 101-45200-310	Computer Consulting Fees	IT SERVICES	291.98
06/21/2018	0224661	E 601-49440-310	Computer Consulting Fees	IT SERVICES	291.98
06/21/2018	0224661	E 602-49490-310	Computer Consulting Fees	IT SERVICES	291.98
06/21/2018	0224661	E 609-49750-310	Computer Consulting Fees	IT SERVICES	145.99
06/21/2018	0224702	E 101-41940-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 101-42110-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 101-42210-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 101-43100-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 101-45200-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 601-49440-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 602-49490-321	Telephone	PHONE	83.79
06/21/2018	0224702	E 609-49750-321	Telephone	PHONE	83.82
					$7,539.35
SHARPER HOMES					
06/25/2018	00024	G 803-22000	Deposits	REFUND ESCROW 23978 NORW	3,500.00

					$3,500.00
SMITH, JOSHUA					
05/20/2018	1105	G 601-22200	Deferred Revenues	REFUND ACCT #1105	50.37
					$50.37
SOUTHERN GLAZERS OF MN					
06/14/2018	1694512	E 609-49751-206	Freight and Fuel Charges	FREIGHT	6.73
06/14/2018	1694512	E 609-49751-251	Liquor For Resale	LIQUOR	725.91
06/21/2018	1697500	E 609-49751-206	Freight and Fuel Charges	FREIGHT	24.32
06/21/2018	1697500	E 609-49751-253	Wine For Resale	WINE	1,340.00
06/21/2018	1697501	E 609-49751-206	Freight and Fuel Charges	FREIGHT	38.61
06/21/2018	1697501	E 609-49751-251	Liquor For Resale	LIQUOR	3,017.62
					$5,153.19
SUN LIFE FINANCIAL					
07/01/2018	5447229	E 101-41400-130	Employer Paid Insurance	JULY INSURANCE	202.03
07/01/2018	5447229	E 101-41500-130	Employer Paid Insurance	JULY INSURANCE	132.95
07/01/2018	5447229	E 101-41910-130	Employer Paid Insurance	JULY INSURANCE	135.59
07/01/2018	5447229	E 101-42110-130	Employer Paid Insurance	JULY INSURANCE	889.68
07/01/2018	5447229	E 101-42400-130	Employer Paid Insurance	JULY INSURANCE	67.95
07/01/2018	5447229	E 101-43100-130	Employer Paid Insurance	JULY INSURANCE	189.18
07/01/2018	5447229	E 101-43210-130	Employer Paid Insurance	JULY INSURANCE	42.04
07/01/2018	5447229	E 101-45200-130	Employer Paid Insurance	JULY INSURANCE	189.18
07/01/2018	5447229	E 601-49440-130	Employer Paid Insurance	JULY INSURANCE	60.24
07/01/2018	5447229	E 602-49490-130	Employer Paid Insurance	JULY INSURANCE	60.23
07/01/2018	5447229	E 609-49750-130	Employer Paid Insurance	JULY INSURANCE	128.10
					$2,097.17
THARP, STEVE					
06/13/2018	062018	E 602-49490-229	Project Repair & Maintenance	CUSTOM TILL WASTEWATER P(	500.00
					$500.00
TOM LYNCH ELECTRIC					
06/25/2018	062518	E 101-45230-311	Contract	PIONEER DAYS	750.00
					$750.00
VESSCO, INC.					
06/20/2018	73441	E 602-49490-229	Project Repair & Maintenance	SUPPLIES	827.04
					$827.04
ZEP VEHICLE CARE, INC					
06/12/2018	9003464749	E 101-42110-221	Vehicle Repair & Maintenance	REPAIR & MAINTENANCE	128.36
06/12/2018	9003464749	E 101-43100-221	Vehicle Repair & Maintenance	REPAIR & MAINTENANCE	128.35
06/12/2018	9003464749	E 101-45200-221	Vehicle Repair & Maintenance	REPAIR & MAINTENANCE	128.36
06/12/2018	9003464749	E 601-49440-221	Vehicle Repair & Maintenance	REPAIR & MAINTENANCE	128.36
06/12/2018	9003464749	E 602-49490-221	Vehicle Repair & Maintenance	REPAIR & MAINTENANCE	128.36
					$641.79

FUND SUMMARY $204,294.11

101 GENERAL FUND	$44,035.30
402 CAPITAL EQUIPMENT	$28,810.40
601 WATER FUND	$13,088.80
602 SEWER FUND	$23,766.15
603 STORM WATER	$434.65
609 MUNICIPAL LIQUOR FUND	$73,760.06
803 ESCROW	$20,398.75
Total	204,294.11

CITY OF ST. FRANCIS
7/2/2018

Checks cut since last Council Meeting

Check Number	Check Date	Payee	Description	Amount
74376	6/20/2018	Anoka County	Recording fees	$322.00
08/20/03	6/21/2018	MN NCPERS	Insuarnce	32.00
		TOTAL		354.00

Disbursements via Debits to 4M Account

Payee	Description	Amount
TOTAL		0.00

Disbursements via Debits to Checking Account

Payee	Description	Amount
TOTAL		0.00

P:\awork\2018\Other\Bill list\ACH Files approved by Council-2018.xlsx

Hakanson Anderson

Main Office:
3601 Thurston Avenue, Anoka, MN 55303
Phone: 763/427-5860 Fax: 763/427-0520
www.haa-inc.com

40 YEARS

MEMORANDUM

TO: **Paul Teicher, St. Francis Public Works Director**

FROM: **Kaci Fisher, Environmental Specialist**

DATE: **July 2, 2018**

RE: **2018 Annual SWPPP Public Meeting**

The Storm Water Pollution Prevention Program (SWPPP) is required by the National Pollutant Discharge Elimination System (NPDES) General Permit for discharges of stormwater associated with small Municipal Separate Storm Sewer Systems (MS4), which is collectively referred to as the MS4 permit. The MS4 permit authorizes the City to discharge stormwater into the public water system, and it was issued to the City of St. Francis in 2017. The SWPPP does not discuss stormwater or utility fees. The City determines how fees will be collected in order to allow the City to be in compliance with the permit. The purpose of the required annual SWPPP meeting is to discuss the components of the program and to gather public comments on the SWPPP.

The goal of the SWPPP is to reduce the discharge of pollutants into receiving waters to the maximum extent practicable. There are six components of the SWPPP, each called a Minimum Control Measure (MCM). The MCMs and selected requirements for each are shown in the table below.

Minimum Control Measures	
1) Public Education and Outreach	o Distribute educational materials o Develop measurable goals
2) Public Participation/Involvement	o Provide 1 opportunity annually for public comment o Provide access to SWPPP document upon request
3) Illicit Discharge Detection and Elimination	o Regulatory mechanism prohibiting non-stormwater discharges o Training all field staff in recognition and reporting
4) Construction Site Stormwater Runoff Control	o Regulatory mechanism for erosion and sediment control o Site plan review and site inspections
5) Post-Construction Stormwater Management	o Regulatory mechanism for new and redevelopment regarding volume control and long-term maintenance
6) Pollution Prevention/Good Housekeeping for Municipal Operations	o Facilities inventory o Pond assessment procedures and schedule o Employee training

The MS4 permit has varying deadlines for the above MCMs for new permittees, and the City is on track to meet these deadlines. A timeline of items to be completed are in Attachment A. To date the City has updated its ordinances, begun staff training, and developed procedures to report and respond to illicit discharge and runoff violations (Attachment B). This year, there have been complaints of grass being dumped into stormwater ponds, which the City has addressed by notifying the residents of the issue through letters and posting an article on Facebook. The next step in the MS4 permitting process will be developing and distributing educational material on stormwater and ways residents can reduce pollution in the rivers, lakes, and wetlands. Examples from other cities can be found in Attachment C.

The MS4 permit also requires an annual report to filled out by on June 30th of the following year. A copy of St. Francis's 2017 annual report is in Attachment D.

Attachment A

City of St. Francis

Hakanson Anderson

City of St. Francis MS4 Program

Jan-18 Feb-18 Mar-18 Apr-18 May-18 Jun-18 Jul-18 Aug-18 Sep-18 Oct-18 Nov-18 Dec-18 Jan-19 Feb-19 Mar-19 Apr-19 May-19 Jun-19 Jul-19 Aug-19 Sep-19 Oct-19 Nov-19 Dec-19 Jan-20 Feb-20 Mar-20 Apr-20 May-20 Jun-20

Tasks		Start	End
1	Phase 1	9/1/2016	10/15/2016
1.1	Draft Part 2 Application	Completed	
1.2	Meet with City Staff	Completed	
1.3	Update Part 2 Application	Completed	
1.4	City Submit Part 2 Application	Completed	
2	Phase 2	9/1/2016	3/20/2017
2.1	Review Ordinances	Completed	
2.2	Draft Ordinance and Construction Review Updates	Completed	
2.3	Meet with City Staff	Completed	
2.4	City Staff Review and Comment on Revisions	Completed	
2.5	Make Updates	Completed	
2.6	City Staff Final Review Prior to Council Presentation	Completed	
2.7	Present to City Council	Completed	
2.8	Adopt Ordinance Updates	Completed	
2.9	Implement and Begin Construction Enforcement	Completed	
3	MCM 1: Public Education and Outreach		
3.1	Implementation Plan	Dec-18	Mar-19
3.2	Distribute Education Materials	Dec-18	Mar-19
3.3	Documentation	Dec-18	Mar-19
4	MCM 2: Public Participation / Involvement		
4.1	Solicit Public Input	June	Annually
5	MCM 3: Illicit Discharge		
5.1	Regulatory Mechanism	Completed	
5.2	Incorporate Illicit Discharge Detection in All Inspections	During Construction	
5.3	Training for All Field Staff	April	Annually
5.4	Identification of Priority Areas	Dec-18	Mar-19
5.5	Develop Procedures for Illicit Discharge and Spill Response	Completed	
6	MCM 4: Construction Site Stormwater Runoff Control		
6.1	Regulatory Mechanism	Completed	
6.2	Written Procedures for Site Plan Review	Apr-18	May-18
6.3	Written Procedures for Noncompliance Reports from Public	Apr-18	May-18
6.4	Procedures for Identifying Priority Sites	Apr-18	May-18
6.5	Emergency Response Procedures	Completed	
7	MCM 5: Post-Construction Stormwater Management		
7.1	Regulatory Mechanism	Completed	
7.2	Written Procedures for Site Plan Review	Apr-18	May-18
8	MCM 6: Pollution Prevention / Good Housekeeping		
8.1	Facilities Inventory	Feb-19	Mar-19
8.2	Development and Implementation of BMPs for Facilities	Mar-19	Apr-19
8.3	Source Water Protection Area BMPs	Apr-19	May-19
8.4	Pond Assessment Procedures and Schedule	Nov-19	Dec-19
8.5	Annual Inspections	Nov/Dec	Anually
8.6	Employee Training	April	Anually
9	Additional SWPPP Requirements		
9.1	Pond Inventory	Apr-18	Apr-18
9.2	Storm Sewer Map	May-18	Aug-18
9.3	Annual MS4 Report	June	Annually

Attachment B

CITY OF ST. FRANCIS

Enforcement Response Procedures

(ERPs) for

MS4 Permit Violations

2016

Under the terms of the General NPDES/SDS Permit MNR040000, the City is required to develop and implement adequate enforcement authority for illicit discharges into its Municipally Separate Storm Sewer System (MS4). The purpose of these Enforcement Response Procedures is to communicate how the enforcement tools available to the City will be used to achieve compliance. The Enforcement Response Procedures also specify criteria by which City personnel can determine the enforcement action most appropriate to instances of non-compliance. This plan is a document of the City's procedure to be followed when a construction stormwater requirement, illicit discharge and post-construction violation is discovered. This plan is a guide; any of the enforcement responses may be used at the City's discretion. The City may also choose to pursue an enforcement case by skipping intermediate steps.

I. Description of Each Type of Enforcement Response

A. Written Notices

1. Field Compliance Order

   a) Upon visiting the site, a City representative may observe issues on non-compliance. If the non-compliance has not yet resulted in a discharge of pollution, including sediment, the City's representative will issue a written warning, either by email or letter specifying the nature of the violation, the required corrective action and a follow-up inspection date. The Field Compliance Order will note that failure to comply resulting in a discharge of pollution is likely to result in a civil penalty.

2. Notice of Violation (NOV)/Civil Penalty/Permit Revocation

   a) If, upon a site inspection, a City representative observes non-compliance that has resulted in a discharge of pollution, including sediment, the representative will issue:

      (1) A Notice of Violation for discharges that can be satisfactorily corrected without evidence of property or environmental damage.

         i) The NOV will specify the nature of the violation, the required corrective action and a follow-up inspection date.

         ii) The NOV will require the party committing the violation (perpetrator) to submit an explanation of the violation and a plan for the satisfactory correction and prevention of the violation conditions, including specific required actions within five (5) days.

         iii) If corrective action is not satisfactorily completed by the follow-up inspection date, the City Representative will:

            - Revoke the current building or construction permits where applicable. Revoked permits shall only be reinstated after the permitee has reapplied for the permit, complete with a permit fee and an approved plan for preventing similar pollutant discharges.
            - Issue a Civil Penalty where no building or construction permits exist.

3. Consent Orders

   a) Consent Orders are written agreements that allow the perpetrator to accept responsibility for the discharge and provide the opportunity to voluntarily clean-up and/or correct a pollutant or sediment discharge as a way to reduce the additional damage penalty associated with cleanup costs.

      (1) Consent Orders will only be issued to perpetrators that can provide documentation verifying that the perpetrator is qualified to handle the required cleanup.

      (2) The City Administrator is empowered to enter into consent orders with the perpetrator on behalf of the City.

      (3) Where the discharge and cleanup area affects private (third party) properties, Consent Orders must be approved by all parties affected.

b) A consent order will include specific corrective actions to be taken to correct the illicit or sediment discharge together with specified time periods to finish the corrective actions.

4. Civil Penalty
   a) Civil penalty procedures established herein are intended to provide the public and the City with an informal, cost effective, and expeditious method for addressing violations.
   b) The City Administrator or designee shall, upon determining that there has been a violation, notify the violator. Said notice shall set forth the nature, date and time of violation, the name of the official issuing the notice, and the amount of the scheduled penalty.
      (1) Civil penalties will depend on the extent of the damages.
         i) The minimum automatic fine shall be as set forth in the City Municipal Fee Schedule, except that the City may waive all or part of the financial penalty for the first offense if timely and substantial effort has been made to correct the discharge.
         ii) Consent Orders as described herein may be accepted in lieu of damage penalties.
         iii) In addition to civil penalties, the City may recover all damages proximately caused by the violator to the City, which may include:
            - reasonable expenses incurred in investigating violations of, and enforcing compliance with City Ordinances regulating the illicit discharge of pollutants or sediment, or any other actual damages caused by the violation.
            - The costs of the City's maintenance of stormwater facilities when the user of such facilities fails to maintain them.
   c) Once such notice is given, the alleged violator may, within five business days of the date of issuance of the notice, pay the amount set forth on the schedule of penalties for the violation, or may request a hearing in writing, as is provided for hereafter. The penalty may be paid in person or by mail, and payment shall be deemed to be an admission of the violation.
      (1) Any person contesting a civil penalty may, within five business days of the date of issuance of the notice, request a hearing by a hearing officer who shall forthwith conduct an informal hearing to determine if a violation has occurred. The hearing officer shall have authority to dismiss the violation or reduce or waive the penalty. If the violation is sustained by the hearing officer, the violator shall pay the penalty imposed.
      (2) A City representative designated in writing by the City Clerk-Administrator shall be the hearing officer. The hearing officer is authorized to hear and determine any controversy relating to civil penalties provided for in this article.

5. Cease and Desist Order

a) The City Administrator or designee may issue a Cease and Desist Order effectively stopping **all** work on a site where there is a clear violation, continued violation, or blatant disregard for:

(1) City Ordinances regulating the illicit discharge of pollutants or sediment

(2) Building or Construction Stormwater permit requirements

(3) Previously issued Field Compliance Orders, Notices of Violation, or Civil Penalty associated with the site of the illicit or sediment discharge.

b) This order requires that the violator must comply with the order and must take appropriate remedial or preventive action as may be needed to properly address a continuing or threatened violation; including halting all operations on the site except for authorized cleanup, terminating the discharge and installing appropriate control measures.

c) If not previously issued, all Cease and Desist Orders shall automatically include a Civil Penalty.

B. Suspension, Revocation or Modification of Permit

1. The City may suspend, revoke or modify any City issued permit authorizing the land development project or any other project of the applicant or other responsible person within the City.

2. A suspended, revoked or modified permit may be reinstated after the applicant or other responsible person has taken the remedial measures set forth in the Written Notice (See Section A) or has otherwise acceptably corrected the violation(s) described therein.

C. Additional Measures

1. Legal Action

a) The City may bring legal action to enjoin continuing violation. Pursuant to the City's Ordinance; the City may, through the City Attorney, petition the appropriate court(s) for issuance of preliminary or permanent injunctions to restrain or compel activities by a violator.

2. Future Permits

a) The City may withhold permits from Contractors with outstanding Civil Penalties until all Civil Penalties have been paid.

b) Contractors that have had two or more Civil Penalties within the previous 12-calendar months shall be required to deposit a cash surety equal to double the surety amount normally required for each permit obtained.

c) Contractors that work without required permits or under permits obtained by others in an attempt to avoid the requirements of this section shall be subject to the provisions of this ERP including but not limited to Civil Penalties, Cease and Desist Order, Suspension and/or Revocation of related permits, and Legal Action.

II. NPDES Permit Referrals

A. For a known project site involving a construction activity, an industrial stormwater discharge, or an illicit discharge that should be covered by a state NPDES permit, and is known not to have a state NPDES permit, the City shall provide the following information to the MPCA:

  1. Construction project or industrial facility location;
  2. Name of owner or operator;
  3. Estimated construction project size or type of industrial activity (including SIC code if known); and
  4. Records of communication with the owner or operator regarding filing requirements.

B. Where the City has used progressive enforcement to achieve compliance with this chapter and in the judgment of the City has not been successful, the City may refer the violation to the MPCA. For the purposes of this provision, "progressive enforcement" shall mean two (2) follow-up inspections and two (2) Written Notices. The following information shall be supplied to the MPCA:

  1. Construction project or industrial facility location;
  2. Name of owner or operator;
  3. Estimated construction project size or type of industrial activity (including SIC code if known)
  4. Records of communication with the owner or operator regarding the violation, including at least two follow-up inspections, two warning letters or notices of violation, and any response from the owner or operator.

III. Recordkeeping & Tracking

A. All non-compliance instances shall be tracked either electronically or using paper files. This tracking will include all records and documents related to stormwater ordinance violations at the site and be stored in the enforcement case file.

B. The minimum required documentation must include the following items:

  1. Name of owner/operator;
  2. Location of construction project or industrial facility;
  3. Description of violation;
  4. Required schedule for returning to compliance;
  5. Description of enforcement responses used, including escalated responses if repeat violations occur or violations are not resolved in a timely manner;
  6. Accompanying documentation of enforcement response (e.g., notices of noncompliance, notices of violation, etc.);
  7. Any referrals to different departments or agencies; and
  8. Date violation was resolved.

C. The City shall use the non-compliance records and tracking to identify any chronic violators, and use this information to work toward reducing the rate of noncompliance relapse.

1. This will include tracking violations, applying incentives and/or disincentives, and increasing the inspection frequency of the consistently noncompliant operator's sites.
2. If the operator fails to take corrective actions, the City must pursue progressive enforcement and, if need be, perform the necessary work and assess against the owner the costs incurred for repairs.

D. The City shall keep enforcement files in compliance with the City's records retention policy but no less than a minimum of three (3) years after the file is closed consistent with the MS4 General Permit conditions. Files retention may be either paper or digital files.

IV. Enforcement Action Matrices

A. Construction Site Stormwater Ordinance Violations

1. See Table 1 for the enforcement action matrix for noncompliance with construction requirements. In general, the severity of the enforcement measure increases moving down the matrix.
2. For parties who fail to obtain a required permit prior to begin of land disturbance work, the initial enforcement action may be more stringent than for a project that has an approved plan but has failed to comply with the approved plan.
    a) The City has the ability to stop project work for non-permittees. Stopping work generally includes **all** work on the site except for work to address the noncompliance that caused the order.
    b) Non-permittees may be required to perform corrective actions as advised by the City and to develop the required erosion control and/or stormwater plan submittals to submit to the City for review and approval.
    c) Once the corrective actions have been successfully completed and the submitted stormwater plan has been approved by the City, the City will issue the violator a written notice that the situation has been resolved.
    d) If the corrective actions or the submitted plan cannot be approved, the City will issue a written notice to the violator describing what was deficient and what step(s) are needed to resolve the situation.

Table 1. Enforcement Action Matrix for Noncompliance with Construction Requirements.

<table>
<tr><th>Type of Violation</th><th>Failure to Obtain Permit Prior to Starting Work</th><th>Minor Violations (Failure to Install, Maintain or Upgrade Measures on Erosion and Sediment Control Plan)</th><th>Minor Violations (Failure to Install, Maintain or Upgrade Measures on Erosion and Sediment Control Plan for a Priority Area)</th><th>Major Violation (Failure to Install, Maintain or Upgrade Measures on Erosion and Sediment Control Plan that Resulted in a Sediment Release from the Project Site)</th><th>Repeat Violation by a Party (Same Site)</th><th>Repeat Violation by a Party (Different Site than initial Noncompliance Site)</th></tr>
<tr><td rowspan="5">Enforcement Measures For Use (Increasing Severity Moving Down the Chart)</td><td rowspan="2">Cease and Desist Order</td><td>Field Compliance Order</td><td>Field Compliance Order</td><td>NOV</td><td>Civil Penalty and/or Consent Order</td><td>NOV</td></tr>
<tr><td>NOV</td><td>NOV</td><td>Civil Penalty with or without Consent Order</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td>Civil Penalty with or without Consent Order</td></tr>
<tr><td rowspan="3">Legal Action</td><td>Civil Penalty with or without Consent Order</td><td>Civil Penalty with or without Consent Order</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td rowspan="3">Legal Action</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td></tr>
<tr><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td rowspan="2">Legal Action</td><td rowspan="2">Legal Action</td></tr>
<tr><td>Legal Action</td><td>Legal Action</td></tr>
</table>

This plan is a guide; any of the enforcement responses may be used at the City's discretion and the City may choose to escalate an enforcement case by skipping intermediate steps. Penalties (Civil, Recovery of Damages and Costs, Etc.) may be assessed as described in the stormwater ordinance and as allowed by law at the City's discretion.

B. Illicit Discharge Ordinance Violations

1. See Table 2 for the enforcement action matrix for failure to remove illicit discharges.
2. The action matrix was set up to provide varying suggested degrees of response to noncompliance documented by the City.
3. In general, the severity of the enforcement measure increases moving down the matrix.

Table 2. Enforcement Action Matrix for Failure to Remove Illicit Discharges.

Type of Violation	**First Violation**	**Repeat Violation by a Party (Same Site)**	**Repeat Violation by a Party (Different Site than Initial Noncompliance Site)**
Enforcement Measures For Use (Increasing Severity Moving Down the Chart)	Field Compliance Order	NOV	NOV
		Civil Penalty with or without Consent Order	
	NOV	Cease and Desist Order and/or Suspension, Revocation or Modification of Permit	Civil Penalty with or without Consent Order
	Civil Penalty with or without Consent Order	Legal Action	Cease and Desist Order and/or Suspension, Revocation or Modification of Permit
	Cease and Desist Order and/or Suspension, Revocation or Modification of Permit		Legal Action
	Legal Action		

This plan is a guide; any of the enforcement responses may be used at the City's discretion and the City may choose to escalate an enforcement case by skipping intermediate steps. Penalties (Civil, Recovery of Damages and Costs, Etc.) may be assessed as described in the stormwater ordinance and as allowed by law at the City's discretion.

C. Noncompliance with Post-Construction Requirements

1. See Table 3 for the enforcement action matrix for noncompliance with post- construction requirements.
2. The action matrix was set up to provide varying suggested degrees of response to noncompliance documented by the City.
3. In general, the severity of the enforcement measure increases moving down the matrix.

Table 3. Enforcement Action Matrix for Noncompliance with Post-Construction Requirements

<table>
<tr><th>Type of Violation</th><th>First Failure to Remove Illicit Discharge</th><th>Repeat Violation by a Party (Same Site)</th><th>Repeat Violation by a Party (Different Site than initial Noncompliance Site)</th></tr>
<tr><td rowspan="6">Enforcement Measures For Use (Increasing Severity Moving Down the Chart)</td><td rowspan="2">Field Compliance Order</td><td>NOV</td><td rowspan="2">NOV</td></tr>
<tr><td>Compliance Order or Consent Order</td></tr>
<tr><td>NOV</td><td>Civil Penalty with or without Consent Order</td><td>Civil Penalty with or without Consent Order</td></tr>
<tr><td>Civil Penalty with or without Consent Order</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td></tr>
<tr><td>Cease and Desist Order and/or Suspension, Revocation or Modification of Permit</td><td rowspan="2">Legal Action</td><td rowspan="2">Legal Action</td></tr>
<tr><td>Legal Action</td></tr>
</table>

This plan is a guide; any of the enforcement responses may be used at the City's discretion and the City may choose to escalate an enforcement case by skipping intermediate steps. Penalties (Civil, Recovery of Damages and Costs, Etc.) may be assessed as described in the stormwater ordinance and as allowed by law at the City's discretion.

SAMPLE INSPECTION AND MAINTENANCE AGREEMENT FOR PRIVATE STORMWATER MANAGEMENT FACILITIES

The term "**STORMWATER MANAGEMENT FACILITIES**" may refer to water quality and/or water quantity facilities (i.e. detention basins, retention basins, swales, pipes, oil/water separators, sand filtering devices, etc.) which are located OUTSIDE the public road right-of-way (ROW).

Property Identification ("Property"): ____________________ City Use: ________________________

Map: _________ Parcel No. __________ Land Disturbance Permit No. _________
Record Book: _________ Page No. ___________

Project Name: ____
Project Address: ____
Owner(s): ____
Owner Address: ____
City: _____________________________ State: ________________________ Zip Code: _____________________

SEE LEGAL DESCRIPTION ATTACHED HERETO AS EXHIBIT A.

This Inspection and Maintenance Agreement ("Agreement") is made and entered into this ____ day of _____________, of the year, 20__, by and between __________________ (hereinafter called the "Owner", whether one or more) and The City of St. Francis (hereinafter called "City").

WITNESSETH, that

WHEREAS, the City is required by federal and state surface water quality regulations and its National Pollutant Discharge Elimination System (NPDES) permit to prevent surface water quality degradation from development or redevelopment activities within its jurisdiction, and the City has adopted surface water quality regulations as required and such regulations are contained in the Stormwater Management chapter of the City Code; and

WHEREAS, the Owner of the Property identified above has or will construct certain stormwater management facilities on the Property, and has developed a Stormwater Maintenance Plan (Plan), as may be amended from time to time for the maintenance of those facilities. The City has reviewed and approved the Plan, and retains a copy in its records. A drawing showing the general area of the facilities covered by the Plan is attached to this Agreement for ease of identification.

NOW, THEREFORE, in consideration of the benefits received by the Owner as a result of the approval by the City of the Plan, the Owner does hereby covenant and agree with the City as follows:

1. The Owner shall provide adequate long term maintenance and continuation of the stormwater control measures described in the Plan, to ensure that all stormwater facilities are and remain in proper working condition. The Owner shall perform inspection and preventive maintenance activities in accordance with the Plan.

2. The Owner shall maintain a copy of the Plan on site, together with a record of inspections and maintenance actions required by the Plan. The Owner shall document the times of inspections, remedial actions taken to repair, modify or reconstruct the system, the state of control measures and notification of any planned change in responsibility for the system. The City may require that the Owner's records be submitted to the City.

3. If it is later determined that the City's NPDES permit clearly directs Owners or the City to manage stormwater treatment systems differently than specified in the Plan, the direction of the NPDES permit shall override the provisions of the Plan.

4. The Owner hereby grants permission to The City, its authorized agents, and employees the right of ingress, egress and access to enter the Property at reasonable times and in a reasonable manner for the purpose of inspecting, operating, installing, constructing, reconstructing, maintaining or repairing the facilities. The Owner hereby grants to the City the right to install and maintain equipment to monitor or test the performance of the stormwater control system for quality and quantity upon reasonable notice to the Owner. Whenever possible, The City shall notify the Land Owner prior to entering the property and shall use its best efforts not to disturb the Land Owner's use and enjoyment of the Property while conducting said inspections.

5. In the event, the City determines that the stormwater facilities are not being maintained in good working order and gives written notice to the Owner to repair, replace, reconstruct or maintain said facilities within a reasonable time (maximum time specified will be 30 days), and the Owner fails to comply with the City's notice within the time specified, Owner authorizes the City or its agents to enter upon the Property to repair, reconstruct, replace or perform maintenance on said facilities at the Owner's expense. It is expressly understood and agreed that the City is under no obligation to maintain or repair said facilities, and in no event shall this Agreement be construed to impose any such obligation on the City.

6. In the event, the City, pursuant to this Agreement, performs work of any nature, or expends any funds in the performance of said work for labor, use equipment, supplies, materials, and the like, the Owner shall reimburse the City upon demand, within forty-five (45) days of receipt of written request for reimbursement for all costs incurred by the City. If the City has not received said payment from the Owner by the end of said forty-five (45) day period,

the City may use any other remedies available by law to collect such balances plus reasonable expenses of collection, court costs, and attorney fees.

7. It is the intent of this Agreement to assure the City of proper maintenance of onsite stormwater facilities by the Owner; provided, however, that this Agreement shall not be deemed to create or affect any additional liability of any party for damage alleged to result from or be caused by stormwater management.

8. The Owner and the Owner's heirs, executors, administrators, assigns, and any other successors in interest, shall indemnify and hold the City and its agents and employees harmless for, and defend against at its own expense, any and all damages, accidents, casualties, occurrence, claims, or attorney's fees which might arise or be asserted, in whole or in part, against the City from the construction, presence, existence, or maintenance of the storm water control facilities subject to the Plan and this Agreement. In the event a claim is asserted against the City, its officers, agents or employees, the City shall notify the Owner, who shall defend at Owner's expense any suite or other claim. If any judgment or claims against the City shall be allowed, the Owner shall pay all costs and expenses in connection therewith. The City will not indemnify, defend or hold harmless in any fashion the Owner from any claims arising from any failure, regardless of any language in any attachment of other document that the Owner may provide.

9. No waiver of any provision of this Agreement shall affect the right of any party thereafter to enforce such provision or to exercise any right or remedy available to it in the event of any other default.

10. The Owner shall record this Agreement with the Register of Deeds of Anoka County, this Agreement shall constitute a covenant running with the land, and shall be binding upon the Owner and the Owner's heirs, administrators, executors, assigns, and any other successors in interest.

11. The Owner shall have the facilities inspected in accordance with City's stormwater management ordinance and certify to the City that the constructed facilities conform and purport substantially to the approved Plan. If the constructed condition of the facility or its performance varies significantly from the approved Plan, appropriately revised calculations shall be provided to the City and the Plan shall be amended accordingly.

12. The Owner agrees that for any systems to be maintained by a property owner's association, deed restrictions and covenants for the subdivision or other development will include mandatory membership in the property owner's association responsible for providing maintenance of the system, will require the association to maintain the stormwater system, will prohibit termination of this covenant by unilateral action of the association, and provide for

unpaid dues or assessments to constitute a lien upon the property of an owner upon recording a notice of non-payment.

13. This Agreement must be re-approved and re-executed by the City if all or a portion of the Property is subdivided or assembled with other property.

Owner: ____ Date: ______________________
Signature by Individual

Owner: ____ Date: ______________________
Signature by Individual

STATE OF ____________________)
)
COUNTY OF __________________)

Personally appeared before me, the undersigned Notary Public of the state and county mentioned, ____________________________, with whom I am personally aquatinted (or proved to me on the basis of satisfactory evidence), and executed this Agreement (Inspection and Maintenance Agreement for Private Stormwater Management Facilities) for the purposes contained herein.

Witness my hand an official seal at office, this ________ day of _______________, of the year ______________.

____

Notary Public

____

My Commission Expires:

Accepted By:

____

For the City of St. Francis

STATE OF Minnesota

COUNTY OF Anoka

Personally appeared before me, the undersigned Notary Public of the state and county mentioned, ______________________________, with whom I am personally aquatinted (or proved to me on the basis of satisfactory evidence), and executed this Agreement (Inspection and Maintenance Agreement for Private Stormwater Management Facilities) on behalf of the City of St. Francis for the purposes contained herein.

Witness my hand and official seal at office, this _______ day of _______________, of the year _______________.

____

Notary Public

____

My Commission Expires:

Attachment C

Disposal Methods

It is <u>illegal</u> to dispose of yard waste with household trash. Alternative disposal methods are listed below.

1.) Dispose of yard waste free of charge at Wright County Recycling Center located at 505 County Road 37, Buffalo, MN 55313. Please check their hours of operation via their website www.co.wright.mn.us.

OR

2.) Private garbage haulers within the City will provide a separate container for yard waste for an additional charge.

OR

3.) Dispose yard waste at Albertville compost site located off of MacIver Avenue approximately 1/2 mile north of CSAH 37/60th Street. A free permit must be obtained from City Hall for use of the facility.

For more information, please visit the city website (www.ci.otsego.mn.us) under the tab Living Here— Composting / Garbage Haulers.

Otsego

13400 90th Street Northeast
Otsego, MN 55330
Phone: 763-441-4414
Fax: 763-441-9163

Public Education

Educating the public and working together to provide a healthy environment for future generations.

Hakanson Anderson

3601 Thurston Avenue
Anoka, MN 55303
Phone: 763-427-5860
Fax: 763-427-0520

Home & Yard Care

How it affects water quality

Tips to keep our waters clean

Home and yard care practices can have a large impact on water quality. Proper techniques can reduce phosphorus loads, decrease nuisance algae growth, and promote water quality for the benefit of plants, animals, and you.

Stick to the following techniques, and your home will continue to look great and no longer harm nearby wetlands, streams, or lakes.

Keep Grass Clippings

Grass clippings contain phosphorus, which is the nutrient that causes the green algal blooms in our wetlands, ponds, and lakes.

One bushel of grass clippings contain enough phosphorus to produce 30-50 pounds of algae.

To keep grass clippings away from water sources:

- Leave grass clippings on yard. They are a natural fertilizer.
- Sweep grass clippings back onto your yard, so they don't get swept downstream by stormwater.
- Do not dump clippings near edges of wetlands, ponds, or lakes.

Use Phosphorus-free Fertilizer

Minnesota soils contain enough phosphorus for our lawns to be healthy. Rain carries some of the fertilizer downstream. If it contains phosphorus, it will contribute to the nutrient impairment of our waters.

To check the amount of phosphorus of your fertilizer, look at the middle number located on the bag. If it's zero (e.g. 30-0-15), then it is phosphorus free.

Limit Salting Driveways and Walkways

Over salting driveways and sidewalks during winter causes an increase in chloride, which is harmful to fish and plants. To limit salting:

- Apply salt before snowfall, which prevents snow and ice from building up.
- Don't apply salt below 15°F, as it is no longer working.
- No more than 4 lbs is needed for a 1,000 ft² area.
- Sweep up leftover salt after snow/ice has melted.

Reduce Excessive Yard Watering

Overwatering yards leads to more water runoff that can transport grass clippings, salt, and other debris that can further pollute the waters downstream.

- Only water June—September. From Oct.—May, minimal lawn watering is usually needed.
- Water from 4am—8am. Less water is lost to evaporation in the early morning as temperatures are lower, sunlight is less intense, and there is less wind.
- Loamy soils only need 1-inch of water per week (including rainfall), and sandy soils need 2-inches of water throughout the week. See map below for approximate locations of soil types in Otsego.
- Irrigation should be adjusted to the above values once sod/seeds are established.

Attachment C

Prime Advertising & Design, Inc.
6450 Wedgwood Road N., Suite 100
Maple Grove, MN 55311-3649

ECRWSS
POSTAL CUSTOMER

PRESORTED
STANDARD
U.S. POSTAGE
PAID
PRIME
PERMIT NO. 2

WATER QUALITY

The way you maintain your yard can have a large impact on reducing phosphorous, decreasing algae growth and promoting overall water quality for plants, animals and you. By following these techniques your lawn will look great and will not be harming nearby wetlands, streams, lakes or rivers.

- Leaving grass clippings on the lawn provides the equivalent of one application of fertilizer per year.
- Sweeping lawn clippings from sidewalks, driveways and streets will greatly reduce the amount of phosphorus that reaches area water bodies.
- Maintain a 20 foot buffer of native plantings from any wetland or stormwater basins to filter out nutrients that cause algae and water plant growth – these plants will also help keep geese from your yard.
- Water lawns between 4 a.m. and 6 a.m. to reduce evaporation and minimize the potential for diseases to harm your lawn.
- Wash your car on the lawn using non-phosphorus soap to keep water out of the storm drain and irrigate the grass at the same time.
- Use pesticides and herbicides only to the extent necessary and by following the label directions exactly.
- Compost containers must comply with City Code requirements and be set back from water or drainage ways to avoid leaching phosphorus directly into the water.
- It is illegal to dispose of yard and tree waste with household garbage – contact your waste hauler for a yard bin or visit the City's website for information on compost sites.

MAINTAIN YOUR YARD!

Everyone is excited to get outside and spruce up their property after the long, cold winter. Here are some City Code regulations to follow to help keep Otsego an attractive and inviting place to live:

- Lawns and boulevard areas must be mowed regularly so that grass is no longer than eight (8) inches except as allowed by the City Code.
- Noxious weeds (and dandelions) must be eliminated before the plants go to seed.
- Planting within the boulevard or public right-of-way (generally 16 feet behind the curb or street) is limited to deciduous trees with minimum clearance requirements for vehicles and pedestrians.

For more information regarding specific property maintenance requirements, please contact City Hall or visit the City's website. There is a property self-test on the Code Enforcement page of the website to help evaluate the condition of your property and your neighborhood.

MINNESOTA POLLUTION CONTROL AGENCY

You are currently logged in as:

St. Francis City MS4

If this is correct, click the 'Next' button. If this information is incorrect, contact Cole Landgraf (651-757-2880, cole.landgraf@state.mn.us) or Megan Handt (megan.handt@state.mn.us, 651-757-2843).

Before you begin...

A fillable Microsoft Word document with all of the questions is available at https://stormwater.pca.state.mn.us/index.php?title=MS4_Annual_Report (for personal use only, not for submittal).

The MS4 Annual Report for 2017 will automatically save your answers when you hit the 'Next' button at the bottom of each page.

If you wish to leave the MS4 Annual Report for 2017 and complete the document at another time, you may do so by clicking 'Next' at the bottom of your current page to save your progress before exiting the document. Return to the survey by following the previously used web link, and again login using your email and assigned password credentials. Once you successfully log in, your previous answers will appear.

The MPCA will email a PDF of your MS4 Annual Report for 2017 information to you in a confirmation email within three business days after you submit this form.

You may print a copy of the MS4 Annual Report for 2017 for your records at any time by pressing the 'Print' button at the bottom of the page.

Additionally, it is possible to save a PDF copy of the MS4 Annual Report for 2017 if you are working on a computer with OneNote (a program often included in Microsoft Office packages). Detailed saving instructions are available at stormwater.pca.state.mn.us/index.php/Guidance_for_saving_MS4_annual_reports.

MS4 Annual Report for 2017

Reporting period: January 1, 2017 to December 31, 2017

Due: June 30, 2018

Instructions: Complete this annual report to provide a summary of your activities under the 2013 MS4 Permit (Permit) between January 1, 2017 and December 31, 2017. MPCA staff may contact you for additional information.

Fillable document available at https://stormwater.pca.state.mn.us/index.php?title=MS4_Annual_Report (for personal use only, not for submittal).

Questions: Contact Cole Landgraf (cole.landgraf@state.mn.us, 651-757-2880) or Megan Handt (megan.handt@state.mn.us, 651-757-2843)

MS4 General Contact Information

Full name	Paul Teicher
Title	Public Works Director
Mailing address	4058 St. Francis Blvd. NW
City	St. Francis
State	MN
Zip code	55070
Phone	763-233-5200
Email	pteicher@stfrancismn.org

Preparer Contact Information (if different from the MS4 General Contact)

Full name	Kaci Fisher
Title	Environmental Specialist
Organization	Hakanson Anderson
Mailing address	3601 Thurston Ave
City	Anoka
State	MN
Zip code	55303
Phone	763-852-0496
Email	kacif@haa-inc.com

MCM 1: Public Education and Outreach

Reminder: Per Appendix A, Table 3 of the Permit, within 36 months of Permit coverage you are required to develop and implement a Public Education and Outreach program (Permit Part III.D.1.).

MCM 2: Public Participation/Involvement

Reminder: Per Appendix A, Table 3 of the Permit, within 36 months of Permit coverage you are required to develop and implement a Public Participation/Involvement program (Permit Part III.D.2.).

MCM 3: Illicit Discharge Detection and Elimination

Reminder: Per Appendix A, Table 3 of the Permit, within 12 months of Permit coverage you are required to develop, implement, and enforce an Illicit Discharge Detection and Elimination program (Permit Part III.D.3.).

During the next annual reporting period for activities completed during calendar year 2018, you will be required to report on activities such as, but not limited to, status of the development of your regulatory mechanism that prohibits non-stormwater discharges to your small MS4, illicit discharge discovery and follow-up actions, and enforcement response procedures related to illicit discharge detection and elimination.

MCM 4: Construction Site Stormwater Runoff Control

The following questions refer to Part III.D.4. of the Permit.

Q2 Do you have a regulatory mechanism that is at least as stringent as the Agency's general permit to Discharge Stormwater Associated with Construction Activity (CSW Permit) No. MN R100001 (http://www.pca.state.mn.us/index.php/view-document.html?gid=18984) for erosion and sediment controls and waste controls? [Part III.D.4.a.]

- (x) Yes
- ( ) No

Q3 Have you developed written procedures for site plan reviews as required by the Permit? [Part III.D.4.b.]

- (x) Yes
- ( ) No

Q4 Do you have written procedures for identifying priority sites for inspection? [Part III.D.4.d.(1)]

- (x) Yes
- ( ) No

Q5 How are sites prioritized for inspections? Check all that apply.

- [ ] Site topography
- [ ] Soil characteristics
- [x] Types of receiving water(s)
- [ ] Stage of construction
- [x] Compliance history
- [ ] Weather conditions
- [ ] Citizen complaints
- [ ] Project size
- [ ] Other

Q6 Do you have a checklist or other written means to document site inspections to determine compliance with your regulatory mechanism(s)? [Part III.D.4.d.(4)]

- (●) Yes
- ( ) No

Q7 Do you have written Enforcement Response Procedures (ERPs) to compel compliance with your construction site stormwater runoff control regulatory mechanism(s)? [Part III.B.]

- (●) Yes
- ( ) No

Q8 Enter the frequency at which site inspections are conducted (e.g. daily, weekly, monthly): [Part III.D.4.d.(2)]

monthly

Q9 Enter the number of trained inspectors that were available for construction site inspections between January 1, 2017 and December 31, 2017:

3

Q10 Provide the contact information for the inspector(s) and organization that conducts construction stormwater inspections for your MS4. List your primary construction stormwater contact first if you have multiple inspectors.

(1) Inspector name	Phil Dahlheimer
Organization	City of St. Francis
Phone (Office)	763-235-2317
Phone (Work Cell)	
Email	pdahlheimer@stfrancismn.org
Preferred contact method	
(2) Inspector name	Andy Evans
Organization	Hakanson Anderson
Phone (Office)	612-716-3788
Phone (Work Cell)	
Email	andye@haa-inc.com
Preferred contact method	
(3) Inspector name	Luke Buccholz
Organization	Hakanson Anderson
Phone (Office)	763-852-0510
Phone (Work Cell)	
Email	lukeb@haa-inc.com
Preferred contact method	

Q11 What training did inspectors receive? Check all that apply.

- [x] University of Minnesota Erosion and Stormwater Management Certification Program
- [ ] Qualified Compliance Inspector of Stormwater (QCIS)
- [ ] Minnesota Laborers Training Center Stormwater Pollution Prevention Plan Installer or Supervisor
- [ ] Minnesota Utility Contractors Association Erosion Control Training
- [ ] Certified Professional in Erosion and Sediment Control (CPESC)
- [ ] Certified Professional in Stormwater Quality (CPSWQ)
- [ ] Certified Erosion, Sediment and Storm Water Inspector (CESSWI)
- [ ] Other

Q12 Did you modify any of your BMPs, measurable goals, or future plans identified in your SWPPP document for your construction site stormwater runoff control program? [Part IV.B.]

- (•) Yes
- ( ) No

Describe those modifications:

Updated ordinance

MCM 5: Post-Construction Stormwater Management

Reminder: Per Appendix A, Table 3 of the Permit, within 24 months of Permit coverage you are required to develop, implement, and enforce a Post-Construction Stormwater Management program (Permit Part III.D.5.).

MCM 6: Pollution Prevention/Good Housekeeping for Municipal Operations

Reminder: Per Appendix A, Table 3 of the Permit, within 36 months of Permit coverage you are required to develop and implement a Pollution Prevention/Good Housekeeping for Municipal Operations program (Permit Part III.D.6.).

Partnerships

Q21 Did you rely on any other regulated MS4s to satisfy one or more Permit requirements?

- ( ) Yes
- (•) No

Additional Information

If you would like to provide any additional files to accompany your annual report, use the space below to upload those files. For each space, you may attach one file. You may provide additional explanation and/or information in an email with the subject *YourMS4NameHere_2017AR* to ms4permitprogram.pca@state.mn.us.

Q23 Click the "up arrow" icon below to upload a file. When it has uploaded successfully, a unique ID will appear in the box. Only files less than 10 MB in size will upload.

Q24 Click the "up arrow" icon below to upload a file. When it has uploaded successfully, a unique ID will appear in the box. Only files less than 10 MB in size will upload.

Q25 Click the "up arrow" icon below to upload a file. When it has uploaded successfully, a unique ID will appear in the box. Only files less than 10 MB in size will upload.

Q26 Optional, describe the file(s) uploaded:

Optional Question

The MPCA is attempting to identify potential sources of water quality data. Answering this question will help the MPCA and interested stakeholders obtain a more comprehensive understanding of sources of data that may be shared and ultimately aid in understanding the extent to which stormwater management practices result in water quality improvements.

Q27 Are you collecting water quality data (e.g., from surface waters, outfalls, best management practices, etc.) that is not associated with a waste water treatment plant?

- ○ Yes
- ◉ No

Owner or Operator Certification

The person with overall administrative responsibility for SWPPP implementation and Permit compliance must certify this MS4 Annual Report. This person must be duly authorized and should be either a principal executive (i.e., Director of Public Works, City Administrator) or ranking elected official (i.e., Mayor, Township Supervisor).

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete (Minn. R. 7001.0070). I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment (Minn. R. 7001.0540).

☑ Yes

By typing my name in the following box, I certify the above statements to be true and correct, to the best of my knowledge, and that information can be used for the purpose of processing my MS4 Annual Report.

Name:	Paul Teicher
Title:	Public Works Director
Date: (mm/dd/yyyy)	6/11/2018

When you are ready to submit, you must click the 'Submit' button at the bottom of this page.

Provide the email(s) of the individual(s) you would like to receive the MS4 Annual Report for 2017 submittal confirmation email from the MPCA. After you click the Submit button below, please allow up to three business days to receive this email.

Email (1)	pteicher@stfrancismn.org
Email (2)	shanen@haa-inc.com
Email (3)	kacif@haa-inc.com

Print or save a copy of your completed MS4 Annual Report for 2017 for your records. The MPCA will email a PDF of your MS4 Annual Report for 2017 information in a confirmation email within three business days after you submit this form to the email(s) you provided above.

You may print a copy of the MS4 Annual Report for 2017 for your records by pressing the 'Print' button at the bottom of the page.

Additionally, it is possible to save a PDF copy of the MS4 Annual Report for 2017 if you are working on a computer with OneNote (a program often included in Microsoft Office packages). Detailed saving instructions are available at stormwater.pca.state.mn.us/index.php/Guidance_for_saving_MS4_annual_reports.

If you have any questions, contact MPCA staff Cole Landgraf (cole.landgraf@state.mn.us, 651-757-2880) or Megan Handt (megan.handt@state.mn.us, 651-757-2843).

City of St. Francis

CITY COUNCIL AGENDA REPORT
Agenda Item #:
9 A

TO: Joe Kohlmann, City Administrator

FROM: Darcy Mulvihill, Finance Director

SUBJECT: **Water/Sewer Rates**

DATE: 06/13/2018 & 07/02/2018

OVERVIEW:

Staff has provided a supplemental review to Abdo's rate study. Abdo, provided the City with a rate study that recommended a 3% increase for both utility funds. Since that recommendation, the City has seen a commitment of increased development. Staff has factored in the increased development approved by the City Council in May and June to determine an updated recommendation.

ACTION TO BE CONSIDERED:

Recommendation will draw on cash balances and increased user fees from development.

Water Fund Cash Balance

		Cash Balance		Recommended Cash Balance
2016 Actual	$	2,608,308.00	$	1,227,664.03
2017 Actual	$	3,054,114.00	$	1,375,116.88
2018 Budget	$	2,903,817.58	$	1,808,885.50
2019 Estimate	$	2,241,730.08	$	1,329,135.05
2020 Estimate	$	1,997,353.19	$	1,301,228.29
2021 Estimate	$	1,786,056.47	$	1,307,756.99
2022 Estimate	$	1,573,293.84	$	1,317,811.11
2023 Estimate	$	1,355,425.21	$	1,324,077.52

Sewer Fund Cash Balance

		Cash Balance		Recommended Cash Balance
2016 Actual	$	2,401,006.59	$	1,232,658.01
2017 Actual	$	2,257,889.00	$	1,347,738.13
2018 Budget	$	2,393,025.87	$	1,600,042.05
2019 Estimate	$	2,332,500.32	$	1,666,997.40
2020 Estimate	$	2,173,609.39	$	1,735,389.68
2021 Estimate	$	2,009,034.76	$	1,814,876.46
2022 Estimate	$	1,827,548.04	$	1,890,155.58
2023 Estimate	$	1,633,218.35	$	1,961,152.96

City of St. Francis

Rates recommended with a comparison to current rates are as follows:

Current & Proposed Rate Recommendations

	Current Rates		Proposed	
Water Base	$	19.80	$	14.55
Usage Fee				
0-14,999	$	6.12	$	4.50
15,000-29,999	$	6.42	$	4.72
30,000-44,999	$	7.42	$	5.45
45,000 +	$	8.86	$	6.51
Sewer	$	24.50	$	20.82
Usage	$	9.60	$	8.16

This billing based on consumption would be:

Current and Proposed Bills Based on Consumption

Bill Summary							
Consumption	Current		Proposed		$ Difference		% Difference
1000	$	60.55	$	48.56	$	11.99	20%
2000	$	76.27	$	61.22	$	15.05	20%
3000	$	91.99	$	73.88	$	18.11	20%
4000	$	107.71	$	86.54	$	21.17	20%
5000	$	123.43	$	99.20	$	24.23	20%
6000	$	139.15	$	111.86	$	27.29	20%
7000	$	154.87	$	124.52	$	30.35	20%
8000	$	170.59	$	137.18	$	33.41	20%
9000	$	186.31	$	149.84	$	36.47	20%
10000	$	202.03	$	162.50	$	39.53	20%

City of St. Francis

The timeline for these changes are as follows:

Council can change the rates as proposed by amending the Fee Schedule Ordinance. Timeline would be as follows:

- June 18th, 2018: The council would have the 1st reading.
- July 2nd, 2018: The council would have the 2nd reading
- July 5th, 2018: Publication would be in the paper (needs 30 days).
- August 6th, 2018: Rates would be in effect for the bills due September 10, 2018.

At each meeting, there needs to be at least 4 of the council present as the readings need a 4/5's vote. If there are any delays, the rates would not go into effect until the next billing cycle or later.

BUDGET IMPLICATION:

See cash flow statements for estimates of future years.

With these rate adjustments, Council will need to be prepared to look at the rates each year to see how each fund is performing. If a decrease in the performance of either of the funds is seen, a recommended rate increase will have to be implemented to keep the funds performing at a level to provide for the operating expenses, debt service payments and covenants placed on the city.

Attachments:

Ordinance 241, Second Series – Amending Fee Schedule
Water and Sewer Financial Report – Prepared by Darcy Mulvihill
Powerpoint Presentation

CITY OF ST. FRANCIS
ST. FRANCIS MN
ANOKA COUNTY

ORDINANCE 241, SECOND SERIES

AN ORDINANCE AMENDING CHAPTER 2, SECTION 9 (FEE SCHEDULE), PART S AND PART T (WATER AND SEWER RATES)

THE CITY OF ST. FRANCIS ORDAINS:

Section 1. Code Adopted. That Chapter 2, Section 9, Part S entitled "Water Rates" and Part T entitled "Sewer Rates" shall hereby be amended to read as follows:

	Current Rates	**Proposed**
Water Base	$ 19.80	$ 14.55
Usage Fee		
0-14,999	$ 6.12	$ 4.50
15,000-29,999	$ 6.42	$ 4.72
30,000-44,999	$ 7.42	$ 5.45
45,000 +	$ 8.86	$ 6.51
Sewer Base	$ 24.50	$ 20.82
Usage	$ 9.60	$ 8.16

Balance of Chapter 2, unchanged.

Section 2. Effective Date. This Ordinance shall take effect on the later of 30 days after its publication.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF ST. FRANCIS THIS 2nd DAY OF JULY, 2018.

APPROVED:

ATTEST:

Steven D. Feldman
Mayor of St. Francis

Barbara I. Held
City Clerk

City of St. Francis

WATER/SEWER RATES

June 18, 2018

Darcy Mulvihill, Finance Director

Table of Contents

History

In 2008, the city was required by the DNR to adopt a water rate structure that encouraged conservation. This was implemented in 2009 and took effect at the beginning of 2010. Over the years of 2009 to 2014, minimal rate increases were implemented. This meant the rates did not keep pace with the increasing operating, maintenance and bond payment costs for each fund. A decline in the cash balances had been happening in each fund.

Some projects paid out of water and sewer revenues have been:

- The new Water Treatment Plant funded by a MN PFA Loan in 2007
- Ambassador Boulevard Lift Station and Improvements in 2010 funded by bonds
- The Woodhaven water pit in 2013 paid out of water plant revenues.
- The new Wastewater Treatment Plant funded by a MN PFA Loan along with PSIG and WIF Grants in 2016

During the 2015 budget process, council was considering several capital improvements along with the new wastewater treatment plant construction. Staff recommended contracting with Northland Securities to complete a long range financial plan which was approved at the November 17th, 2015 council meeting. This plan would take into account all capital equipment requests, bond payments (existing and proposed) and current operating budgets. This plan was to include the funding sources for all projects. This included a rate analysis for the water and sewer funds. Northland securities worked with staff, consultants and the City Council to finalize the Financial Management Plan during January and February of 2015. The final plan was brought before council at a work session on March 15, 2015 and discussed at length. It showed justification for increasing the rates for water and sewer. This plan was accepted by council at the April 6, 2015 Council meeting. At that time, staff prepared an ordinance amending the fee schedule to include the recommended increase in the water and sewer rates. The first reading occurred at the April 20th, 2015 meeting, but the second reading was tabled at the May 4th and May 18th meetings due to concerns from some residents.

After the May 18th meeting, the cash flows were reworked on each of these funds, and a new recommendation was proposed. The new recommendation used a stepped increase for the water and sewer. The new rates were implemented for November 1st, 2015 (bills due 12/10/2015) of a 20% increase in the water rates and a 40% increase in the sewer rates. The next year would need the same increase in the rates and going forward rates would be analyzed during the budget cycle and with a recommendation to council on any changes. Without additional connections and/or increased sales, the rates would need to be increased due to the increasing bond payments for the water and sewer plants.

See below for the rate history since 2009 along with the monthly billing based on consumptions.

	2009	2010	2011	2012	2013	2014	2015	11/1/2015	12/1/2016 to current
Water Service Rates									
Increase								*20%*	*20%*
Monthly base fee	$ 11.50	$ 11.50	$ 11.75	$ 11.75	$ 11.75	$ 13.75	$ 13.75	$16.50	$19.80
State test fee	$ 0.53	$ 0.53	$ 0.53	$ 0.53	$ 0.53	$ 0.53	$ 0.53	$ 0.53	$ 0.53
Water usage per 1,000 gallons / equivalent connection:									
Tier 1: 0-14,999 gallons	$ 3.85	$ 3.95	$ 4.25	$ 4.25	$ 4.25	$ 4.25	$ 4.25	$ 5.10	$ 6.12
Tier 2: 15,000-29,9999 gallons	$ 4.00	$ 4.10	$ 4.45	$ 4.45	$ 4.45	$ 4.45	$ 4.45	$ 5.34	$ 6.41
Tier 3: 30,000-44,999 gallons	$ 4.80	$ 4.80	$ 5.15	$ 5.15	$ 5.15	$ 5.15	$ 5.15	$ 6.18	$ 7.42
Tier 4: >45,000 gallons	$ 5.80	$ 5.80	$ 6.15	$ 6.15	$ 6.15	$ 6.15	$ 6.15	$ 7.38	$ 8.86
Sanitary Sewer Service Rates									
Increase								*40%*	*40%*
Monthly base fee	$ 12.00	$ 12.00	$ 12.25	$ 12.25	$ 12.25	$ 12.50	$ 12.50	$17.50	$24.50
Charge per 1,000 gal used/equivalent connection	$ 3.85	$ 4.20	$ 4.55	$ 4.55	$ 4.55	$ 4.90	$ 4.90	$6.86	$9.60

Monthly Billing (Based on Above Assumptions)

Consumption	2009	2010	2011	2012	2013	2014	2015	11/1/2015	12/1/2016
1000	$ 31.73	$ 32.18	$ 33.33	$ 33.33	$ 33.33	$ 35.93	$ 35.93	$ 46.49	$ 60.55
2000	$ 39.43	$ 40.33	$ 42.13	$ 42.13	$ 42.13	$ 45.08	$ 45.08	$ 58.45	$ 76.27
3000	$ 47.13	$ 48.48	$ 50.93	$ 50.93	$ 50.93	$ 54.23	$ 54.23	$ 70.41	$ 91.99
4000	$ 54.83	$ 56.63	$ 59.73	$ 59.73	$ 59.73	$ 63.38	$ 63.38	$ 82.37	$ 107.71
5000	$ 62.53	$ 64.78	$ 68.53	$ 68.53	$ 68.53	$ 72.53	$ 72.53	$ 94.33	$ 123.43
6000	$ 70.23	$ 72.93	$ 77.33	$ 77.33	$ 77.33	$ 81.68	$ 81.68	$ 106.29	$ 139.15
7000	$ 77.93	$ 81.08	$ 86.13	$ 86.13	$ 86.13	$ 90.83	$ 90.83	$ 118.25	$ 154.87
8000	$ 85.63	$ 89.23	$ 94.93	$ 94.93	$ 94.93	$ 99.98	$ 99.98	$ 130.21	$ 170.59
9000	$ 93.33	$ 97.38	$ 103.73	$ 103.73	$ 103.73	$ 109.13	$ 109.13	$ 142.17	$ 186.31
10000	$ 101.03	$ 105.53	$ 112.53	$ 112.53	$ 112.53	$ 118.28	$ 118.28	$ 154.13	$ 202.03

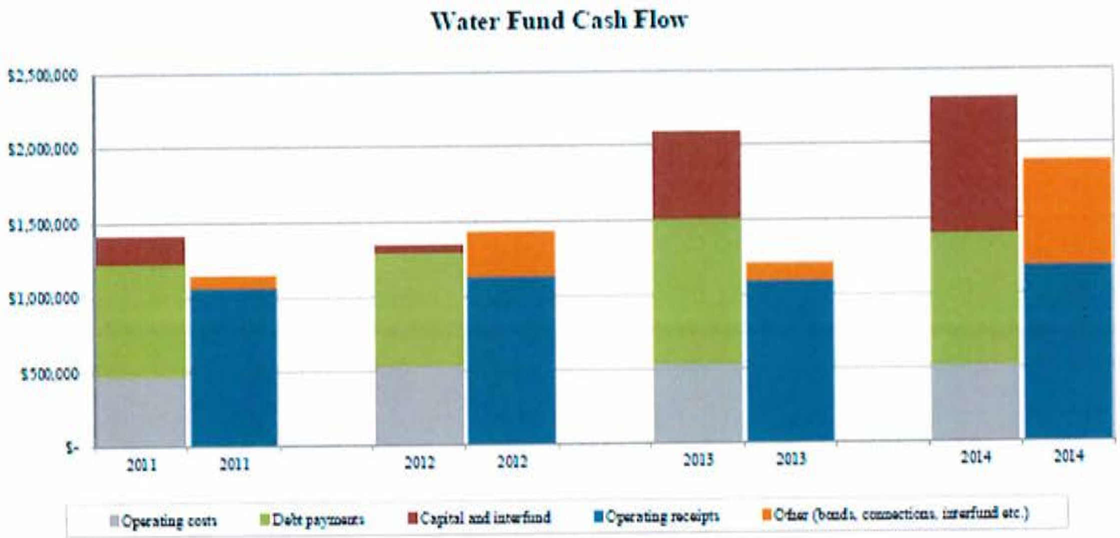
Audit History

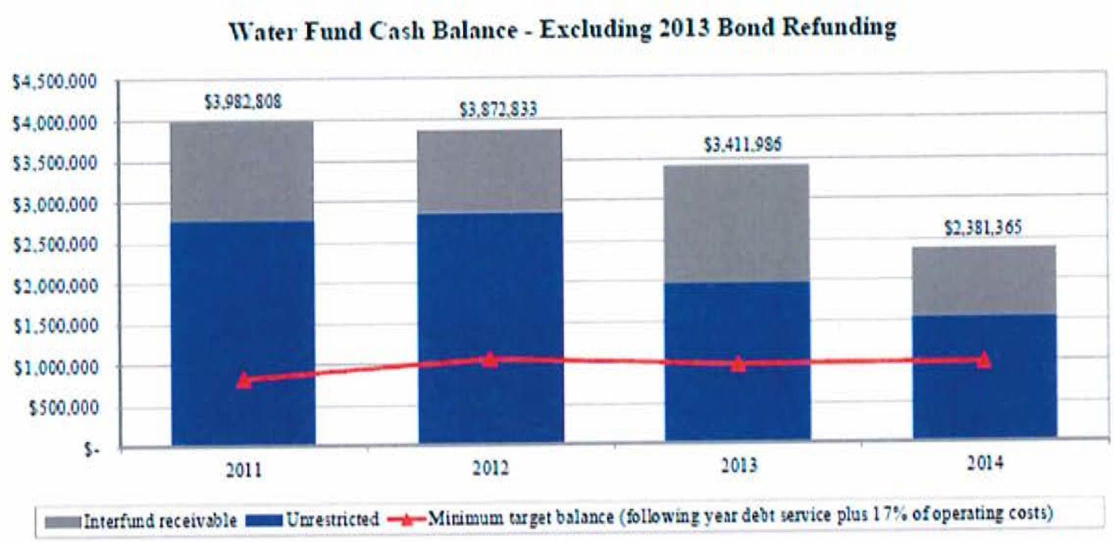
The following pages are taken from the 2014 Year End Management Letter and the 2017 Year End Management Letter prepared by Abdo, Eick and Meyers. This shows the history of the performance of the two funds. Water fund starts out with a cash balance in 2011 of $3,982,808 and drops to a low in 2015 of $2,129,397. This is when the first rate increase was implemented. The next year, the fund showed an increase in cash. It also shows the Water Fund cash balance increasing in 2017. The history of the income versus expenses is also shown. The graph shows that the first time since 2012, revenues were higher than expenses for the fund in 2017. Looking at the Sewer Fund, the cash balance varied greatly as the city was paying upfront costs on the new Wastewater Treatment Plant and then sold bonds for part of the project waiting for reimbursement from MN PFA . The 2017 cash balance has stabilized and does not have any unspent funds or unreimbursed costs in the balance. Looking at the revenues versus the expenses, 2016 was the first year that the Sewer Fund's receipts exceeded its expenses since 2012.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises- where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

The results of the operations in terms of cash flow and the breakdown of the cash balances for the past four years are as follows:



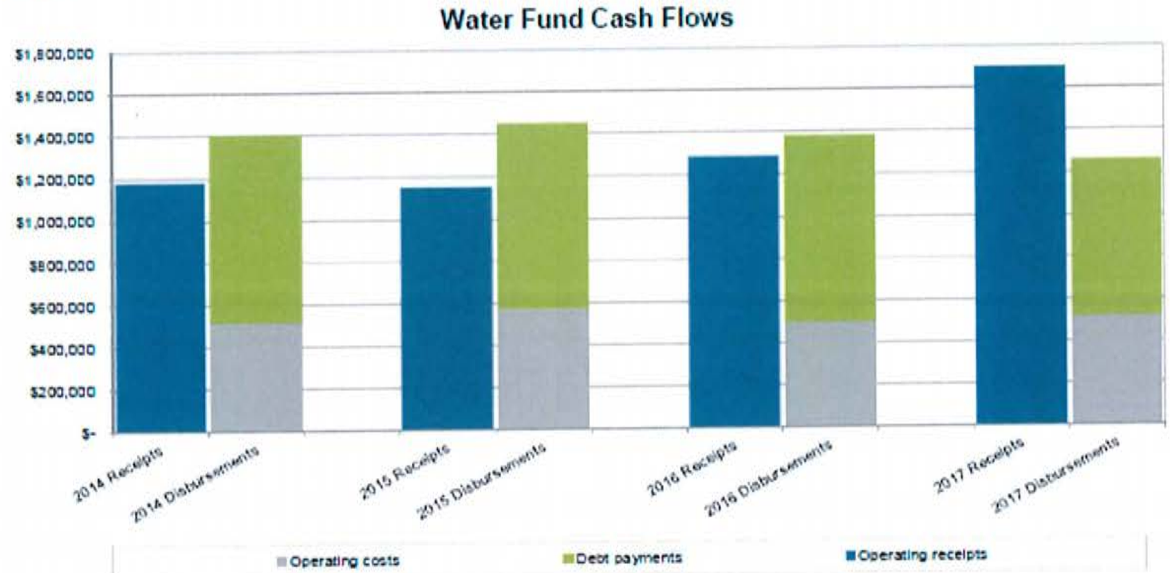


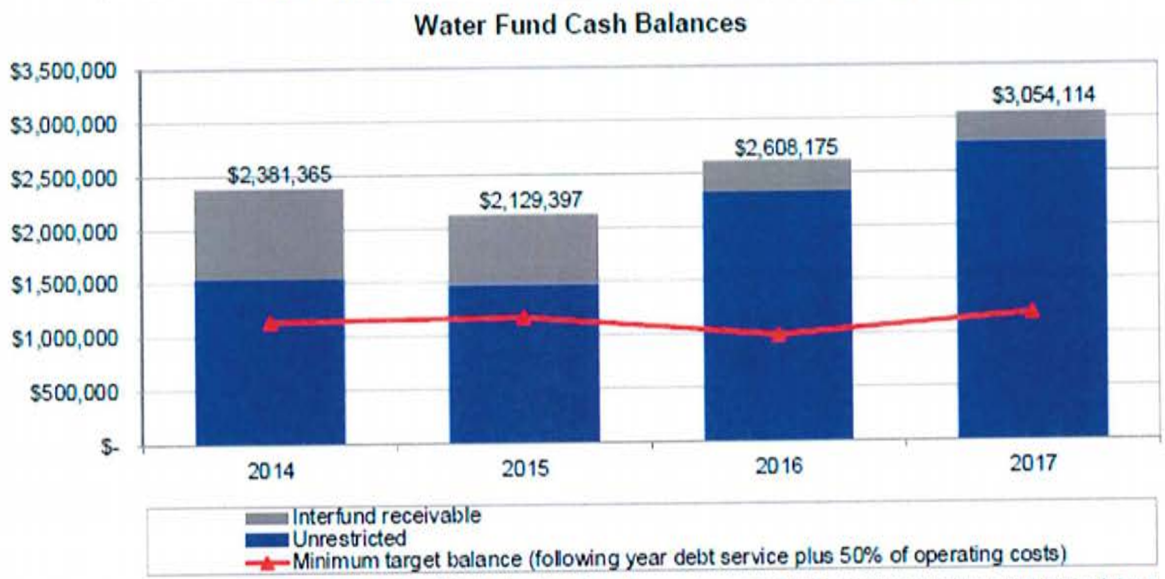
In addition to the cash balance, there is an interfund loan receivable of $839,821 at the end of the year. The City should monitor the operations of the Water fund and analyze rates annually to ensure revenues will cover future operating expenses, repair and maintenance, new infrastructure and debt service. Total cash and interfund balance has decreased each of the four years presented.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

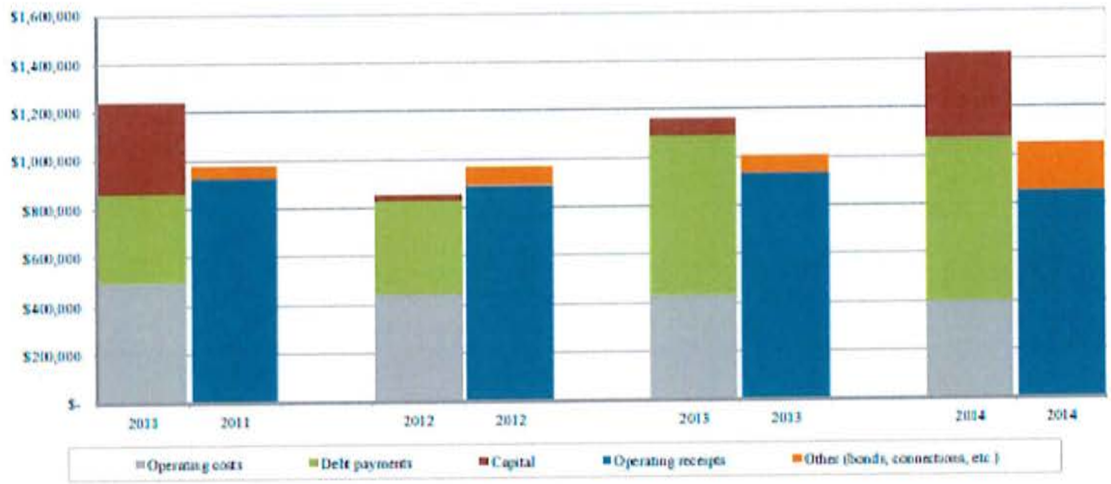
The results of the operations in terms of cash flow and the breakdown of the cash balances for the past four years are as follows:



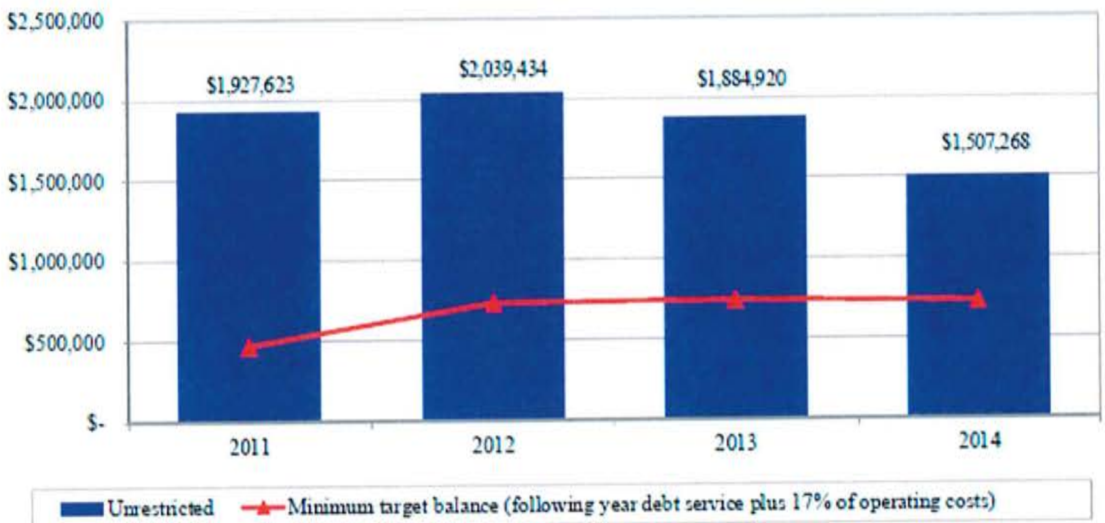


The City should monitor the operations of the Water fund and analyze rates annually to ensure revenues will cover future operating expenses, repair and maintenance, new infrastructure and debt service.

Sewer Fund Cash Flow

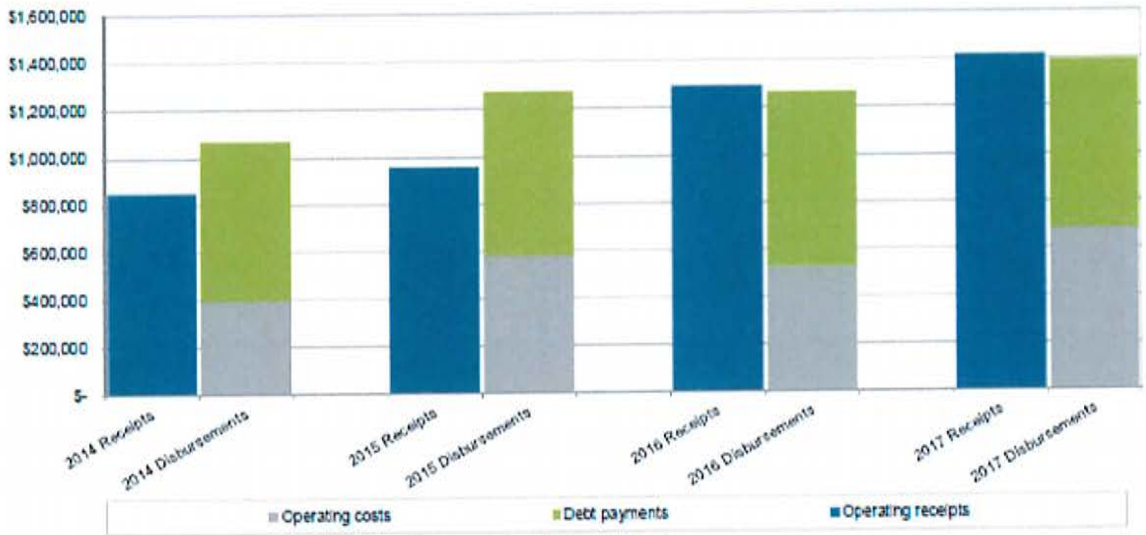


Sewer Fund Cash Balance - Excluding 2013 Bond Refunding

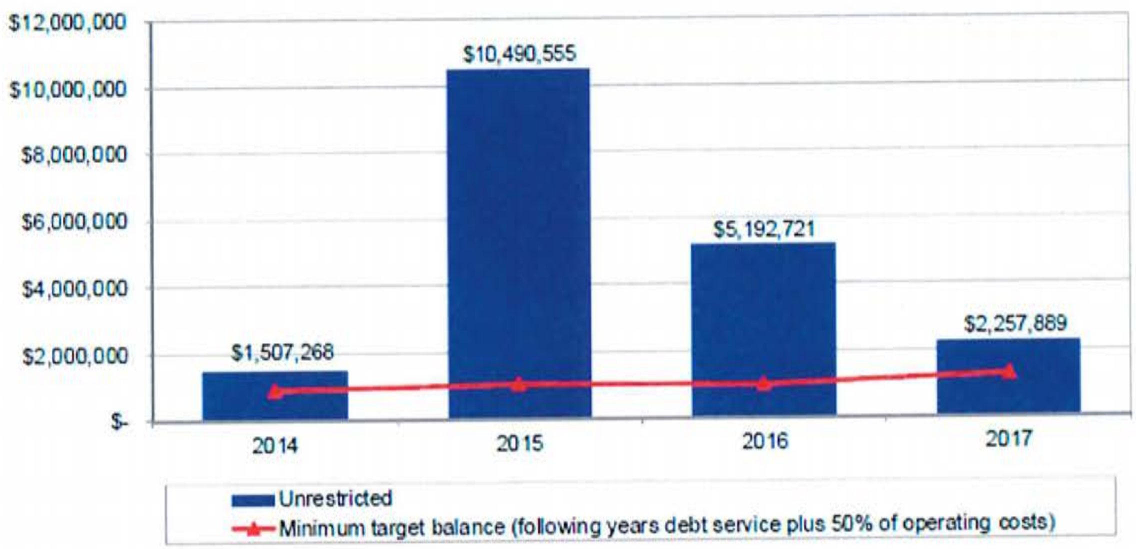


The City should continue to monitor the operations of the Sewer fund and analyze rates annually to ensure revenues will cover future operating expenses, repair and maintenance, new infrastructure and debt service. Cash has decrease the last two years.

Sewer Fund Cash Flows



Sewer Fund Cash Balances



Rate Study and Development

At the October 16, 2017 meeting, Council approved a rate study to be completed by Abdo, Eick and Meyers. This study has been worked on over the last several months. It was delivered to the City recently. It recommends a slight increase in the rates based on historical data. The city is now looking at several developments and building permits that could increase revenues including WAC, SAC, monthly access charges and sales. This information on the new connections was not available Abdo since the developments were approved at the May 21st and June 4th City Council meetings.

Woodhaven Mobile Home Park is adding units. Meridian Behavioral Health is working through the process of its development. River's Edge is starting its new development area. Plans for a Senior Living facility are been worked on. Building permit activity on the Water/Sewer system have increased (see below for history).

New Homes permits on Utility Billing

Year	#	WAC $	SAC $
2011	3	$ 8,600	$ 12,200
2012	8	$ 24,000	$ 33,600
2013	10	$ 36,000	$ 50,400
2014	12	$ 36,000	$ 50,400
2015	17	$ 51,360	$ 71,904
2016	30	$ 91,800	$ 128,520
2017	49	$ 149,940	$ 209,916
2018 to date*	18	$ 55,080	$ 77,112

**Decrease in 2018 due to low lot inventory prior to council approvals in May/June.*

Approved Additional WAC & SAC Connections & Area Charges

Development	*Number*
River's Edge	23
Woodhaven	55
Meridian	60
Meadows	40
Anticipated Future Connections	
River's Edge	*200*
Assisted Living	*80-90*
Area Connection Charges to be received	Water/Sewer
River's Edge	*$ 390,000*
Woodhaven	*$ 96,215*

Rate Recommendations

Based on this data, cash flows have been updated for both funds and their rates. The recommendation is to lower the final bill overall by 20%. The water rates are proposed to drop by 26.5% while the sewer rates would drop by 15% generating the overall decrease of 20%. The current rates and the proposed rates are as follows:

Current & Proposed Rate Recommendations

	Current Rates	Proposed
Water Base	$ 19.80	$ 14.55
Usage Fee		
0-14,999	$ 6.12	$ 4.50
15,000-29,999	$ 6.42	$ 4.72
30,000-44,999	$ 7.42	$ 5.45
45,000 +	$ 8.86	$ 6.51
Sewer	$ 24.50	$ 20.82
Usage	$ 9.60	$ 8.16

The tier structure is not changing.

These rates would affect the overall bills based on usage as displayed in the following table:

Current and Proposed Bills Based on Consumption

Bill Summary				
Consumption	Current	Proposed	$ Difference	% Difference
1000	$ 60.55	$ 48.56	$ 11.99	20%
2000	$ 76.27	$ 61.22	$ 15.05	20%
3000	$ 91.99	$ 73.88	$ 18.11	20%
4000	$ 107.71	$ 86.54	$ 21.17	20%
5000	$ 123.43	$ 99.20	$ 24.23	20%
6000	$ 139.15	$ 111.86	$ 27.29	20%
7000	$ 154.87	$ 124.52	$ 30.35	20%
8000	$ 170.59	$ 137.18	$ 33.41	20%
9000	$ 186.31	$ 149.84	$ 36.47	20%
10000	$ 202.03	$ 162.50	$ 39.53	20%

Assumptions

Revenues generated from these decreased rates along with an assumption of 50 new utility billing customers added in 2019 and then 30 new utility billing customers in the following years are shown in the table below. This also shows the expenses for each fund along with the net income for each fund.

Water Fund Summarized Cash Flow

	2016	2017	2018	2019	2020	2021
	Actual	Actual	Budget	Estimated	Estimated	Estimated
Revenues	$ 1,385,958.00	$ 1,671,817.00	$ 1,400,000.00	$ 1,230,000.00	$ 1,242,598.00	$ 1,255,269.60
Expense	$ (818,761.00)	$ (872,485.00)	$ (934,200.00)	$ (948,484.00)	$ (963,119.68)	$ (978,116.05)
Other Income/Expenses	$ 96,185.00	$ (110,821.48)	$ (217,520.00)	$ (103,405.31)	$ (155,157.02)	$ (139,002.08)
Net Income	$ 663,382.00	$ 688,510.52	$ 248,280.00	$ 178,110.69	$ 124,321.31	$ 138,151.47

Sewer Fund Summarized Cash Flow

	2016	2017	2018	2019	2020	2021
	Actual	Actual	Budget	Estimated	Estimated	Estimated
Revenues	$ 1,335,914.00	$ 1,810,376.00	$ 1,728,000.00	$ 1,585,000.00	$ 1,599,178.00	$ 1,613,445.40
Expense	$ (823,192.00)	$ (984,376.00)	$ (1,132,650.00)	$ (1,150,703.00)	$ (1,169,183.06)	$ (1,188,100.70)
Other Income/Expenses	$ 3,028,120.00	$ 4,442,707.00	$ (294,789.55)	$ (137,020.74)	$ (222,084.06)	$ (212,367.52)
Net Income	$ 3,540,842.00	$ 5,268,707.00	$ 300,560.45	$ 297,276.26	$ 207,910.88	$ 212,977.18

PFA Requirements

In setting the rates, the council has to be aware of some constraints that the MN PFA places on the city.

Per Becky Sabie's email dated 4/30/2018:

1. The City has a Bond Purchase and Project Loan Agreement with the City for both of the above referenced loans. The City issued a General Obligation Revenue Note as security for each of the loans. The Clean Water Loan Agreement includes a Revenue Sufficiency Covenant (Section 2.3) states *"The Borrower shall impose and collect rates and charges in compliance with Minnesota Statutes and in accordance with the Borrower's approved service charge system, so that sufficient gross revenues are available for the payment of system costs, including operation and maintenance and, together with other sources as may be applicable, debt service. The Borrower shall annually review and assure the revenue stream is sufficient for the payment of system costs including debt service."* (Note: Though this specific language is not in the Drinking Water Agreement, the requirement to produce revenues sufficient "at times in amounts required to produce net revenues adequate to pay all principal and interest when due on the note" is detailed in the authorizing resolution (refer to the transcript)).
2. Amendment #1 to the Clean Water Loan Agreement added Water Infrastructure Funds which requires the City to establish and set aside a replacement fund. Per Section 8.1 of the Amendment, *"The Borrower must establish a wastewater system replacement fund in its official books and records for the major rehabilitation, expansion, or replacement of the wastewater treatment system of the Borrower. During the term of this Agreement, the Borrower shall deposit in the replacement fund each calendar year a minimum of $0.50 per 1,000 gallons of flow of the wastewater system. Money must remain in the fund for the term of the Loan, unless use of all or a portion of the fund is approved by the Authority for the major rehabilitation, expansion, or replacement of the wastewater treatment system. By March 1 of each year, the Borrower must submit a report to the Authority identifying the amount deposited into the fund during the prior calendar year and the fund balance of the fund as of the end of the prior calendar year. The Authority will assess a penalty fee to the Borrower equal to one percent of the WIF Grant for each year of noncompliance."* Reporting on the Replacement Fund will start for calendar year 2018.
3. The PFA Loan Agreements require the City to have annual independent audits conducted and submit them to PFA. PFA reviews the audits for compliance with the terms of the Agreements and the covenants of the General Obligation Notes issued to the PFA as security for the Loans. The City covenanted and pledged net revenues of the water system to pay for debt service on the PFA drinking water Loan and pledged net revenues of the sewer systems to pay for debt service on the PFA sewer Loan. The net revenues are what fund are available after paying operation and maintenance costs.

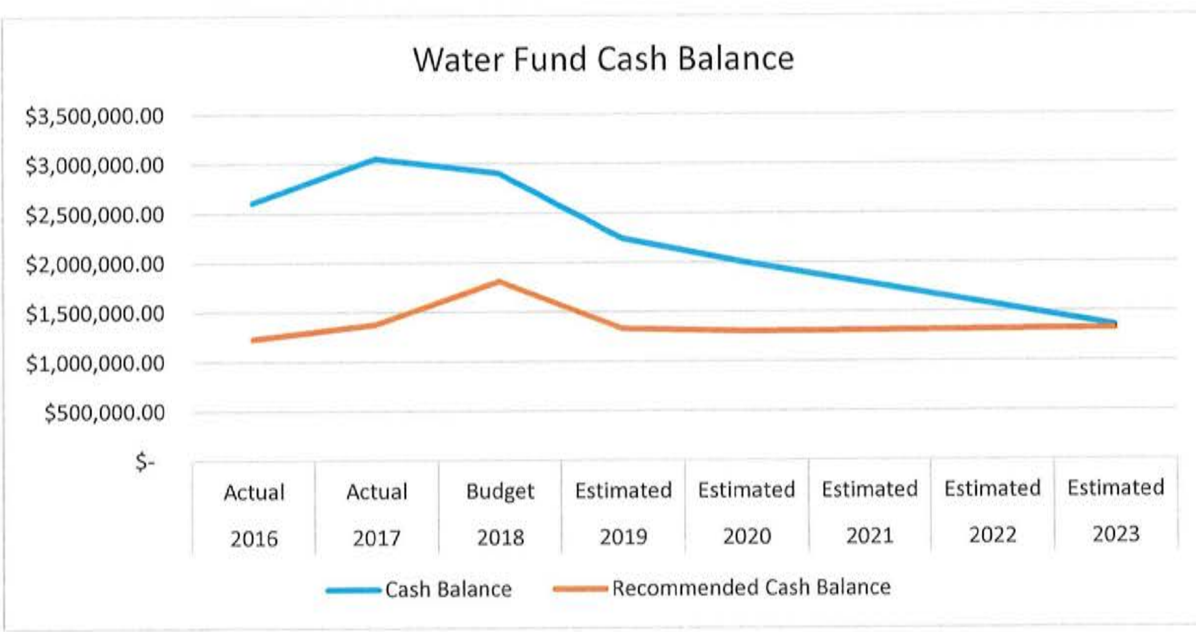
4. Annual review of the water and sewer system expenses and revenues by the City is necessary to make the determination that sufficient funds are available for system costs (see bullet #1). Adjustments to rates and charges need to be implemented in order to keep system expenses and revenues aligned.
5. The PFA strongly encourages the City to maintain one-years' debt service and at least 3 months operating expenses.

Recommended Cash Balances and Cash Flows

The following tables shows the recommended amounts for the cash balances for each fund. It shows a balance of the next year's debt service payment, a 50% balance of next year's operating expense and the next year's planned capital expense. The sewer fund also shows the replacement fund required by the Sewer Fund Loan agreement. I have included a graph showing the cash balance that has been generated from the cash flows on each fund along with the recommended balance. As you can see each fund's cash balance is dropping to the recommended level by 2023. The sewer fund is looking like it would drop below this level. The cash flow for each fund is also provided.

Water Fund Recommended Cash Balances

Water Fund Cash	2016 Actual	2017Actual	2018 Budget	2019 Estimate	2020 Estimate	2021 Estimate
Next Year Debt	$ 791,421.53	$ 813,016.88	$ 812,643.50	$ 811,075.21	$ 812,170.27	$ 811,015.80
Next Year Expense	$ 436,242.50	$ 467,100.00	$ 474,242.00	$ 481,559.84	$ 489,058.03	$ 496,741.19
Next Year Capital	$ -	$ 95,000.00	$ 522,000.00	$ 36,500.00	$ -	$ -
Total	$ 1,227,664.03	$ 1,375,116.88	$1,808,885.50	$ 1,329,135.05	$ 1,301,228.29	$ 1,307,756.99



**Incremental increases will be required in 2023.*

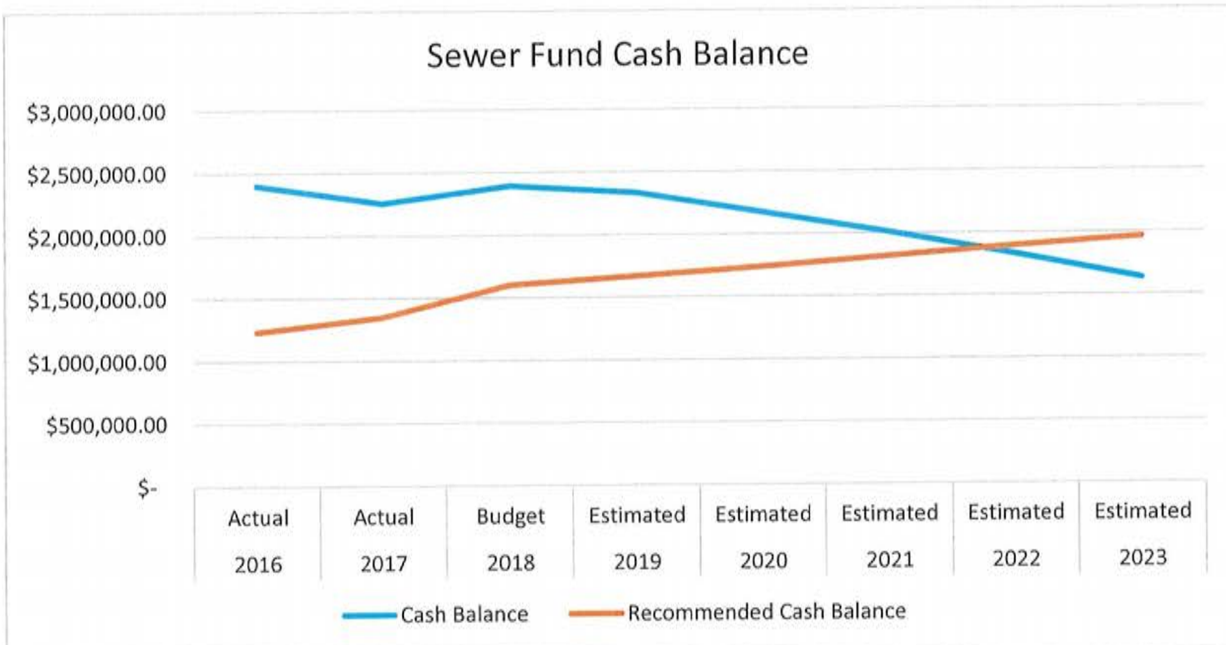
City of St. Francis
Water Fund Cash Flow Analysis

	Actual 2017	Budget 2018	Estimated 2019	Estimated 2020	Estimated 2021	Estimated 2022	Estimated 2023
Operating Revenues							
Base			$ 458,000	$ 463,238	$ 468,476	$ 473,714	$ 478,952
Penalty			$ 36,000	$ 36,000	$ 36,000	$ 36,000	$ 36,000
Usage	$ 1,671,817	$ 1,400,000	$ 736,000	$ 743,360	$ 750,794	$ 758,302	$ 765,885
Total Operating Revenues	**$ 1,671,817**	**$ 1,400,000**	**$ 1,230,000**	**$ 1,242,598**	**$ 1,255,270**	**$ 1,268,016**	**$ 1,280,837**
Operating Expenses							
Personal Services	$ 207,718	$ 220,000	$ 226,600	$ 233,398	$ 240,400	$ 247,612	$ 255,040
Supplies	$ 72,383	$ 89,000	$ 90,780	$ 92,596	$ 94,448	$ 96,336	$ 98,263
Professional Services	$ 103,667	$ 110,850	$ 113,067	$ 115,328	$ 117,635	$ 119,988	$ 122,387
Communications	$ 7,802	$ 7,000	$ 7,140	$ 7,283	$ 7,428	$ 7,577	$ 7,729
Insurance	$ 18,880	$ 18,200	$ 18,564	$ 18,935	$ 19,314	$ 19,700	$ 20,094
Utilities	$ 81,488	$ 93,500	$ 95,370	$ 97,277	$ 99,223	$ 101,207	$ 103,232
Repairs and maintenance	$ 40,614	$ 52,500	$ 53,550	$ 54,621	$ 55,713	$ 56,828	$ 57,964
Depreciation	$ 325,126	$ 330,000	$ 330,000	$ 330,000	$ 330,000	$ 330,000	$ 330,000
Other	$ 14,807	$ 13,150	$ 13,413	$ 13,681	$ 13,955	$ 14,234	$ 14,519
Total Operating Expenses	**$ 872,485**	**$ 934,200**	**$ 948,484**	**$ 963,120**	**$ 978,116**	**$ 993,482**	**$ 1,009,228**
Operating Income	**$ 799,332**	**$ 465,800**	**$ 281,516**	**$ 279,478**	**$ 277,154**	**$ 274,533**	**$ 271,608**
NonOperating Revenues (Expenses)							
Miscellaneous Grants	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income	$ 27,728	$ 20,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000	$ 10,000
Miscellaneous	$ 10,646	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Gain on sale of capital assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond issuance costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Expense	$ (191,958)	$ (179,440)	$ (164,445)	$ (148,877)	$ (132,722)	$ (115,946)	$ (98,627)
Total NonOperating Revenues (Expenses)	**$ (153,584)**	**$ (156,440)**	**$ (151,445)**	**$ (135,877)**	**$ (119,722)**	**$ (102,946)**	**$ (85,627)**
Income Before Transfers and Contributions	**$ 645,748**	**$ 309,360**	**$ 130,071**	**$ 143,601**	**$ 157,431**	**$ 171,587**	**$ 185,981**
Transfers and Contributions							
Transfers in	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Connection Fees	$ 153,843	$ 50,000	$ 159,120	$ 91,800	$ 91,800	$ 91,800	$ 91,800
Capital Contributions from other funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transfers Out	$ (111,080)	$ (111,080)	$ (111,080)	$ (111,080)	$ (111,080)	$ (111,080)	$ (111,080)
Total Transfers and Contributions	**$ 42,763**	**$ (61,080)**	**$ 48,040**	**$ (19,280)**	**$ (19,280)**	**$ (19,280)**	**$ (19,280)**

Net Income	**$ 688,511**	**$ 248,280**	**$ 178,111**	**$ 124,321**	**$ 138,151**	**$ 152,307**	**$ 166,701**
	Actual 2017	Budget 2018	Estimated 2019	Estimated 2020	Estimated 2021	Estimated 2022	Estimated 2023
Net Income		$ 248,280	$ 178,111	$ 124,321	$ 138,151	$ 152,307	$ 166,701
Add Depreciation		$ 330,000	$ 330,000	$ 330,000	$ 330,000	$ 330,000	$ 330,000
Capital Outlay Less Bonds		$ 95,000	$ 522,000	$ 36,500	$ -	$ -	$ -
Principal Payments		$ 633,576	$ 648,198	$ 662,198	$ 679,448	$ 695,070	$ 714,570
Change to Cash	$ -	$ (150,296)	$ (662,088)	$ (244,377)	$ (211,297)	$ (212,763)	$ (217,869)
Cash Balance	$ 3,054,114	$ 2,903,818	$ 2,241,730	$ 1,997,353	$ 1,786,056	$ 1,573,294	$ 1,355,425
Capital Outlay							
		95,000	522,000	36,500			
Total	-	95,000	522,000	36,500	-	-	-
Source of Funds:							
GO Revenue Bonds							
Total	-	-	-	-	-	-	-
Debt Service (Principal)							
2006A Refunding Bonds							
2007 MPFA (Water Plant)	$ 527,000	$ 541,000	$ 555,000	$ 569,000	$ 584,000	$ 599,000	$ 614,000
2007A Revenue Bonds	$ 65,250						
2013A Refunding (Refunded 2007A)		$ 83,250	$ 83,250	$ 83,250	$ 85,500	$ 85,500	$ 90,000
2016 Bonds		$ 9,326.42	$ 9,948.19	$ 9,948.19	$ 9,948.19	$ 10,569.95	$ 10,569.95
Total Principal	592,250	633,576	648,198	662,198	679,448	695,070	714,570
Debt Service (Interest)							
2006A Refunding Bonds							
2007 MPFA (Water Plant)	$ 169,312	$ 155,805	$ 141,939	$ 127,714	$ 113,131	$ 98,163	$ 82,811
2007A Revenue Bonds	$ 20,852						
2013A Refunding (Refunded 2007A)	$ 9,007	$ 17,598	$ 16,662	$ 15,517	$ 14,145	$ 12,542	$ 10,787
2016 Bonds		$ 6,037	$ 5,845	$ 5,646	$ 5,447	$ 5,241	$ 5,030
Total Interest	199,172	179,440	164,445	148,877	132,722	115,946	98,627
Total Principal & Interest	791,422	813,017	812,644	811,075	812,170	811,016	813,197

Sewer Fund Recommended Cash Balances

Sewer Fund Cash	2016 Actual	2017Actual	2018 Budget	2019 Estimate	2020 Estimate	2021 Estimate
Next Year Debt	$ 740,470.01	$ 766,413.13	$ 951,790.55	$ 951,605.87	$ 967,639.33	$ 979,543.10
Next Year Expense	$ 492,188.00	$ 566,325.00	$ 575,351.50	$ 584,591.53	$ 594,050.35	$ 603,733.36
Replacement Fund	$ -	$ -	$ 57,900.00	$ 115,800.00	$ 173,700.00	$ 231,600.00
Next Year Capital	$ -	$ 15,000.00	$ 15,000.00	$ 15,000.00	$ -	$ -
Total	$ 1,232,658.01	$ 1,347,738.13	$1,600,042.05	$ 1,666,997.40	$ 1,735,389.68	$ 1,814,876.46



**Incremental increases will be required in 2022.*

City of St. Francis

Sewer Fund Cash Flow Analysis

	Actual 2017	Budget 2018	Estimated 2019	Estimated 2020	Estimated 2021	Estimated 2022	Estimated 2023
Operating Revenues							
Base			$ 655,000	$ 660,238	$ 665,476	$ 670,714	$ 675,952
Penalty			$ 36,000	$ 36,000	$ 36,000	$ 36,000	$ 36,000
Usage	$ 1,810,376	$ 1,728,000	$ 894,000	$ 902,940	$ 911,969	$ 921,089	$ 930,300
Total Operating Revenues	**$ 1,810,376**	**$ 1,728,000**	**$ 1,585,000**	**$ 1,599,178**	**$ 1,613,445**	**$ 1,627,803**	**$ 1,642,252**
Operating Expenses							
Personal Services	$ 222,731	$ 220,000	$ 226,600	$ 233,398	$ 240,400	$ 247,612	$ 255,040
Supplies	$ 61,018	$ 50,300	$ 51,306	$ 52,332	$ 53,379	$ 54,446	$ 55,535
Professional Services	$ 108,824	$ 162,550	$ 165,801	$ 169,117	$ 172,499	$ 175,949	$ 179,468
Communications	$ 3,559	$ 3,500	$ 3,570	$ 3,641	$ 3,714	$ 3,789	$ 3,864
Insurance	$ 26,323	$ 16,400	$ 16,728	$ 17,063	$ 17,404	$ 17,752	$ 18,107
Utilities	$ 113,004	$ 146,600	$ 149,532	$ 152,523	$ 155,573	$ 158,685	$ 161,858
Repairs and maintenance	$ 111,466	$ 169,250	$ 172,635	$ 176,088	$ 179,609	$ 183,202	$ 186,866
Depreciation	$ 322,111	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000
Other	$ 15,340	$ 24,050	$ 24,531	$ 25,022	$ 25,522	$ 26,032	$ 26,553
Total Operating Expenses	**$ 984,376**	**$ 1,132,650**	**$ 1,150,703**	**$ 1,169,183**	**$ 1,188,101**	**$ 1,207,467**	**$ 1,227,292**
Operating Income	**$ 826,000**	**$ 595,350**	**$ 434,297**	**$ 429,995**	**$ 425,345**	**$ 420,336**	**$ 414,960**
NonOperating Revenues (Expenses)							
Miscellaneous Grants	$ 4,606,071	$ -	$ -	$ -	$ -	$ -	$ -
Special Assessments	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Income	$ 44,596	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000
Miscellaneous	$ 56,746	$ 25,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000	$ 3,000
Gain on sale of capital assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Bond issuance costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Interest Expense	$ (360,822)	$ (275,990)	$ (268,989)	$ (259,804)	$ (250,088)	$ (239,613)	$ (228,579)
Total NonOperating Revenues (Expenses)	**$ 4,346,591**	**$ (230,990)**	**$ (245,989)**	**$ (236,804)**	**$ (227,088)**	**$ (216,613)**	**$ (205,579)**
Income Before Transfers and Contributions	**$ 5,172,591**	**$ 364,360**	**$ 188,308**	**$ 193,191**	**$ 198,257**	**$ 203,723**	**$ 209,380**
Transfers and Contributions							
Transfers in	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Connection Fees	$ 209,916	$ 50,000	$ 222,768	$ 128,520	$ 128,520	$ 128,520	$ 128,520

Capital Contributions from other funds		$ -	$ -	$ -	$ -	$ -	$ -
Transfers Out	$ (113,800)	$ (113,800)	$ (113,800)	$ (113,800)	$ (113,800)	$ (113,800)	$ (113,800)
Total Transfers and Contributions	**$ 96,116**	**$ (63,800)**	**$ 108,968**	**$ 14,720**	**$ 14,720**	**$ 14,720**	**$ 14,720**
Net Income	**$ 5,268,707**	**$ 300,560**	**$ 297,276**	**$ 207,911**	**$ 212,977**	**$ 218,443**	**$ 224,100**

	Actual 2017	Budget 2018	Estimated 2019	Estimated 2020	Estimated 2021	Estimated 2022	Estimated 2023
Net Income		$ 300,560	$ 297,276	$ 207,911	$ 212,977	$ 218,443	$ 224,100
Add Depreciation		$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000	$ 340,000
Capital Outlay Less Bonds		$ 15,000	$ 15,000	$ 15,000	$ -	$ -	$ -
Principal Payments		$ 490,424	$ 682,802	$ 691,802	$ 717,552	$ 739,930	$ 758,430
Change to Cash		$ 135,137	$ (60,526)	$ (158,891)	$ (164,575)	$ (181,487)	$ (194,330)
Cash Balance	$ 2,257,889	$ 2,393,026	$ 2,332,500	$ 2,173,609	$ 2,009,035	$ 1,827,548	$ 1,633,218
Capital Outlay							
		$ 15,000	$ 15,000	$ 15,000			
Total	$ -	$ 15,000	$ 15,000	$ 15,000	$ -	$ -	$ -
Source of Funds:							
GO Revenue Bonds							
Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Debt Service (Principal)	Budget 2017	2018	2019	2020	2021	2022	2023
2007A Revenue Bonds	79,750.00						
2010A Revenue Bonds	65,000.00	65,000.00	70,000.00	70,000.00	75,000.00	80,000.00	80,000.00
2013A Refunding (Refunded 2007A)		101,750.00	101,750.00	101,750.00	104,500.00	104,500.00	110,000.00
2015 Bonds	35,000.00	40,000.00	40,000.00	40,000.00	45,000.00	45,000.00	45,000.00
2016 MPFA (Treatment Plant)	218,544.00	218,000.00	401,000.00	410,000.00	423,000.00	436,000.00	449,000.00
2016 Bonds		65,673.58	70,051.81	70,051.81	70,051.81	74,430.05	74,430.05
Total All	398,294.00	490,423.58	682,801.81	691,801.81	717,551.81	739,930.05	758,430.05

Debt Service (Interest)							
2007A Revenue Bonds	25,486.00						
2010A Revenue Bonds	38,650.00	37,188.00	35,669.00	34,094.00	32,406.00	30,466.00	28,326.00
2013A Refunding (Refunded 2007A)	11,008.80	21,508.85	20,364.30	18,965.65	17,288.15	15,328.50	13,183.50
2015 Bonds	17,610.00	16,860.00	16,060.00	15,260.00	14,410.00	13,510.00	12,610.00
2016 MPFA (Treatment Plant)	133,421.21	157,920.00	155,740.00	151,730.00	147,630.00	143,400.00	139,040.00
2016 Bonds		42,512.70	41,155.44	39,754.41	38,353.37	36,908.55	35,419.95
2016C Bonds	116,000.00						
Total All	342,176.01	275,989.55	268,988.74	259,804.06	250,087.52	239,613.05	228,579.45
Total Principal & Interest	740,470.01	766,413.13	951,790.55	951,605.87	967,639.33	979,543.10	987,009.50

Rate Change Timeline

Council can change the rates as proposed by amending the Fee Schedule Ordinance. Timeline would be as follows:

- June 18th, 2018: The council would have the 1st reading.
- July 2nd, 2018: The council would have the 2nd reading
- July 5th, 2018: Publication would be in the paper (needs 30 days).
- August 6th, 2018: Rates would be in effect for the bills due September 10, 2018.

At each meeting, there needs to be at least 4 of the council present as the readings need a 4/5's vote. If there are any delays, the rates would not go into effect until the next billing cycle or later.

With these rate adjustments, Council will need to be prepared to look at the rates each year to see how each fund is performing. If a decrease in the performance of either of the funds is seen, a recommended rate increase will have to be implemented to keep the funds performing at a level to provide for the operating expenses, debt service payments and covenants placed on the city.

Recommended versus Actual/Estimated Cash Balances

Water Fund Cash Balance

	Cash Balance	Recommended Cash Balance
2016 Actual	$ 2,608,308.00	$ 1,227,664.03
2017 Actual	$ 3,054,114.00	$ 1,375,116.88
2018 Budget	$ 2,903,817.58	$ 1,808,885.50
2019 Estimate	$ 2,241,730.08	$ 1,329,135.05
2020 Estimate	$ 1,997,353.19	$ 1,301,228.29
2021 Estimate	$ 1,786,056.47	$ 1,307,756.99
2022 Estimate	$ 1,573,293.84	$ 1,317,811.11
2023 Estimate	$ 1,355,425.21	$ 1,324,077.52

Sewer Fund Cash Balance

	Cash Balance	Recommended Cash Balance
2016 Actual	$ 2,401,006.59	$ 1,232,658.01
2017 Actual	$ 2,257,889.00	$ 1,347,738.13
2018 Budget	$ 2,393,025.87	$ 1,600,042.05
2019 Estimate	$ 2,332,500.32	$ 1,666,997.40
2020 Estimate	$ 2,173,609.39	$ 1,735,389.68
2021 Estimate	$ 2,009,034.76	$ 1,814,876.46
2022 Estimate	$ 1,827,548.04	$ 1,890,155.58
2023 Estimate	$ 1,633,218.35	$ 1,961,152.96

City of St. Francis Water and Sewer Rates

Presentation to City Council on 6/18/18

Presented by

Joe Kohlmann

Brief Rate History

- 2009 – DNR mandated water conservation rates
- 2015 – Long Range Financial Plan – Northland Securities
- 2015/2016 – 20% increase in water/ 40% increase Sewer – 20% increase in water/ 40% increase Sewer
- 2018 – Abdo hired for a rate study analysis
  - Staff also conducted internal rate analysis

City of St. Francis

Rate Analysis Results

- Two approaches working with each other
- Abdo began rate study in February
- They increased development projections from 15 – 20 new units annually
- Provided recommended fund balances of 50% operating costs and 100% of next year bond payments
- 5 year average of Capital Improvement costs
- Resulted in a recommendation of 3% increase in both rates

City of St. Francis

Rate Analysis Results

- City Staff used same bench marks for cash balance
- Staff increased Development Activity based on more real time and City approvals
  - 50 Connections in 2018
  - 30 Connections annually thereafter
- Staff also factored in Fund Balance reduction
- Staff Proposal is for a 20% reduction in FINAL BILL
  - 26.5% reduction in water rates
  - 15% reduction in sewer rates

Final Rate Considerations

Bill Summary				
Consumption	Current	Proposed	$ Difference	% Difference
1000	$60.55	$48.56	$11.99	20%
2000	$76.27	$61.22	$15.05	20%
3000	$91.99	$73.88	$18.11	20%
4000	$107.71	$86.54	$21.17	20%
5000	$123.43	$99.20	$24.23	20%
6000	$139.15	$111.86	$27.29	20%
7000	$154.87	$124.52	$30.35	20%
8000	$170.59	$137.18	$33.41	20%
9000	$186.31	$149.84	$36.47	20%
10000	$202.03	$162.50	$39.53	20%

St. Francis

Factors in Reduction – Development

New Homes permits on Utility Billing

Year	#	WAC $	SAC $
2011	3	$ 8,600	$ 12,200
2012	8	$ 24,000	$ 33,600
2013	10	$ 36,000	$ 50,400
2014	12	$ 36,000	$ 50,400
2015	17	$ 51,360	$ 71,904
2016	30	$ 91,800	$ 128,520
2017	49	$ 149,940	$ 209,916
2018 to date*	18	$ 55,080	$ 77,112

* 2018 units due to low lot inventory prior to May/June

City of St. Francis

Factors in Reduction – Development

Approved Additional WAC & SAC Connections and Area Charges

Development	Number
River's Edge	23
Woodhaven	55
Meridian	60
Meadows	40
Anticipated Future Connections	
River's Edge	200
Assisted Living	80-90
Area Connection Charges to be received	Water/Sewer
River's Edge	$ 390,000
Woodhaven	$ 96,215

City of St. Francis

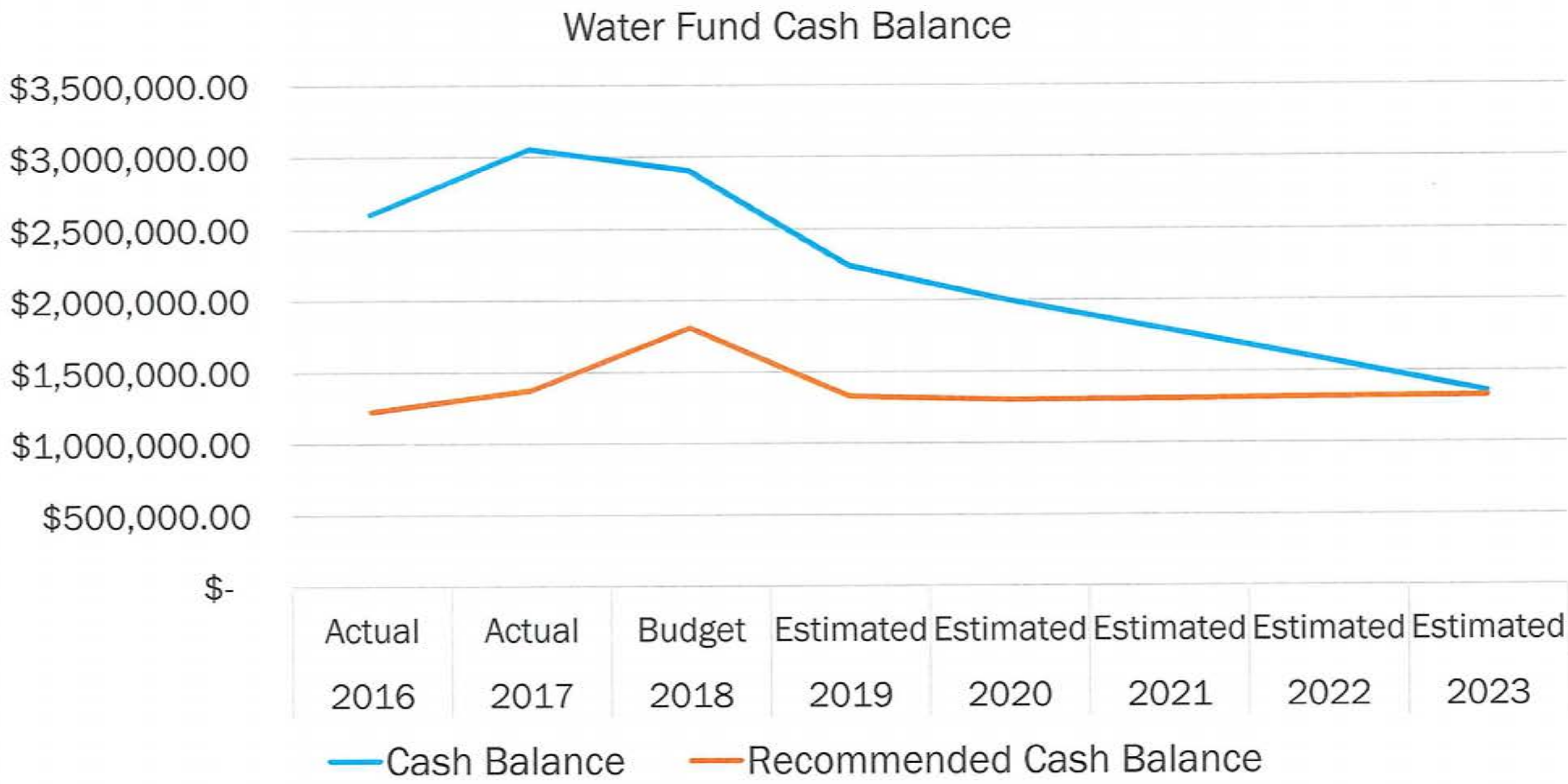
Factors in Reduction- Fund Balance (Water Chart)

Recommended versus Actual/Estimated Cash Balances

	Cash Balance	Recommended Cash Balance
2016 Actual	$ 2,608,308.00	$ 1,227,664.03
2017 Actual	$ 3,054,114.00	$ 1,375,116.88
2018 Budget	$ 2,903,817.58	$ 1,808,885.50
2019 Estimate	$ 2,241,730.08	$ 1,329,135.05
2020 Estimate	$ 1,997,353.19	$ 1,301,228.29
2021 Estimate	$ 1,786,056.47	$ 1,307,756.99
2022 Estimate	$ 1,573,293.84	$ 1,317,811.11
2023 Estimate	$ 1,355,425.21	$ 1,324,077.52

City of St. Francis

Factors in Reduction – Fund Balance (Water Graph)



*Incremental increases will likely be required in 2023

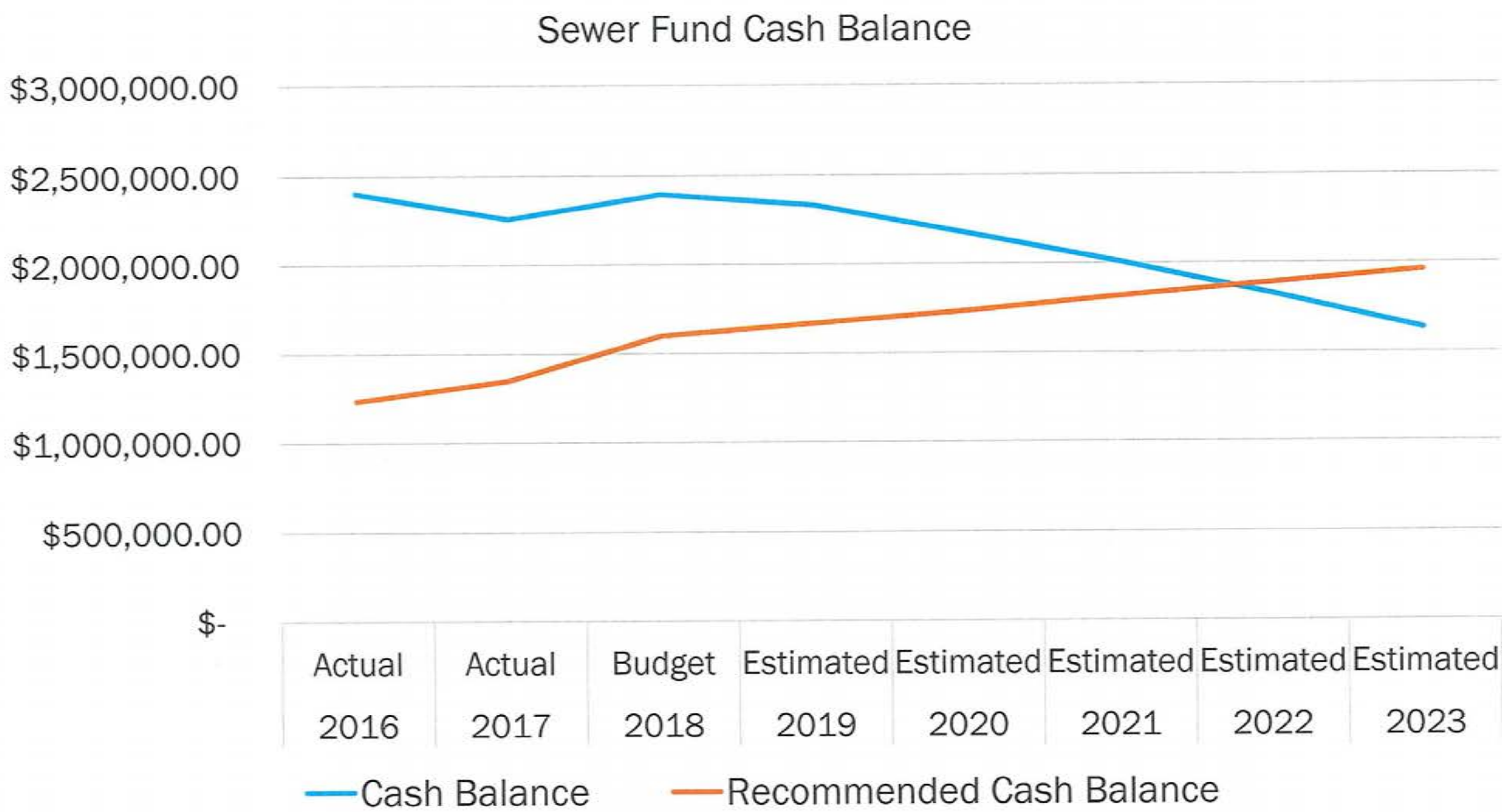
Factors in Reduction – Fund Balance (Sewer Chart)

Sewer Fund Cash Balance

	Cash Balance	Recommended Cash Balance
2016 Actual	$ 2,401,006.59	$ 1,232,658.01
2017 Actual	$ 2,257,889.00	$ 1,347,738.13
2018 Budget	$ 2,393,025.87	$ 1,600,042.05
2019 Estimate	$ 2,332,500.32	$ 1,666,997.40
2020 Estimate	$ 2,173,609.39	$ 1,735,389.68
2021 Estimate	$ 2,009,034.76	$ 1,814,876.46
2022 Estimate	$ 1,827,548.04	$ 1,890,155.58
2023 Estimate	$ 1,633,218.35	$ 1,961,152.96

City of St. Francis

Factors in Reduction – Fund Balance (Sewer Chart)



* Incremental increase will likely be required in 2022

City of St. Francis

Factors in Reduction – Other Miscellaneous

- City's monthly billing requires less of a cash balance than quarterly billing

- City Received $8,972,000 in Grant Funds from State of MN
  - Previous Estimates ranged from $3,000,000 - $7,000,000

Implementation Timeline if Council Approves Tonight

- Council can change the rates as proposed by amending the Fee Schedule Ordinance. Timeline would be as follows:

- June 18th, 2018: The council would have the 1st reading.
- July 2nd, 2018: The council would have the 2nd reading
- July 5th, 2018: Publication would be in the paper (needs 30 days).
- August 6th, 2018: **<u>Rates would be in effect for the bills due September 10, 2018</u>**.

- NOTE: 4/5 vote required on Ordinance Amendments

City of St. Francis

Questions?

City of St. Francis

City of St. Francis

City Council
AGENDA REPORT
Agenda Item #
9 B

TO: Joe Kohlmann, City Administrator

FROM: Kate Thunstrom, Community Development Director

SUBJECT: Development Design Standards

DATE: 07/02/2018

OVERVIEW

As the City continues to organize, we move into the next step of creating development standards. This is a process that would design our Districts identified in the St. Francis Forward plan and create standards for development. Cities create standards to guide districts towards a specific style or vision within designated downtowns, commercial and unique housing districts.

Development standards supplement existing city code with concepts that apply to the design of the development. This type of overlay criteria creates an enhancement of appearance through landscaping, increase pedestrian friendly movement, implement sign regulations and achieve aesthetic compatibility throughout the downtown area.

Through the use of our St. Francis Forward and comprehensive plan, existing best practices in other municipalities and the City's development team, Sambatek is proposing to create the design standards for the Bridge Street corridor. As we are in the process of the 2040 comprehensive plan and zoning changes to meet the new plan, the timing for coordinating this effort is efficient.

ITEMS TO BE DICUSSED:

Sambatek, City Planner, has submitted a scope of work to create and implement design standards.

POTENTIAL BUDGET:

Total cost estimate provided as an hours not to exceed total.

ATTACHMENTS:

Sambatek proposal
St. Francis Forward Development Summaries

June 23, 2018

Joe Kohlmann
St. Francis City Administrator
23340 Cree Street NW
St. Francis, MN 55070

SUBJECT: Bridge Street Design Standards Proposal

Joe,

Thank you for this opportunity to submit a scope of work for the creation of design standards that would apply to future development along the City's Bridge Street redevelopment corridor. As we understand the request, the City would like to establish guidelines and regulations that dictate the look and feel of the corridor to ensure future investments result in a built environment encompassing the City's values.

Success of this project will be judged by the following:

- Creation of regulations that result in a "downtown" feel for the area (term to be further defined by City staff)
- Inclusion of community gathering spaces and amenities (sitting areas, public art, plantings, etc)
- Directives for civic development, retail, office, and a mixture of residential housing types catering to a wide range of potential residents (i.e. life-cycle housing)
- Inclusion of wayfinding signage
- Streetscape enhancements such as specialized lighting, specialized sign regs, etc
- Required pedestrian linkages between downtown destinations and the River and surrounding City areas

The end product of this effort will be a supplemental document to the City's zoning ordinance, rich in graphics, that clearly outlines for landowners and prospective developers the expectations of the City when developing within the Bridge Street corridor. Regulations can be made to be illustrative or mandated depending upon the desires of the City, or based upon the particulars of the development (i.e. illustrative if privately funded and mandated if City monies are involved in any way). Creation of an ordinance to link the design standards to zoning will be completed once a draft is ready for Commission and Council review.

The proposed scope of work to be completed includes:

1. **Initial Understandings Memo** – Sambatek will create a rough outline of the regulations to be created based on our current understandings, and will share such with staff for review and comment. The memo will outline the framework for the proposed document, will identify what issues will be addressed & where within the document, and will identify general strategies to achieve the City's goals. Additional work will not occur until the initial framework has been approved by City staff, and any needed budget amendments based on the agreed upon scope will be discussed at this time.
2. **Design Standards Assembly** – Sambatek will draft a Design Standards manual for the Bridge Street Corridor based on the approved initial understandings memo. The draft will specifically address each of the items linked to the success of this project as listed on page 1 of this proposal. Standards will be drafted for easy expansion and use into other areas, but will be limited to the Bridge Street corridor until the City is comfortable with the approach and end product. Future expansion of the regulations or amendments to cover other areas of the City is not included in this contract, but can be completed as an additional service.
3. **DRC Review** – Sambatek will present the draft guidelines to the City's Development Review Committee for review and comment. Feedback and direction from the DRC will be integrated into the final draft prior to moving forward for Planning Commission and City Council consideration.
4. **Planning Commission & City Council Approval** – Sambatek will draft an ordinance to link the new design standards to zoning requirements, and will present both the ordinance and draft design standards to the Planning Commission and City Council for final review and approval.

Proposed Budget

(A) Initial Understandings Memo **$952**
(B) Design Standards Assembly **$4,760**
(C) Graphics (by Sambatek Landscape Architects) **$5,000**
(D) DRC Review **$952**
(E) Planning Commission & City Council Approval **$2,380**

Total Estimated Cost: $14,044

The total estimated cost is provided as an hourly not to exceed total. Meetings as may be needed which are not identified in this proposal, either in-person or via conference call, will be billed at our standard hourly rates under general services. Amendments to this scope of work will only be completed once authorized by the City.

We appreciate this opportunity to continue to provide St. Francis with professional services. Please let us know in writing if we can proceed on this work, and we will get going as soon as possible or as otherwise negotiated.

Sincerely,
Sambatek, Inc.

Ben Gozola, AICP
Client Service Manager, Planning

Example Imagery:

Top Left: Provide a dining/entertainment destination

Top Right: Capitalize on outdoor setting and develop outdoor seating, music/ entertainment, and views to the river

Bottom Left: Incorporate outfitter/retail component into development

Bottom Right: Develop river access to support the outfitter concept

River Entertainment District

The City-owned property adjacent to the Rum River is envisioned as a restaurant with entertainment space. This development would complement the Rum River Inn to help develop more of a dining and entertainment destination in St. Francis along the Rum River. In addition to gaining business from St. Francis residents, it would also benefit from proximity to the High School and Middle School with athletic tournaments, concerts, and other events bringing people into the community. Based on resident feedback at public meetings and through online surveys, there is a desire for additional dining options, as well as "third places" (the spots other than work and home where people can gather, spend time, and find entertainment).

In coordination with the restaurant, an outfitter could benefit from the location, as a starting or ending point for kayak, canoe, or float trips on the Rum River. The area of slower current on the east side of the river, just south of the bridge, provides a safe launching spot for these excursions. As an interim step, the outfitter could utilize the North Rum River County Park as a starting point.

Development Summary

Uses	Restaurant/Entertainment Outfitter/Outdoor Retail
Square Footage (As shown)	Commercial: +/- 7,500 SF
City Actions	-Prepare marketing materials for the City-owned property on the south side of Bridge Street, using the language and message conveyed in this master plan document. -Prepare a package of incentives or tools the City is prepared to offer a prospective developer of the City-owned parcel. -Prepare and issue a City-led RFP for the property, communicating the expectations of the City for potential development concepts and outlining anticipated incentives available from St. Francis. -Formalize development agreements with the entity selected from the RFP process, for the City owned property.

Example Imagery:

Top Left: Community space such as reservable rooms or a youth center should be integrated into the Community Campus

Top Right: When building new facilities, ensure the architecture is at an appropriate scale for the area. Project designs should bring buildings to the street, thereby creating a more traditional downtown feel.

Bottom Left: Make sure new civic buildings reflect a sense of pride in the community

Bottom Right: Enhanced streetscape can improve safety and bring a district feel to the area

Community Campus

Civic uses create a steady draw to an area. While the market for more commercial uses may take longer to mature and rely on residential growth, the City can work towards relocating civic uses to the south side of Bridge Street, building on some exisiting uses including the fire station, various school buildings, and the post office.

The Anoka County Library is reaching the end of its functional lifespan. The City should coordinate with the county to incorporate a new library into the Civic Campus area. As part of the relocation of the library, there is a desire for additional community space. This may take the form of a coffee shop linked to the library as well as community rooms, reservable space for meetings or gatherings, and an updated library program to reflect changing technologies and needs.

While there is not room for a large community/activity center as has been discussed with the school district or through the YMCA, there is an opportunity to incorporate a smaller youth center that would give nearby students a safe and fun place to spend time.

By moving civic uses to Bridge Street, the City sends the message that this area is an important place and the heart of the community.

If additional office or commercial space redevelops to the north, ensure the buildings contribute to a downtown feel and character.

Development Summary

Uses	Civic Uses: Fire Station, City Hall/Offices, Library, Post Office, Community Space
Square Footage (As shown)	Civic: +/- 36,000 SF
Key City Actions	-Coordinate with the county to relocate the Library west of the Rum River -Develop a formal plan for future operations, incorporating uses into the Civic Campus concept. -Complete more formal plans for the Civic Campus components, in collaboration with the County and other partners. -Identify funding for the civic campus in the future Capital Improvements Plan (CIP). -Complete more detailed design of streetscape elements desired along Bridge Street, in order to be prepared to move forward with construction once funding is available. -Formally reach out to developers interested in redevelopment in the area (including retail and residential components, to the north of the Bridge Street corridor).

Other Initiatives: Streetscape & Public Realm

Developing an attractive and safe streetscape for downtown St. Francis will help spur development, and demonstrate a commitment to investing in the area on the part of the City. More importantly, it will facilitate the safe movement of people around downtown and make it a more enjoyable place to spend time and money.

Bridge Street: Could build off of what has been started with the round-a-bout reconstruction and enhanced.

Bridge Street Extension: Creating a safe street will be paramount. The design should also be an extension of other Bridge Street elements to achieve a consistent "destination downtown" appearance.

Highway 47: Use design to distinguish the segment of the highway passing through the city. Provide visual interest to make drivers more aware of their surroundings.

Streetscape and public realm improvements can help create a district feel and identity, both in downtowns (above), and highway corridors (below)

Other Initiatives: Signage & Wayfinding

Gateway signage is the large signage that welcomes visitors to an area and helps show off the identity of a place. St. Francis should utilize signage at logical gateways into the city. These could include:

- At the curve on Highway 47
- At the intersection of Ambassador and Highway 47
- Lake George Boulevard before the roundabout

In addition to gateway signage, wayfinding signage will help people move around the city and find destinations. This can be at either a pedestrian scale in walking districts, or at a vehicular scale when informing drivers where to go. This signage would be invaluable in showing people where to go to get from Highway 47 to Bridge Street and vice-versa. Destinations such as the schools, city facilities, parks, and the river should be shown.

Gateway signage (above) would go a long way to welcoming visitors. Wayfinding signage (below) will help them find their way around town once they are here.