

Memorandum

DATE: February 13, 2009
TO: Mayor & Council Members
FROM: Joel Walinski, Interim City Administrator
RE: Friday Memo for the week of February 9- 13, 2009

The MnDOT Rochester Open House on the Minnesota State Transportation plan scheduled for today has been rescheduled. The new date for this event in Rochester is Thursday February 26, 2009 from 1:00 pm – 3:30 pm at the Ramada Hotel and Conference Center. To review and comment on the Statewide Transportation Plan online go to <http://www.dot.state.mn.us/planning/stateplan/>.

Yesterday Charter Communications hired legal staff for a possible filing of Chapter 11 bankruptcy later this spring. Although Chapter 11 usually revolves around protection from creditors and restructuring of financial debt, staff does have several concerns. These would include how this action affects the relationship between the City and Charter on a service level basis, the effect on PEG fees and the franchise fees, and the effect of the franchise agreement with Charter. More information to come on this item.

Just as an FYI - Congress recently passed the DTV Delay Act, which extends the deadline for full-power broadcast TV stations to complete the DTV transition from February 17, 2009 to June 12, 2009. To view the DTV factsheet about the delay, go to: <http://www.fcc.gov/cgb/consumerfacts/dtvdelay.pdf>

I also received a notice this week from the Office of Energy Security on assessing the need for developing a advisory task force (ATF). The ATF focus would be on collecting public comment on the proposed 345kV transmission line and associated facilities between Brookings, SD and Hampton, MN. I believe this is the project commonly referred to as the CAP 20 Transmission Line. If the Council would let me know what level of public comment they have received on this project, I would forward those to the Office of Energy Security for their review. They anticipate at least one initial ATF to be in the south metro area between Elko-New Market and Hampton.

Below is information on city activities and information provided by the department directors and managers for the week of Feb 9-13, 2009:

Finance

Submitted by Kathleen McBride, Finance Director

Real Estate Market and Tax Base Projections: Next month, property owners will receive their 2009 property tax statements and the 2009 valuation notices (that next year's {2010} property taxes will be based upon). Given the real estate market over the past two years – what's the outlook for the City's tax base?

It is important to know what the property assessment cycle is. For 2009 property taxes, the values were established as follows:

- Sales data collected from 10/1/06 through 09/30/07;
- Results of the data became the Assessed Value as of 01/02/2008 and are the new value listed on the Valuation Notice in March of 2008;
- The new value is also shown on the 2009 Property Tax Statement sent with your valuation notice in March of 2008.

So, the tax base numbers for taxes to be paid in 2010 were compiled from sales data between 10/1/07 through 9/30/08. (See the attached *Timeline: Assessed Value to Property Taxes from Dakota County.*)

Very preliminary information from Rice County officials is commercial and industrial property values are stable (little or no change), residential values are declining by about 8.5%. A rough estimate of the impact on the City's tax base for Rice County* parcels in terms of taxable market values is shown below:
 * 92% of the City's tax base is in Rice County

Taxable Market Values:	2005	2006	2007	2008	2009	2010
Residential	687,306,700	762,704,100	824,448,780	860,520,440	860,716,420	787,555,524
Non-homestead Residential	97,654,353	133,486,233	173,817,100	193,510,907	231,246,267	226,621,342
Commercial / Industrial	137,950,680	177,959,240	179,749,440	218,205,515	220,596,107	220,596,107
Agricultural	2,195,726	2,207,609	2,586,509	2,886,964	3,882,918	3,882,918
Other	13,058,041	14,975,118	11,938,871	7,564,500	7,564,500	7,564,500
	<u>938,165,500</u>	<u>1,091,332,300</u>	<u>1,192,540,700</u>	<u>1,282,688,326</u>	<u>1,324,006,212</u>	<u>1,246,220,391</u>
Changes from Prior Year:						
Total Market Value - \$	94,946,000	146,853,100	93,492,800	74,912,000	39,545,000	(77,785,821)
Total Market Value - %	10.8%	15.1%	8.3%	6.2%	3.1%	-5.9%

For the current year (2009), Dakota County's share of the City's tax base (market value) declined by (1.2%), but Rice County's increased by 3.1%.

Dakota County typically has preliminary market value and tax capacity information out by the end of February of each year. Staff will provide updates as more information becomes available.

Useful information on the property assessment and tax system can be found on both Dakota and Rice County's website. Rice County publishes an annual report mid-year that recaps the assessment cycle results. Here is the link to the most recent report published last June:

http://www.co.rice.mn.us/uploadedcontent/forms/boae_report.pdf

Library

Submitted by Lynne Young, Library Director

Joan Ennis, Readers' Services Librarian, celebrated her 20th anniversary with the library today. Congratulations and thank you, Joan!

The Public Relations and Partnership Committee of the Library Board met this Hayes Scriven from the Northfield Historical Society this week. The committee is beginning to plan a centennial celebration for the Carnegie Library Building in 2010. The Carnegie Library opened in April of 1910.

Lynne Young met with the directors of the other larger libraries in the SELCO region to discuss budget cuts and opportunities for us to cooperate even more fully. Public libraries are already models of cooperation. With state support libraries share materials and electronic resources. The group will continue to investigate other opportunities.

Looking for a good book to read? The library has many online resources to help you. One is *Pearl's Picks*. Nancy Pearl is well-known librarian from the Seattle area and the model for the librarian action figure. She is on top of all the best books. See her picks by clicking on the library website www.northfieldmn.info and electronic resources. You'll find Pearl's Picks about halfway down the list. The list includes non-fiction as well as fiction and older books as well as new ones. It's a great resource.

Community Development

Submitted by Brian O'Connell, Community Development Director

Community Development

The Finance Director and the Community Development Director met with representatives from the bond underwriters, Ehlers and Associates and the City's legal counsel in regards to the financial status of the Crossing project. It was revealed that there has been an adjustment (downwards) in the interest payment amount to the bondholders that actually improves the cash flow of the Crossing project. This interest adjustment was contemplated in the original bond transaction. It is likely the financial transaction between the City and the bond underwriter for this project will be amended in the next several months to more accurately reflect the distinct phases of the Crossing project. As part of this decision by the Council, the development agreement will likely be amended to change the performance dates which will take into account the dramatic down turn in the condominium market.

Housing

The Housing and Redevelopment Authority (HRA) met Thursday evening and reviewed the Neighborhood Stabilization Program (NSP) grant that has recently been submitted to the Minnesota Housing Finance Agency. This grant application is a joint effort between Northfield, Faribault and Lonsdale to stabilize the effect of house foreclosures in targeted area in the three cities. The grant application is for a total amount of \$2,250,000. A decision on whether this grant application will be approved in part or in total is expected near the end of February. The HRA will be coming to the City Council requesting the authority to perform lead responsibilities in the administration of this grant for the City of Northfield. A joint powers agreement between Northfield, Faribault and Lonsdale will be necessary for the smooth administration of the joint government project. The HRA will be seeking the authority from the Council to be the responsible entity for this joint powers agreement.

Planning

Submitted by Dan Olson, City Planner

The Planning Commission met this week and reviewed a final plat for Bridgewater Commons, and also held a public hearing for a new ordinance that would allow larger wind turbine facilities within city limits. The Commission is expected to make a recommendation to the City Council on the wind turbine ordinance at their next meeting. Final Staff comments on the draft Land Development Code were forwarded to the consultant this week, and a meeting with the Advisory Group and the consultant is expected at the end of the month. Staff has also been drafting the Transportation Chapter of the Comprehensive Plan, now that the Transportation Plan has been approved by the City Council. The Planning Commission will be reviewing this draft chapter at an upcoming meeting.

Economic Development

Submitted by Jody Gunderson, Economic Development Director

On Wednesday the Director met with Carol Pressley, Senior Loan Officer with the Department of Employment and Economic Development to review a number of existing projects and potential programs the City of Northfield may access. Additionally, Ms. Pressley and the EDA Director met with Mr. Mike Strobel of Vet Provisions to discuss his business expansion and to tour the facility. Ms. Pressley was quick to point out what an asset the company is to the City of Northfield, and how impressed she was with the project.

The EDA held its regular board meeting on Thursday and adopted its 2009 EDA Work Plan. The work plan delineates the strategies the EDA will undertake in order to accomplish its infill and redevelopment, marketing and public relations, business park development, business retention and expansion, and programs, processes, and procedures initiatives. The EDA board also briefly discussed matters related to their meeting scheduled with Northfield's elected officials during their City Council workshop on February 23, 2009.

The Director continues to follow-up with new and existing businesses that have contacted the EDA requesting information and/or assistance.

Engineering

Submitted by Katy Gehler-Hess, City Engineer

Stormwater Utility

Staff continues to receive questions regarding the new stormwater utility related to specific properties and how the calculation was completed. As anticipated staff did receive an appeal this week and is working with the appellant to try to resolve any issues. At this point staff has requested more detailed information from the appellant so the appeal can be processed.

There have been some general developments with the stormwater fees.

1. Staff evaluated lots where the fees are low enough that they are not covering the cost to bill the property (i.e. postage, printing, etc.). Those lots with a fee of \$0.50 or less that are not in a statement group will no longer be receiving a bill.

2. Staff also evaluated larger residential properties to determine the appropriate method for billing.

There are a number of multi-acre properties that don't fit the runoff model of a low density property.

Typically these are more of a remnant parcel where development has occurred around the site or the site is on the edge of the City Limits. These parcels have significantly lower percentage of impervious space as the typical residential lot and thus a difference in runoff. Staff determined that lots 2.0 acres better fit a model of a REF of 0.4. These properties will be adjusted in the system.

1st Street West

K. Gehler-Hess and a representative from Bolton and Menk meet with the Park and Recreation Advisory Board on Tuesday to discuss enhancement of the trail through Way Park that will connect the cul-de-sacs installed as part of the reconstruction project. After a lengthy discussion the Park Board reached a consensus on a recommendation. The Park Board suggested an alignment that provided more of a meander to the pathway, however requires the removal of trees that had previously been identified to be saved. The trees are Ash and are threatened by the Emerald Ash Borer. PRAB also suggested realignment of one of the cul-de-sacs which had been "tipped south" as an outcome of the stakeholder meeting held in January and moving it as far east as possible in the ROW that will require removal of a stand of bushes. Finally there it was suggested to look at the jointing pattern to be in scale with the park setting. The final design layouts will be presented at a neighborhood meeting on February 19, 2009 in the Commons area at St. John's Church from 5:30-7PM. The final design documents will be presented to the Council at the March 2, 2009 Council Meeting.

Behind the scenes, staff continues to work on the design phase of the project. Currently, sanitary sewer and watermain designs are about 80% complete. Preliminary design plans for both sanitary and watermain will be forwarded on to Bolton & Menk for compliance review. Staff also started on the storm sewer design for the project, which included some on-site surveying to confirm some existing storm structure elevations, and grade calculations on the new storm sewer system. The storm sewer design is one of the most important aspects of this particular design due to the drainage problems that exist on First Street. Staff also worked on details and cover sheets for the final design.

Safe Routes to Schools

The Safe Routes To Schools committee met this week to finalize priorities for the \$30,000 grant awarded to the City by MN/DOT's SRTS program. The goal of this cooperative program between the City, School District and the Non-Motorized Transportation Task Force is to increase the number of students walking to school through education of students, parents, and citizens, as well as mitigation of problem areas. The

program aims to improve pedestrian safety along walking routes to the schools and to educate students and parents about the health benefits of walking to school. Staff received proposals from engineering firms for completion of an engineering study as part of the grant. Staff will be presenting a contract with SRF Consulting Group, Inc. for consideration by the council at the Feb. 23, 2009 council meeting. Pending approval of the contract, SRF will conduct an engineering study of each of the elementary and Middle schools to identify problem areas such as traffic speed or volume, traffic flow at school drop-off sites, and pedestrian street crossings. SRF will develop engineering and operational recommendations to mitigate those problems, and assist in the generation of school-specific educational materials and encouragement programs.

Additional goals under the grant include developing training materials for ongoing assessment of the problem areas, implementation of educational and encouragement strategies at each of the schools, educational materials for local residents regarding pedestrian school traffic, and instructor training for school district and Safety Center personnel.

Public Works Operations

Arena

Submitted by Jason Eisold, Recreation Manager

The arena is getting ready for tournament season. The NHA hosted a U12 Girls Tournament earlier this month. This weekend will be the first of two PeeWee Boys Tournaments (the next tournament is the weekend of Feb. 28-29). Followed by the Mite Jamboree the weekend of March 6-8.

The Northfield Girls are preparing for the Sectional Semi-Final game next week Wednesday, Feb. 18 in Owatonna.

The Northfield Boys are finishing up their regular season with their final regular season home game on next Thurs. Feb. 19 vs. Holy Angels. The boys will find out their Section seed on Sunday, Feb. 22.

The St. Olaf Men are looking to secure the number one seed for the MIAC tournament; hosting second place St. Thomas tonight (Friday, Feb. 13 @ 7:00pm). The Olaf Men are looking to win their first regular season Hockey Conference Championship since the 1937-38 season!!

The St. Olaf Women will be hosting #6 ranked St. Thomas on Saturday, Feb. 14 at 7:00pm. The Olaf Women are looking to secure a spot in the MIAC Tournament; currently they are in 5th place with 4 games to play.

The arena will be staying open until Sunday, March 22, 2 weeks longer than originally advertised. Additional Open Skate and Open Hockey times for those additional two weeks will soon be announced. For more information on those times or renting of ice time please contact the arena 645-6556.

Facilities

Submitted by Bernie Shakal, Facilities Maintenance Supervisor

Facilities staff, with help from the Street Department accomplished a variety of tasks this week. With the warm weather and the rain this past week there were roofs at various City buildings that developed leaks, fortunately it dried up enough to get on these roofs to investigate damage and hopefully repair leaks. We also repaired the exterior lights at the NCRC, and now have them all working again.

Progress continues with Johnson Controls trying to finish up unfinished projects continuing to work on heating issues at the NCRC and the Library. We had a contractor install recessed weather seals in the main entrance doors at the Library this week, and now Johnson Controls can install the new automated door locking mechanism.

Bernie met with Mark Taylor this week to discuss some minor remodeling plans to his office; plans include a new ceiling, new cabinet doors, carpeting and other minor spruce up items.

Streets and Parks

Submitted by TJ Heinrich, Streets & Parks Supervisor

Ongoing work in the downtown area this week included the retrofitting of the pedestrian light poles. This project, which includes the change out of globed lights to a more traditional style fixture and energy efficient transformer and light will be completed in the next several of week. A large amount of buckthorn has been removed from Odd Fellows Park. Staff and the Rice County STS crew are working on this project. The City received the annual Emerald Ash Borer report from the Minnesota Department of Agriculture. The City of Northfield has participated in this project for the last two years. According to this report, Minnesota is still free from the Emerald Ash borer. The Borer is mainly east of Minnesota but has been found in Canada.

Park ice rinks have been shut down for the season. The warm weather this past week melted the rinks beyond routine maintenance. Sign inventory still continues. Staff also assisted the Facility Division with maintenance at the NCRC.

Water

Submitted by Doug Lien, Water Superintendent

Heavy Equipment/Auto Mechanic Ryan Kiefer from the Street Division and Water Operator Jay Hall took the snow plow off one of the Water Division's older pickup truck's and reinstalled it on a later model truck. The reason the switch was made is because the older truck is scheduled for replacement next year and the plow is still in good shape. Ryan and Jay also removed the inverter from the older truck and will reinstall that on the new truck when it arrives.

The inverter is a device that takes power from the truck and converts it to 120 volt power that we can plug electrical cords into and power equipment like electric pumps, lighting and jack hammers. This truck will have a snowplow, a lift winch and a valve operating wrench installed on it. The valve wrench will be purchased this spring. Thanks to Ryan and Jay for completing this transition.

Jay Hall made arrangements with the residents on Blue Flag and Blue Phlox Court's to change out all their water meters. Jay replaced 22 household meters and 4 sprinkler meters. The change out took 2.5 hours to complete. This was done because of a request from the association. Some of the residents from this group are snowbirds and getting the meter's read during the winter months was a problem. The meters averaged 8 years of age.

Wastewater

Submitted by Glenn Lindroos, Wastewater Superintendent

The wastewater treatment facility has two clarifiers that are designed to remove settleable material from the waste stream. The capacity of each one is greater than the flow and load received at the facility so only one unit is used at a time. Raw sewage enters the facility and is co-mingled with sludge that is generated in the biological portion of the treatment system. It then goes through a series of mixers where ferric chloride and an anionic polymer are added. The ferric chloride combines with dissolved phosphorus and creates a solid that will settle out in the clarifier. The polymer groups together solids that are too small to settle and creates particles that settle more readily. From here the sewage enters the bottom of the clarifier and travels upward through about 30,000 square feet of settling plates that are mounted on a 60 degree incline. These plates eliminate short circuiting and solids settle on them. The solids then slide to the bottom of the tank where they are scraped into a sump and pumped out for processing prior to disposal.

The east clarifier was taken out of service this week and the west clarifier was started. This involves redirecting flow and chemical feeds, checking calibration of chemical feeds, pumping out, cleaning, and performing required maintenance on the out of service systems. The process takes about two days.

cc: Department Managers