

Memorandum

DATE: September 5, 2008
TO: Mayor & Council Members
FROM: Joel Walinski, Interim City Administrator
RE: Friday Memo for the week of September 1-5, 2008

The following is a list of city activities and information provided by the department directors and managers for the week of August 25 – 29, 2008:

Administration

Submitted by: Kathy Fredrickson, Administrative Assistant

The Defeat of Jesse James Days Parade is on Sunday, September 7. The parade begins at 2:00 pm., and line-up will start at 1:00. Our line-up number this year is: 14 – Mayor, and 14A – City Council. The council members that will be participating in the parade are Mayor Lansing, Dixon Bond, Scott Davis, Jon Denison and Kris Vohs.

Information on the parade and line-up procedures is attached to this memo.

City Clerk

Submitted by: Deb Little, City Clerk

Administration will be open on Saturday, September 6, 2008 from 10:00 a.m. – 3:00 p.m. for absentee voting. Motor Vehicle will also be open during these same hours to assist people that need address changes on their driver’s license or with other DMV transactions.

Staff has been busy assisting absentee voters. Absentee voting ends at 5:00 p.m. on Monday, September 8, 2008.

Deb Little attended the public accuracy testing of elections equipment this week.

The special city council meeting to canvass votes will be on Thursday, September 11 at 5:00 p.m. Canvassing will be done for City offices only.

Staff has been busy picking up election equipment and organizing supplies and election related items. Polling locations will be set up on Monday.

Finance

Submitted by: Kathleen McBride, Finance Director

2009 Budget: The City Council will consider the approval of the preliminary 2009 General Fund budget and the proposed City, HRA and EDA levies at Monday’s meeting. Staff is preparing a brief presentation as an introduction. An alternate perspective is being developed to present the costs of City services compared to other common monthly household or business expenses. For example:

The estimated 2009 City property taxes for a home valued at \$250,000 are \$1,005 or \$84 per month. We did a quick poll of City staff members to inquire what they pay each month for gas, electric, Internet, cable TV and home security services. These were averaged and the results are shown below:

<i>Service</i>	<i>Mo. cost</i>
Xcel – gas & electric	\$216
Cable TV & internet	\$123
Security system (monthly charge)	\$45

With the exception of the security system, the monthly cost for City services was below that for other expenses. Does the cost of City services - at \$84 per month in this example - represent a good value? What does the property owner receive for this amount of money?

- 24/7 police and fire protection (contrasted to the security system charge – remember that it’s our guys that show up);
- Public services – street maintenance, plowing, sweeping, parks, recreational facilities, public facilities, building inspections, planning;
- General government services – City Council, support to boards and commissions, elections, general administration, finance and other support services;
- In-kind services and support to community celebrations / organizations;
- Support for the Community Resource Center / Wellness Center;
- Support for the local transit system;
- Park improvements and new park development, trails;
- Transportation planning;
- City vehicles and major equipment (in lieu of issuing debt);
- Debt service cost coverage for completed street improvement projects, the new pool and the Community Resource Center.

More About Property Taxes: With regards to the City’s taxes – several individuals have asked how much property tax revenue comes from commercial and industrial property vs. residential property.

Chart 1 – Tax Base by Major Property Category - tax capacity basis

	2004	2005	2006	2007	2008	2009
Residential	63.195%	65.618%	62.518%	62.132%	59.804%	58.426%
Non-homestead Residential	9.920%	9.630%	10.699%	12.713%	12.947%	14.812%
Commercial / Industrial	24.621%	22.671%	24.963%	23.317%	26.084%	25.562%
Agricultural	0.272%	0.236%	0.194%	0.210%	0.219%	0.275%
Other	1.992%	1.844%	1.626%	1.628%	0.947%	0.925%
Total	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%

Chart 2 – Tax Base by Major Property Category - market value basis

	2004	2005	2006	2007	2008	2009
Residential	72.948%	74.912%	71.982%	71.661%	69.628%	67.637%
Non-homestead Residential	9.962%	9.631%	11.262%	13.237%	13.790%	16.012%
Commercial / Industrial	15.260%	13.869%	15.241%	13.913%	15.760%	15.481%
Agricultural	0.317%	0.275%	0.228%	0.255%	0.260%	0.324%
Other	1.513%	1.313%	1.286%	0.934%	0.563%	0.547%
Total	100.000%	100.000%	100.000%	100.000%	100.000%	100.000%

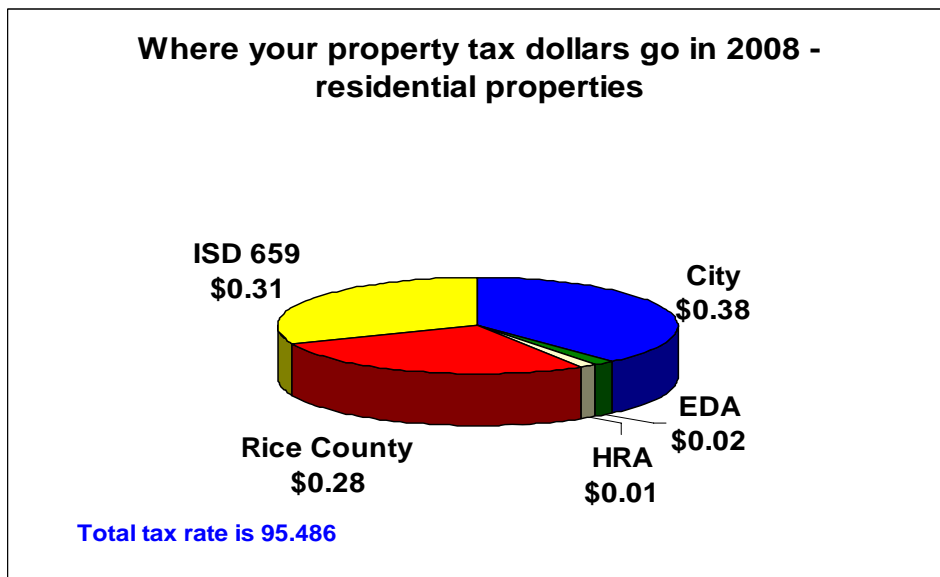
Chart 1 shows the percentage share of the tax base in terms of tax capacities. The vast majority of the City’s tax levy is based upon this. Tax capacity refers to property class rates that are applied to assessed (market) values. Commercial and industrial properties have higher-class rates than residential properties and, because of this, pay a greater proportion.

Residential (homestead) properties' class rate is 1% of market value up to \$500,000 and 1.25% on the market value over \$500,000. Non-homestead residential properties have a class rate of 1.25%. Commercial, industrial and public utility properties have a class rate of 1.5% on the first \$150,000 of market value and 2% for any amount over \$150,000.

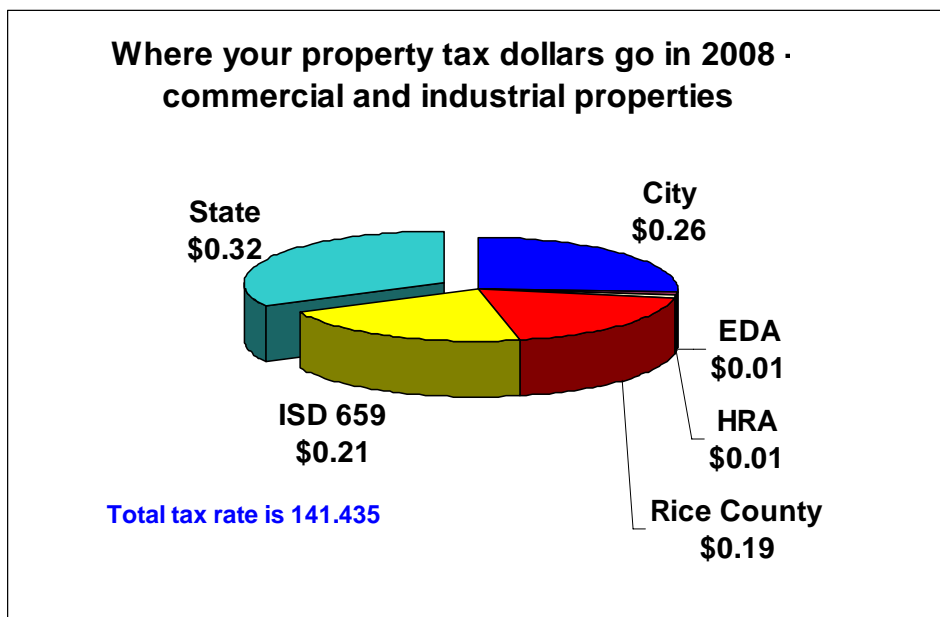
Chart 2 shows the makeup of the tax base in terms of market values. For that portion of the City's property tax levy (debt levy for the Community Resource Center debt – referendum) that is based upon market value only – there is no distinction between types of property.

Comparing the two charts provides some insight into the impact the property class rates have on shifting property tax burden from residential to other classes (most notably commercial and industrial properties). For example, the 2009 Residential property total comprises over 67% of market value, but just over 58% of tax capacity.

More charts: When you pay your property taxes, it's important to know that they do not all come to the City. This year out of every \$1 paid in property taxes, \$.38 comes to the City.



And if you own commercial / industrial property – you will pay more in property taxes as there is a State property tax on this category of property. The total 2008 tax rate goes from 95.486 to 141.435.



Library

Submitted by: Lynne Young, Library Director

The big Defeat of Jesse James Days Celebration is upon us. Look for Booker in the parade on Sunday!

The Friends of the Library have set the date for their 3rd annual spelling bee: Thursday, September 25, 7:00 p.m. at the Grand Theater. We have begun to benefit from last year's spelling bee. The young adult area of the library sports a new café table with stools and three new chairs with folding desks. The children's room features a new love seat and CD rack. We are still waiting for display shelving for the children's room. Many, many thanks to the Friends of the Library for these items and for all the work they have done on the library grounds this year.

Children's programs will begin next week. Look for the infant lapsit program at 10 a.m. on Tuesdays (for ages 6- 18 months with parent or caregiver), Toddler Rhyme Time at 10 a.m. on Wednesdays (for children ages 2-3 with parent or caregiver) and a preschool story and craft time on Thursdays (for children ages 4 and 5).

We are still waiting to hear about sponsors and times for the Adventure Girls reading group. Deb Clark, originator and long-time organizer of the Merlin Mondays book discussion group for boys, has announced that she will be unable to carry on with the program. Deb has done a super job for many years. It is impossible to thank her enough. Nevertheless, we will try: **Thank you, Deb!**

The Library will be closed tomorrow, September 6, for the Defeat of Jesse James Days Celebration. Library Sunday hours will resume on Sunday, September 14.

The Contemporary Women Writer's book group will meet on Tuesday, September 9, at 7:00 p.m. at the library. The group will discuss *Tales of a Female Nomad*. New members are very welcome! Joan Ennis is the facilitator for this group.

Public Services

Building

Submitted by John Brookins

The St. Olaf Science building continues to progress toward the final inspection for Certificate of Occupancy. It is anticipated classes will begin in this building Monday, September 8th.

Carleton College is in the process of remodeling two of their facilities: the East Food Services facility and Burton Hall Dining areas. These remodels mainly consist of new equipment and flooring.

Fantastic Sam's Hair Salon is coming to Northfield. The plan review is complete and the permit should be issued soon.

Community Development

Submitted by Brian O'Connell

The Community Development Director spent time working with the Finance Director to evaluate the potential projects that could be considered for funding with the remaining Master Development District TIF funds. This will become part of the discussion with the City Council as part of the CIP planning and budgeting process for fiscal year 2009

The Community Development Director and the Economic Development Director reviewed the annexation process and annexation laws applicable to the area west of the Northfield Hospital. The purpose of this discussion was to familiarize the Economic Development Director with the background and the process involved with the development of the 3rd business park.

Housing

Submitted by Michele Merxbauer

Staff is reviewing covenants and building requirements for the Spring Creek Commons project. Staff will be writing up the covenants next week with Jenny Larson from Three Rivers and has been reviewing covenants used in Maple Hills and other "green" developments throughout the state. The purpose of the covenants is to ensure that each home, regardless of builder or contractor, is built to certain green and sustainable specifications; the neighborhood has a warm, inviting feel; and maintenance issues regarding the common green space, snow removal and alley ways are addressed and covered. The HRA will review draft covenants at the 9/18 HRA meeting.

Planning

Submitted by Brian O'Connell

Staff worked with the developers of Locust 2nd Addition to assist them with the information that is needed to be submitted to the City for the approval of the final plat and the final PUD plan. This development project is to initially include a 45 unit apartment building. It is expected that this request will be on the City Council agenda of October 20, 2008, if all of the review process by staff and the Planning Commission remains on track.

Feedback from ACP Planning Consultant was received with respect to the initial review of the current version of the draft development regulations. Staff expects to receive the next revised version of the regulations on October 3, 2008.

Economic Development

Submitted by Jody Gunderson

The Economic Development Director devoted a considerable amount of time this week becoming familiar with the EDA budget and work plan. A number of meetings were held with City staff and EDA board members to discuss various programming expenditures and proposed modifications to the 2009 EDA work plan. Additionally, the Director has been working with Northfield's Community Development Director and Frank Dunbar on the next steps that may be undertaken as it relates to the proposed annexation area(s) and the City's desire to evaluate potential sites for a business and/or industrial park.

Engineering

Submitted by Katy Gehler Hess, City Engineer

WATER STREET PARKING / FIFTH STREET RECONSTRUCTION

Work was completed in the Division Street and Fifth Street intersection this week. The pavers were installed on Wednesday, and the concrete sidewalks around the corners were poured on Thursday. The intersection was opened on Thursday, September 4th. Concrete work resumed along the promenade area on Tuesday and Wednesday. Preparation for the DJJD event occurred for much of the week that included mobilizing materials and equipment offsite and filling in any unfinished areas with gravel.

A special thanks to Sean Simonson who spent this week coordinating finishing work including working with the DJJD committee in setup of the Water Street area.

Work next week will concentrate on finishing up the concrete along the Promenade area. Work will also continue on the second leg of Phase III on Fifth Street from Division Street to Washington Street.

CANNON RIVER RETAINING WALL

There was no work done in this area next week due to the Defeat of Jesse James Days Celebration. Sunram anticipates being back on-site the week of September 8th, to finish up the concrete sidewalks, and install the new railing on top of the retaining wall.

WOODLEY STREET

Work will begin on Woodley Street next week including closure of the stretch between Farhaven Court and Jefferson Parkway. The road is anticipated to be closed from September 8, 2008 until construction ends for the winter season in November. Work on other phases of the project will occur in the 2009 construction season.

The contractor has indicated he will start with clearing and grubbing early in the week along with the starting work on the culvert extensions and road removals. This will include the tree removals as identified in the landscape plan. The City will also be moving those trees identified for relocation early in the week. Originally, trees needing to be moved from the right-of-way that are 6" or less were identified to be relocated onto private property. The City will be looking at other trees slated for removal for the possibility of relocating additional trees. Relocation of any tree is contingent on the adjacent property owner allowing the tree to be moved onto private property and identifying an acceptable spot. Any tree relocated will be the property owner's responsibility including care after the relocation.

Public Works Operations

Submitted by Brian Erickson, Public Works Operations Engineer

Facilities

Bernie Shakal, Facilities Supervisor

Facilities continues working with Johnson Controls on a variety of projects, including preparation for the new boards to be installed at the Arena. Also with some help from the Street Dept. personnel we were able to do a preliminary cleaning of the Arena floor. Refrigeration equipment was moved in this week and the workers will be here next week to start installing it. The installation of the pool cover at the NCRC was finished this week and is ready for use. Air balancing was done on the HVAC system this week and Johnson Controls is working on final adjustments at the NCRC. The radiant floor heat was turned on in the Senior Center locker rooms, which aids in helping to keep the floors dry reducing the possibility of people falling.

Recreation

Jason Eisold, Recreation Manager

Pool

The pool hosted its final event of the season on Wednesday, September 3. The "Dog Swim" was a big hit for the 35 dogs that took part in this first time event. Thanks to Cannon Valley Vet. Clinic for providing dog treats and other supplies for this event. Staff will begin to prepare the pool for winterization over the coming weeks.

Arena

The new arena refrigeration equipment was delivered on Monday. Contractors will begin assembly of the unit next week. Preparation for the dehumidification system is finishing up this week for installation of that unit next Tuesday. The new dasher boards are to be installed next week.

Streets and Parks

TJ Heinricy, Streets & Parks Supervisor

The Street and Parks department enjoyed the long holiday weekend, but with the shortened week staff had to work hard to prepare for the annual Defeat of Jesse James Days. Staff has a variety of tasks: barricade placement; moving bleachers downtown for the bank raids, daily street and sidewalk clean up, mowing and general park cleanup, and miscellaneous tasks. The Street Division's last summer seasonal staff, Annalise Haan, left this past week. Anna performed a variety of park tasks: painted park shelters & park signs and helped with landscaping projects.

Other projects this week included assisting with additional clean up in preparation for the ice season at the arena and Sechler Park staff prepared for the baseball and softball tournaments taking place at the park this weekend. The office equipment and miscellaneous articles were brought to auction last weekend and brought \$1,029.00. A new sign was installed Ames Park identifying the new plant material planted along the river, check it out after your Tilt-a Whirl ride this weekend.

Wastewater

Glenn Lindroos, Wastewater Superintendent

Summer helpers Justin Wagner and Collin Miller are both done for season and back to college. With their help the collection system crew was able to water jet clean and/or televise about 200,000 feet of sanitary sewer this summer. They were also a big help with maintenance tasks around the wastewater treatment facility on days when weather or vehicle maintenance kept them away from their normal duties in the collection system. Collection system work is now focusing more on clearing access to manholes and visual inspection of larger lines where jetting or televising is not practical.

The jet/vac, which is an important part of the collection system maintenance program, is scheduled for replacement this year. The resolution to purchase the new unit will be before council in the near future.

Water

Doug Lien, Water Superintendent

Water Operator Dean Huschle completed the State of Minnesota monthly fluoride report, and Water Operator Jay Hall performed the monthly radio read meter reading.

Crew Leader Scott Murphy and Dean Huschle completed monthly bacteria sampling.

The electrical storms that occurred last week did some damage to a couple of the Water Division sites. Telemetry communications was knocked out at Well #4. It was determined that a telephone printed circuit module was damaged from the lightning. Staff contacted the phone company and a new circuit board was installed. The surge protector for the computer equipment at the St. Olaf storage tanks was also damaged during the storm. Staff replaced the battery backup/surge protector to return power to the tank controls.

cc: Department Managers