

CITY OF FALCON HEIGHTS
Regular Meeting of the City Council
City Hall
2077 West Larpenteur Avenue
AGENDA
December 28, 2022 at 7:00 P.M.

- A. CALL TO ORDER: 7:01
- B. ROLL CALL: GUSTAFSON ✓ LEEHY ✓^{EA} MEYER ✓
WASSENBERG ✓^{EA} WEHYEE ✓
- STAFF PRESENT: LINEHAN ✓
- C. APPROVAL OF AGENDA Meyer 3-0
- D. PRESENTATION
- E. APPROVAL OF MINUTES: Wehyee 3-0
1. December 7, 2022 City Council Workshop Meeting Minutes
2. December 14, 2022 City Council Regular Meeting Minutes
- F. PUBLIC HEARINGS:
- G. CONSENT AGENDA: Meyer 3-0
1. General Disbursements through: 12/21/22 \$227,291.33
Payroll through: 12/15/22 \$18,372.40
Wire Payments through: 12/15/22 \$13,191.88
2. City License(s)
3. 2022 Year End Budget Amendments
4. 2022 General Fund Transfer(s)
5. Amendments to the Saint Paul Academy and Summit School Project Revenue Refunding Note Series 2017
6. 2023 City Calendar
7. Acceptance of Donation from Falcon Heights / Lauderdale Lions Club
8. Accept the Addendum to Feasibility Report and Order Public Hearing for the Idaho-Iowa Alleyway Improvement Project 21-03
9. Request for Approval for Payment of First and Final Invoice to Q3 Contracting for 2021 PMP Restoration
- H. POLICY ITEMS:
- I. INFORMATION/ANNOUNCEMENTS:
- J. COMMUNITY FORUM:
Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification, but no council action or discussion will be held on these items.
- K. ADJOURNMENT: Wehyee 3-0

CITY OF FALCON HEIGHTS
City Council Workshop
City Hall
2077 West Larpenteur Avenue

MINUTES

December 7, 2022

6:30 P.M.

A. CALL TO ORDER: 6:30 pm

B. ROLL CALL: GUSTAFSON X LEEHY X
 MEYER WASSENBERG X WEHYEE X

STAFF PRESENT: LINEHAN X SORENSEN X

C. POLICY ITEMS:

1. Tubman Legal Services Request for Funding

Linehan states that Tubman Legal Services is a not-for-profit organization that serves Hennepin, Ramsey and Washington counties, offering pro-bono legal services for those experiencing trauma – particularly victims of relationship violence, sexual assault and more.

Tubman Legal Services actively supports the Falcon Heights community and with the assistance of the City Prosecutor, helps victims of domestic violence navigate their way through the court system. They also help victims with the steps to filing orders of protection. In 2021, Tubman helped Falcon Heights residents by providing the following services:

- 5 clients with protective orders for a total cost of \$928.97
- 8 criminal advocacy cases for a total cost of \$4,056
- 6 legal intervention calls from law enforcement (RCSO calls Tubman to assist victims following domestic violence/sexual assault incidents) for a total cost of \$155.94

Due to financial constraints, Tubman Legal Services has had to scale back their services. To keep the services they offer to the communities of suburban Ramsey County, Tubman is requesting funding from each community to support their mission, depending on size. For 2023, Tubman is requesting \$5,000 from the City of Falcon Heights to continue to offer their services.

The City has a policy in our Administrative Manual that covers requests for financial contributions. The criteria requires strict guidelines, which staff is of the opinion that Tubman meets. It is up to the City Council to decide on whether to fund this request for financial contributions.

A representative from Tubman Legal Services will be in attendance at the meeting to present their proposal and answer questions. In addition, the historically the City does not usually give funding to non-profits.

Council Member Wehyee asks how much residents know about this service and how we can advertise it more.

Linehan states if we did give more funding, the expectation would be for them to be more a part of the community. Also, the service is nice because they have a variety of other services that residents can use.

Mayor Gustafson states that every domestic abuse call is sent to Tubman.

Linehan says Tubman is asking for a different amount for each community.

Council Member Wassenberg asks if this line item is continuous in our budget from year to year or if this would be a one-time payment.

Linehan states yes, we would have to approve this contract every year. But in addition, they would still provide our city services if we did not fund them.

Jen Polzin from Tubman states they can do a lot of work remotely.

Council Member Wehyee asks how many residents use their service.

Polzin states roughly 30%. In addition, Polzin mentions that when working with someone, we provide all the resources at our disposal. For example, with Tubman, a freedom fund can be used.

Council Member Leehy asks if the Tubman representatives can define kids in transition.

Emily Barnhill from Tubman says they keep it vague for kids who are through many different things.

Polzin states that they like to work with our clients through the whole process.

Council Member Wehyee asks of the two different types of populations, what population do you see the most?

Barnhill says that's a hard question to answer because everyone is affected by domestic violence.

Polzin states we do not receive funding from Ramsey County or the cities we serve. So, we had to make some hard decisions. So, we decided that we had to step back.

Mayor Gustafson asks if a victim doesn't have Tubman, is there another agency to go to?

Polzin says not in the Ramsey County suburbs.

Council Member Leehy asks whether you ever work with crisis nurse organizations.

Polzin says that she is guessing other parts of Tubman do, but we do have experience with them on the legal side.

Council Member Leehy asks do you guys collaborate with the victims of sexual assault in Ramsey County.

Polzin says that they often work in sexual assault services.

Council Member Leehy asks how many people work for the entire organization, and Tubman is asking for funding for the legal services or all of the other services that Tubman provides.

Polzin says that Tubman has 100 employees and just for the legal services.

Linehan asks if Polzin can talk more about safety planning.

Barnhill says that a huge part of what we do is safety planning. We spend a lot of time with people in crisis and try to connect them with advocates who help them with safety planning and resources. So, the depth of our advocacy is extremely important to us.

Council Member Wassenberg asks if Tubman has a broad expanse of services besides the legal service that helps Falcon Heights residents. Is that correct?

Polzin says yes.

Linehan asks have other cities have indicated their support.

Polzin says they are still waiting to hear back from most of the cities we cover.

Council Member Wehyee asks what your outreach plan is.

Barnhill says that the Ramsey County Sheriff's Office does carry cards on their person and at the courthouse. Also, a lot of word of mouth through previous clients or people who have worked with Tubman.

Polzin states that they try to table at events. However, it is hard for our organizations to outreach.

Mayor Gustafson states that he would favor Falcon Heights to give you funding.

Polzin states that Tubman keeps ongoing data and that they know they are late to the game in asking cities for funding. So, they have based all of their prices on cases per city.

Polzin asks what the next steps are.

Linehan states If we were to fund, we can't add a service without taking something out. We are a little late since we finalized our budget.

2. Budget Workshop #3

a. 2023 Capital Plan

Linehan highlights some major aspects of the 2023 capital plan.

- Total 2023 Capital Outlay: \$3.675 million
 - 2023 PMP - \$1.68 million
 - Community Park / Park Improvements - \$1.5 million
 - Machinery & Equipment - \$146 thousand
 - Larpenteur Street Lights - \$300 thousand
 - Sidewalks - \$10 thousand
 - Furniture & Equipment: \$8.5 thousand
 - Misc. - \$22.5 thousand

Linehan states the costs of the 2023 pavement management program.

- Mill and Overlay - \$427,000
- Garden Avenue Reconstruction - \$680,000
- Garden Ave Sidewalk - \$299,000
- Storm Sewer - \$242,000
- Sanitary Sewer - \$40,000

Linehan then goes into how the 2023 pavement management program is being funded.

- Bond - \$675,000
- Assessments - \$120,000 (\$533,000 over 10-years of bond)
- Street Fund - \$287,000
- State Aid - \$586,000
- Storm Sewer Fund - \$242,000
- Sanitary Sewer Fund - \$40,000

Linehan transitions in the Community Park improvements.

- Budget: \$1,500,000
 - Costs include:
 - Park Acquisition
 - Design / Plans
 - Demolition of Park Structure in 2023
 - Utility Relocation
 - Environmental Costs
 - \$1,500,000 budgeted in 2022. If purchase does not close before year-end, funds transferred to next year.

Council Member Wehyee asks how is state aid determined.

Linehan: states one a part is population-based and your streets have to meet the criteria. In addition, Linehan is hoping 1.5 million dollars is enough. We are pursuing grants. The ARPA funds will provide two payments of \$300,000.

b. 10-Year Capital Plan

Linehan gives an overview of the machinery and equipment of the City.

- 1-Ton Truck with Dump Box - \$55,000
 - Scheduled replacement of the 2012 Ford F-350 1-ton truck (45,284 miles). Was scheduled for 2022 on our equipment replacement schedule, but moved to 2023 due to vehicle inventory shortages. Will be traded in.
- Bobcat 5-650 - \$40,000
 - Scheduled replacement of the 2011 S-650 Bobcat (865.3 hours use). Was originally scheduled for replacement in 2021, moved to 2022 and then again to 2023 due to availability of newer models.
 - Current Bobcat will be traded-in.
- Bobcat 5-590 - \$40,000
 - Scheduled replacement of the 2013 S-590 Bobcat (532.5 hours).
 - Current Bobcat will be traded-in.

Linehan transitions to the Larpenteur streetlights.

- \$300,000
 - The Larpenteur Avenue streetlights includes 32 city-owned decorative lights that were installed in the 1990s between Arona and Fry Street.
 - Due to underground wire faults, many of the streetlights no longer function and are in need of full replacement. This includes the conduit underground, involving sidewalk removal and replacement. Other streetlights have been destroyed by vehicular accidents over the years.
 - Funding Breakdown is:
 - \$220,000 Capital Fund
 - \$80,000 TIF District 1-3 (Falcon Town Square)

Linehan states that the sidewalk is due for replacement as well.

Council Member Wassenberg asks if we are going to replace the streetlights, will we keep the look or replace the whole structure.

Linehan states that will up for the Council to decide. In addition, Linehan asks if the Council is in favor of paying for this.

Mayor Gustafson asks can we assess the business owners for this.

Linehan states that he is not sure.

Council Member Wassenberg states that he thinks it makes sense for our commercial district to be well-lighted and maintained.

c. 2022 Budget Year End Estimate Updates

Linehan highlights the 2022 general fund year end estimate.

- General Fund Revenue
 - Estimated to come in 3% over budget
 - Key factors: Lauderdale plowing contract, permit fees including re-roofs up significantly in 2022.
- General Fund Expenditures
 - Estimated to come in -2% under budget
 - Key factors: Legal fees, snow removal savings, department expenses down
- Year-End Projected Surplus: \$157,107
 - Recommendation: At 12/28 City Council Meeting, transfer surplus to Parks Capital.

d. 2023 Budget Updates

Linehan discusses the 2023 general and changes since the preliminary levy.

- General Fund Revenue
 - \$3,091,322 – NO NET CHANGE
 - Revenue Adjustments:
 - Liquor Licenses - \$8,000 -> \$6,000
 - Sumo & Smoh has indicated they are not renewing their liquor license for 2023
 - Window/Siding Permits - \$10,000 -> \$11,000
 - Mechanical Permits - \$9,200 -> \$10,200
- General Fund Expenditures
 - \$3,091,322- NO CHANGE
- If Tubman proposal is recommended:
 - Increase Legislative Expenditures (111) by \$5,000 for new line item
 - Decrease Tree Trimming (134) by \$5,000
 - \$30,000 budgeted in 2022, \$10,000 expected to be spent
 - \$30,000 budgeted in 2023, will be doing NE Quadrant. Northome cost \$23,000 in 2021 and would be a similar price for 2023 in NE Quadrant.

Linehan says if there was an item to reduce in the budget, this is the one.

Mayor Gustafson asks can we use some of the surplus for 2022 and fund Tubman this year, and for 2023, create a line item in the budget to fund the Tubman.

Linehan says yes, the Council can do that.

Mayor Gustafson asks the Council if they should give Tubman \$10,000.

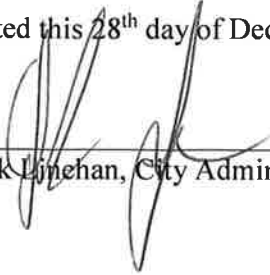
Council Member Wehyee says it would not send a good precedent to send to other organizations coming to council asking for funding.

D. ADJOURNMENT: 9:23 pm



Randall C. Gustafson, Mayor

Dated this 28th day of December, 2022



Jack Linchan, City Administrator

DISCLAIMER: City Council Workshops are held monthly as an opportunity for Council Members to discuss policy topics in greater detail prior to a formal meeting where a public hearing may be held and/or action may be taken. Members of the public that would like to make a comment or ask questions about an item on the agenda for an upcoming workshop should send them to mail@falconheights.org prior to the meeting. Alternatively, time is regularly allotted for public comment during Regular City Council Meetings (typically 2nd and 4th Wednesdays) during the Community Forum.

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CITY OF FALCON HEIGHTS
Regular Meeting of the City Council
City Hall
2077 West Larpenteur Avenue
MINUTES
December 14, 2022 at 7:00 P.M.

- A. CALL TO ORDER: 7:02 p.m.
- B. ROLL CALL: GUSTAFSON __X__ LEEHY __X__ MEYER __X__
WASSENBERG __X__ WEHYEE __X__

STAFF PRESENT: LINEHAN __X__

- C. APPROVAL OF AGENDA

Council Members motioned to
approve the city council agenda;
approved 4-0

- D. PRESENTATION

- E. APPROVAL OF MINUTES:
1. November 9, 2022 City Council Regular Meeting Minutes

City Council Member Wassenberg
motions to approve the minutes;
approved 4-0

- F. PUBLIC HEARINGS:
1. 2023 Truth in Taxation and Budget Presentation

Factors that Affect Taxes

Linehan states that he will walk through how the City got to the proposed tax rate, history on the tax rate for the City, and a general overview of the City's budget. Linehan says that when you look at the factors that affect the City's taxes, the first is any changes in a tax levy made both by a City, County, or Special Taxing Authority, which, for the City, includes the MET Council, Capital Regions or Rice Creek Watershed Districts, depending on where you live. The other thing that will change the impact on your taxes are the change in your value of property. Linehan mentions that he will talk more about this later in the presentation, but, that was one of the central themes of this budget and one of the main major changes this year compared to previous years. Other things that will happen is legislative changes. Now, historically from about 2000 to 2012, this was a major factor for Cities in Minnesota with the legislature making cuts to LGA and other funding. That hasn't happened in recent years; they have kind of kept of local government operations, but that is always a possibility. And the other thing that can change too, is whenever a new tax is approved by referendum or applied to a market tax value so not to tax capacity. A

good example is referendum from the schools for additional funding like Roseville did the previous year.

Ramsey County Tax Statement

Linehan then explains the Ramsey County Tax Statement. Ramsey County sent out the Tax Statement to all households in Ramsey County sometime between November 9th to Thanksgiving. Residents should have received a copy of this. The Tax Statement is not a bill; it breaks out who the taxing bodies are, what their proposed levies are, and where their Truth and Taxation session will be.

Market Value Exclusion

One of the big factors of the City's budget is the market value exclusion. Linehan mentioned earlier the legislative changes in 2011, the State eliminated the Market Value Homestead Credit which was a common credit that taxpayers would utilize and they replaced it with the Market Value Exclusion. So, taxable market value is what is used to calculate your taxes. Ramsey County takes an appraisal of your home and then the taxable market value is a percentage of that is used to calculate taxes. As the benefit to properties decreases as values rise so if your household gets closer to the cap and the cap was set at 413,000 give or take back in 2011. As your property gets closer to that cap you lose more of this Market Value Exclusion. The hard part is in 2011 if you had a property of \$400,000 value that was thought of as pretty expensive property. A lot of those properties at that time were \$400,000 are now worth \$800,000, but that cap has not changed since 2011. This also only applies to homestead properties, so it doesn't apply to non-homestead if you own multiple properties that are rentals.

How the Taxable Market Value is Calculated

When it was put together, the maximum value is essentially around \$76,000. So, if your property was worth \$76,000, you are getting the most value; it decreases exponentially up until that \$413,800 mark. As the market value increases, the exclusion amount decreases.

Property Tax: Market Value Exclusion

Linehan shows an example of that. Linehan says that if there are three different houses, one is worth \$200,000, another is \$300,000 and the last one is \$400,000. So, if you look at this \$200,000 property, their taxes would be \$704. That's before the exclusion; with the exclusion, they are down to \$636. They are saving a nice sizable gap, the difference between those lines. When you get up closer and closer to that exclusion and cap at the \$300,000 level, you are looking at much less savings. At \$400,000, they are almost entirely maxed out at the cap and they are only saving \$5. Now, if your house is valued at \$485,000, you get \$0 of exclusion. Linehan then explains the difference between red line (with exclusion) and the blue line (without exclusion). Back in 2022, the median household in Falcon Heights was valued at about \$309,000, and in 2023, the appraisers have increased that amount significantly up to about \$362,000; and so, so the majority of the City's households are no longer benefitting from the market value exclusion.

Ramsey County Median Values

As Linehan mentioned previously, if you look at median value increases, Ramsey County and households in Ramsey County in general, had a major increase in the last year. What happened last year from 2021 to 2022, Falcon Heights' average home value, according to the appraisers, went down about \$10,000. That didn't necessarily

reflect what the market was doing. Anyone who was home buying between 2019 and 2021, prices continued to rise, and Linehan's estimation essentially what happened, was that there was an over correction this year. So, they tried to rectify that with a steep increase in value and you will see Falcon Heights had a 17.2% increase in average property value of the communities in Ramsey County. Falcon Heights was the third highest behind Lauderdale and White Bear Lake. The important thing is that the difference between Lauderdale and White Bear Lake is that if you look at their median home values they are significantly less. So, in Lauderdale, a lot of the residents are still benefiting from the market value exclusion. In Falcon Heights, with more and more properties going over the cap, the city is not benefiting as much.

2023 Property Tax Allocation

When you look at your property tax bill, and its different for everybody, but to use as an example, we are using an average tax bill. About a third of your tax bill actually comes from the City. So, the major drivers are the County, which is the largest portion, the City is second, School District is third, and the Special Districts make the least. Linehan then compares Falcon Heights' tax rate to other communities. In Falcon Heights proposed budget for this year.

Ramsey County Tax Rates

The City is proposing to decrease tax rate from about 38% down to 35.14. As we compare to other communities in Ramsey County, last year, the City was about the third highest, and this year, we are down to fifth because of the decrease.

City Tax Rate History

Looking at the history of the City's tax rate and seeing where this has kind of changed, so, for a long period time, from about 2004 to 2016, the City was hovering around 25%, give or take, down to 18% at one time, up to 27%. Starting in 2018, as the City recalls, that is when the City made the transition to Ramsey County Sheriffs Office. The City had to see major increases in the police contract, so to cover that, the City had to do double digit levy increases two years in a row. So, 2018 and 2019, the City jumped from 26% to 37%. The City was able to remain relatively stable for the last few years as the City has caught up to the Ramsey County contract. The City has tried to level off expenses. This the City has decreased from 38.74% to 35.14%.

History of Transfer of Reserves to General Fund

Linehan says one thing to point out that is really important for residents and the Council to know, is that historically, starting in the mid-2000s, the City took an approach to balance the budget because the City has large reserves at those times. What the City would do, is balance the budget by using those reserves, which at the time, isn't always a bad thing; sometimes it can be necessary, but it's not sustainable and its not something you can do year after year because eventually you will deplete your reserves faster than you build them. Since 2015, the City has not used reserves for general operating expenses. Now, the City will transfer every now and then from the general fund reserves to the capital fund and do other transfers, but the City doesn't use that for operating expenses, which is crucial.

History of Property Tax Levy

Linehan says now that you look at the actual levy. The levy is determined by essentially taking the City's expenses, which the City tries to get this number as low as possible, but the remainder of what the City needs to cover for the budget when

you factor in revenues, permitting fees, and everything else, is what the levy is. The levy is a combination of ad valorem taxes... so, that's the taxes generally that you pay, plus the City's debt levy, so the debt levy that is included in there as well as a couple of items in there such as fiscal disparities and some other expenses. Looking at the history of this, essentially you can see that the City has increased over time. The largest increases being in 2018 and 2019, then kind of leveling off, but still slightly increasing over the past few years. The levy has increased over time, with again, large increases, and they have leveled off the last few years. The City's goal is to continue to level those off.

Property Tax Impacts

When you look at the history of property taxes in Falcon Heights. The graph shows essentially where the City is at, and, as Linehan has mentioned, back in 2017 for example, the median home value in Falcon Heights was \$252,000 for appraised value and now it is... within five-six years... has gone up to \$362,000. The City saw a significant increase and the important number here is the difference, the first row (median valued home) and the second row (taxable median value after exclusion). So, if you go back to 2017, you see that the median family home is \$252,000, which is not what is used to calculate tax value, it's the median value after the exclusion, and that would be \$238,094. So, the difference between those numbers is about \$14,000 to \$15,000. As the property values increase, that difference grows smaller and smaller. Thus, the City is looking at about a \$5,000 difference between the two. So, if we take \$357,504 and take the tax capacity, which is 1% of \$357,504, which comes out to be 3,576. 3,576 then determines the City's effective tax rate and that tax rate of 35.14% equals essentially about a \$96 increase for the median value home. For the average home they would pay \$96 more for next year's tax bill.

2023 City Taxes on a Median Value Home in Ramsey County

Linehan transitions into where the City stacks up among other cities in Ramsey County. So, when you look at the City's average median value home, they would pay \$1,257 directly to the City, which puts the City at the third highest right behind Roseville and St. Paul. St. Paul has obviously been historically much higher. The City looks at what it means for your total tax bill. So, it is important too, because there are other entities at play such as Ramsey County and Roseville School Districts are all doing increases. So, that's where the City's revenues are at.

2023 Expenditures

Linehan goes into talking about the City's expenditures. The important number and what set the levy is the City's general fund. The City is looking at a general fund expenditure of about \$3,091,322. Next year, the City has one of the largest capital projects in City history. Then, there is the enterprise fund, which is sanitary-sewer, storm-sewer, and street lighting. The special revenue fund is all of the various funds that the City reserves money for and the debt service fund which is obligated for the City to pay.

Cities Receive Sales Tax Exemption

One benefit is that the Minnesota State legislature passed in 2013, passed a State Law change, exempting cities from sales taxes. So, from about 1980s to 2013, the legislature reversed so that Cities would have to pay sales tax. So, if the City purchased equipment, the City would have to pay a sales tax since that time its been revoked in 2013, equals to an average savings of about \$10,000 a year. The City is

continuing to benefit more and more from this as Staff are making sure that when they are buying something that the City is utilizing its tax-exempt status.

2023 Budgeted General Fund Expenditures by Department

So, if you look at how the Cities expenditures break down and where the expenses go, as would be expected in a lot of communities, but particularly with Falcon Heights, about almost 50% of the budget is public safety and police, fire is at 6%, general government, which covers a lot of the City's operations, is 30%, and public works is 15.8%.

Levy Comparisons

So, when you look at the history of the levy and how you get to this number, is that the City's tax levy for next year is being proposed for a \$117,678 increase for next year, which in total is about a 5.43% increase. Now the nice thing is that the City's debt levy is decreasing next year and this is largely due to series 2017 bond and the series 2021 bond which are the two bonds that the City is paying. As the City continues to make payments on those, the City's debt service is going down. The City is looking at a net increase next year of \$113,854, which can be explained entirely by the increase of the police contract. The Cities police contract is going up by \$160,000 and change next year. The City is able to since there is an increase and it is contractually obligated. The City's options are limited, and what the Council and Staff were able to work on, is how could they could find other ways to reduce costs to take that large bill, which represents 50% of the budget, and still be able to make a minimal impact on the levy, which was what they were able to accomplish.

2023 Proposed Budget

As Linehan has mentioned, the police services is increasing by \$160,065. The reasoning for that largely has to do with two things. One, is the Sheriffs Office has agreed to a new collective bargaining agreement with all of the Deputies and Sargent's; so, with that, they are looking at about a 10% increase across the board in pay. The second contributing factor, was that, for the City's portion, the City benefited last year with the State Fair. So, when the Sheriff's Office was able to get the State Fair Contract to provide policing services, the City's costs went down last year in the contract by about \$50,000. This year, with the increase, plus, the City losing that benefit from last year, the City is looking at an increase of \$160,000. So, really, the true story of the budget is that is the City's largest increase, and that's what the Council and Staff had to work around and adapt the rest of the budget around that. Another large increase is the renewal rate for health insurance through PEEP is about 5.1%, which is a large increase, but anyone who has been in health insurance or has seen how that market's gone, anything in the single digits is a big win. So, our insurance continues to get competitive rates. Other things the City is looking at, is how are permit revenues coming in. Back in 2021, the City had record permit revenue from the Amber Union complex. Those revenues are done. However, Staff are continuing to see an uptick in roofing, mechanical and other permits, as people continue to invest in properties during the pandemic. Other things the City is looking at that impacted the budget, was one change in personnel. The City moved its one part-time public works employee to full-time, so that has an increased cost, but a lot of that is offset by the additional revenue the City will get from the Lauderdale contract. The City will be able to use that employee in the winter, where they will be doing a lot of snow plowing, and in the summer, the City can utilize them for other services throughout the City that's needed. The City is also looking at the largest capital program in the City's history, including resurfacing Garden Avenue and installing sidewalk, purchase and Phase 1 of Community Park

renovation, and replacement of Larpenteur streetlights. To summarize the budget a little bit: again, there will be no transfer of reserve funds for the general operating budget. This is truly a balanced budget not balanced budget dipping into future savings. The City is balancing the budget based on revenue that's coming in. Local Government Aid from the State of Minnesota is supposed to increase by \$12,278 next year, but Fiscal Disparities is going to decrease by \$23,790. Again, this is going to continue to happen as the tax rates continue to go up and the market value exclusion difference will continue the trend of Fiscal Disparities decreasing. Overall, general fund expenditures and revenues are \$3,091,322 or 5.24% higher than the 2022 operating budget.

Additional Information

As Linehan has mentioned, says the City of Falcon Heights is about around a third of resident's tax bill and the other tax entities are having hearings as well. Now, the City is one of the last ones in Ramsey County just with how the meetings fell. Most of them have already met and approved levies but a little bit of information for residents. If they are concerned about their property taxes, there are a couple programs. They can go to www.taxes.state.mn.us, regular refund-based on income, circuit breaker - if taxes increased over 12% and \$100, senior citizen tax deferral through City & Ramsey County, and disabled veteran market value exclusion. In addition, if you want to contest your property valuation to be used for 2023 property taxes which for notices in the mail during March 2023.

Councilmember Wehyee arrived at 7:23 p.m.

Mayor Gustafson opens the floor to the public.

Joanne Sunderland from 1906 North Prior in Falcon Woods. Sunderland moved into that house in 1956 when she was six years old and grew up in the neighborhood. Sunderland left in her early 20s and as her parents aged out and passed on, Sunderland and her husband took over the house; so, now she is back in the house she grew up in. Sunderland asks if there was a time when the University of Minnesota paid taxes.

Linehan states that is correct; the University of Minnesota doesn't pay any direct taxes but they do pay into some of our funds such as sanitary-sewer fund for their uses but not general taxes to the City.

Sunderland asks wasn't there a time when they did pay something.

Mayor Gustafson says not that he is aware of. The City does receive, through the years, various grants through the University for some of the City's programming, such as their good neighbor fund. When the City has had activities that qualify for that, the City has applied for those dollars. Since 1952, the City has had the value of utilizing Community Park for a \$1 a year on a lease agreement.

Sunderland asks what's Community Park.

Mayor Gustafson states the one next to your house. The one on the corner of Roselawn and Cleveland.

Sunderland says that when she was growing up that her neighborhood was full of professors and it was a wonderful neighborhood and still is a wonderful neighborhood. The other question is the property on the corner of Snelling and Larpenteur that used to be the Farmers Union a long time ago. Now, they didn't pay any taxes, but they currently do pay taxes because it has been sold and going to be rental property; will that go into the tax base?

Mayor Gustafson says that property was for many years tax exempt while it was operated by the Technology Information Education System and so when that building was then sold to Buhl Investors, which they then rehabbed into the Amber Union apartments, where there are 125 units of housing now. That property then went from non-taxable rolls to the taxable rolls. To assist in that development, to make it happen, the City did participate in what's known as Tax Increment Financing on that property. The difference in value from where they started as empty land and building to a rebuilt building and putting millions of dollars into it. That difference in valuation of the taxes on that will, for the 12 or 13 years, will go to help make that development happen, and then after that period of time, then that property fully be on the City's tax rolls. Similar to the development across Snelling, the Falcon Town Square. So, that property was also assisted through the use of Tax Increment Financing. That Tax Increment Financing district will end in 2027 and 2028. That property will then be contributing to the whole property tax roll for the City.

Steven Sunderland from 1906 North Prior. Sunderland asks in the budget the City posted online and part of the narrative was a few meetings that are designed to facilitate greater strengths in the City Council. Sunderland asks that he noticed in the budget huge discrepancies in this year's budget versus last year's budget and it looks like it comes from the capital fund.

Linehan states that is correct. A little bit about how the City budgets for capital programs. The City operates on a every other year program, so the last major program was 2021... that's where the City did Tatum and Lindig. For next year, the 2023 project, which includes Garden Avenue's reconstruction and other streets in the Northeast Quadrant area as well as the purchase of Community Park. So, that is part of that large dollar amount.

Sunderland asks, So the City is now purchasing Community Park from the University?

Linehan says the City is in negotiations to purchase the property, so essentially, the current structure is vacated; its unusable and not open to the public. Long-term it's been a goal of the City's to renovate that park building. The City's lease expires in 2024 and the University has indicated that they have no interest in renewing the rate they have given the City in the past. They want to offer the City either the market value rate for the lease or they prefer that the City purchase the land. Currently the City is in active negotiations with the University to purchase the property.

Sunderland asks will there be future meetings about those kinds of actions that are going to be taking place as the City negotiates.

Mayor Gustafson states yes.

Linehan says the City is currently waiting for a response from the University. The City made an offer, which is confidential at this point because we are in the real estate negotiation. The University will give the City a counteroffer and the goal is then for the Council to determine if that is a fair price. The City would then go into what would be public record of the City's purchase price. At that point, the City would make it clear what the purchasing price is and have all of the contract and approvals before the public for approval.

Sunderland asks about the threats and challenges section in the 2023 budget. In that section it states neighboring communities the City's tax dollars are being used to subsidize community's growth. Sunderland wasn't sure what that meant.

Linehan states a lot of times what will happen in Minnesota with the Fiscal Disparities Program essentially all of the Cities share a larger tax pool. That's where those fiscal disparities come from.

Sunderland says so there is an actual subsidy for underfunded cities?

Linehan states that is correct. That is a good way to describe it. The program was based in Minnesota with the development of the Mall of America. Basically, whatever community got the Mall of America had a cash cow forever. So, the idea is that is spread throughout the metro area with the fiscal's disparities program. Some communities are contributors and some are beneficiaries. The City is traditionally has been more of a beneficiary because we don't have that commercial base that other cities do.

Sunderland states so that would not be a liability for the City?

Linehan says it could be that's why it was listed. Linehan clarifies that one of things that the Council is that Staff is going to update the Cities SWAT analysis which was done in 2016. In the Cities spring retreat the City will be updating that and following up on the Cities 2019 Strategic Plan.

Sunderland hopes that the City Council is keeping an eye on quality of construction, because as Sunderland looks around the City, he notices everywhere... and this was glaringly obvious in the Grove area when the City did some reconstruction along Ford Parkway...Sunderland believes that the year after they did construction, they noticed ripples and peeling. Sunderland thinks that the City probably had to redo that road, but even in Falcon Woods, there are areas where the City has just gone over streets and within a year there's noticeable signs of wear and tear. Sunderland thinks that it is a problem with whoever is getting these contracts. Sunderland doesn't know how much oversight the City has or if there is much beyond the contract, but it is very noticeable in this State. And, it's a tough State on asphalt in general, but that only means that a lot of science and research goes into construction of asphalt services and it seems like the City should be the beneficiary in our current technological age of coming up with some sort of road process it doesn't wear out or it doesn't develop pot holes the next year.

Mayor Gustafson says the City has been rebuilding its roads; there is a whole schedule of times and pavement management plans in place that the City has been acting upon for the last 15 years. The City is trying to sure that the roads last their 30-year time span. The City has a whole series of maintenance plans with the City

Engineer. The City has been fortunate enough to collaborate with the City of Roseville and their engineering department. The Mayor says you will notice in 2025 plan as a resident of Falcon Woods your roads are scheduled for 2025. The City had a meeting at City Hall in August-September where everyone from Falcon Woods was invited to explore how that's going to work. That road is going to be a reclaim road because it wasn't properly built. The City has been working on maintaining the road until the City has to reclaim the road in three years.

City Council Member Wassenberg says he believes that it is worthwhile and expects that the City does, but doesn't know for sure. That there is some sort of measure of past performance for the City's contractors that the City receives references and things like that in order to see if they are a quality contractor and have done quality work for other Cities in the past or for Falcon Heights.

Linehan says one complication with that is the bidding process. Essentially in Minnesota, how it is set up, is the lowest bidder usually wins; there are some exceptions where you can take in some quality control. Unfortunately, the City's 2021 contractor completed most of the City of Falcon Heights' work, but other Cities they were doing work for didn't get finished due to the contractor going bankrupt. So, the contractor folded up shop and there are some communities in Minnesota that they didn't finish the roads and at least for the City of Falcon Heights they finished the roads. However, the work was unsatisfactory the City is currently going after their performance bond. This was for the roads on Tatum and other streets. An example is this summer they were supposed to reseed this spring. The contractor comes out, they reseed. Well it is very common knowledge that the contractor cut corners in 2021. They used their own in-house seeding and a lot of that was weeds. The City hired a professional contractor to come out this year and what the City did was held their final payment. So, the company that did the construction didn't get their final payment and before the City releases it, the City is going after that amount and going to use that amount for fixing the work they were supposed to do. The final part is then next year, the City has \$20,000 in to fix their work from last year, and of that, the City is going after 100% of their performance bond. The City requires every contractor through engineering to take out a performance bond for the total value of work so if they are doing a million dollars of work they have to take out a performance bond of a million dollars. Usually the City doesn't have to touch that, but this year the City is going after that because the work was unsatisfactory and its failing in some areas. The good news is that contractor won't be back in 2023. Linehan also mentions that nobody could have seen that coming from that contractor. Talking to engineers in the field, that was a reputable company, they have great experience; something happened in ether who they hired and things went sour fast for them in 2021.

Rice' Davis 1407 California Ave. W. Rice' states that she had intended to attend the Metropolitan Special Taxing district meeting which happened to be tonight at 6 p.m. in downtown St. Paul. Rice' states that not going to work and who makes up this schedule?

Linehan says essentially each body sets their own date so usually how it happens is they usually don't conflict. Linehan didn't know that MET Councils was tonight. The City sets theirs so its always going to be the second Wednesday of December; sometimes it's later. This year is about as late as it goes because the second meeting

is the 14th, but some years, it's the eighth or the seventh; but it's always that second Wednesday of the month.

Rice' says so nobody is really in charge of doing this and making sure that each meeting is going to be available for everybody.

Linehan states if so, it would be Ramsey County, so what the city is required to do when it sets the levy in September. The City back in September set the preliminary levy, then the City has to also set the Truth and Taxation date, which is up to each municipality to set it. They then submit that to Ramsey County assessor's Office where they compile it and they put together the notices. If they saw it and caught it or were concerned about it they would reach out to the municipalities.

Mayor Gustafson closes the public hearing.

Council Member Leehy comments that she appreciates Jack Linehan, the City Administrator for the presentation and being thorough and using layman's terms for both the Council and residents tonight.

Mayor Gustafson states that he likes the fact that the City is on pay-as-you-go situation and the City has tried to rebuild the reserves through time by taking a systematic look at what the future needs are. As residents can see by this capital fund, that it is an aggressive program for 2024, but it is items that have been needed to be addressed by the community for years. It should be an exciting time as the City looks for revamping Community Park. Mayor Gustafson thanks Linehan and the whole Council for their suggestions on the budget.

Linehan states that he appreciates the Council and the last few months have been quite the process. Council and staff have had multiple workshops and capital discussions. Staff has taken Councils' feedback and tried to represent that in this budget. Linehan thinks that one of the things that he is very proud of is the work of staff. Roland Olson, the City Finance Director, and Alyssa, the City Accountant, worked backwards to try to make this as affordable for residents as possible. As was mentioned, Staff had a number; the City's largest expense was hanging over Staffs' head as a major increase, and they tried to minimize that as much as possible, while still funding operations, still saving for the future, and still investing in Community Park. Linehan thinks that all of that combined, the City is in very good financial shape. Linehan personally feels good about the financial future of the City and where the City is at. Linehan believes this budget is a great step as the City moves towards those goals.

City Council Member Wehyee and Leehy both motion to adopt Council Resolution 22-57 Adopting the 2023 Tax Levy for the City of Falcon Heights; approved 5-0

City Council Member Meyer motions to adopt Council Resolution 22-58 Adopting the 2023 Budget for the City of Falcon Heights; approved 5-0

G. CONSENT AGENDA:

1. General Disbursements through: 12/06/22 \$555,890.87
Payroll through: 11/30/22 \$39,434.85
Wire Payments through: 11/30/22 \$29,012.70
2. Approval of City License(s)
3. Appointment of City Attorney
4. Appointment of Interim City Engineer
5. Appointment of City Auditor
6. Designation of Official Newspaper
7. 2023 Cost of Living Adjustment (COLA)
8. Statutory Tort Limits Liability Coverage for the City in 2023
9. Budget Amendment and Transfer of Funds from Fund 419 to Fund 426 for the 2021 Street Pavement Management Project
10. Approval of Updated Path/Sidewalk Maintenance Map for Snow Removal
11. Appointment of Hannah Lynch as Planner/Community Development Coordinator
12. Resignation of Jim Bykowski from the Saint Paul Board of Water Commissioners
13. Appointment of John Larkin to the Saint Paul Board of Water Commissioners
14. Resignation of Esha Seth from the Environment Commission
15. 2023 Animal Impound Services
16. Northeast Youth and Family Services Cooperative Service Agreement for 2023
17. City Administrator Jack Linehan – Six Month Employee Step Adjustment
18. Grant Application Approval – Saint Paul Garden Club / Monarch Joint Venture

Mayor Gustafson welcomes Hannah Lynch the new City Planner to the podium.

Hannah Lynch, the new City Planner, states that she just moved to Minnesota a few days ago from South Carolina. Hannah was working as the Zoning Administrator for Polk County in North Carolina. Hannah is very excited to be working for the City of Falcon Heights. Hannah is a mom of three little girls and has been married to her husband for ten years. Her family is coming up in the summer so she will be in Minnesota for awhile, getting used to the winter, acting as guinea pig to see how they do. Hannah thanks the City Council for this opportunity.

Mayor Gustafson welcomes Hannah Lynch to the City of Falcon Heights and thanks Esha Seth for serving on the Environment Commission. In addition, thanks Jim Bykowski for serving on the St. Paul board of Water Commissioners.

Council Member Wehyee welcomes Hannah Lynch and thanks Esha Seth for her service on the Environment Commission. Wehyee thanks the City Administrator for the work he has done over the past 6-7 months. The City is very fortunate to have Jack Linehan.

Linehan thanks the Council Member Wehyee for the kind words and for the STEP adjustment. In addition, welcomes Hannah Lynch and is very excited to have Hannah on the team. Linehan states that the City Planner position is an extremely important for the City.

City Council Member Leehy motions to approve the consent agenda; approved 5-0

H: POLICY ITEMS:

I. INFORMATION/ANNOUNCEMENTS:

Council Member Wassenberg states that tomorrow is the Ramsey County League of Local Government's annual meeting. Wassenberg signed up for that meeting to represent the City of Falcon Heights.

Council Member Wehyee states that last Thursday was the Human Rights Day event. Wehyee and the Mayor had the pleasure of attending.

City Administrator Linehan states:

- **Community Police Needs Focus Groups**
 - As part of our police contract analysis, the City's consultant, the Center for Value-Based Initiatives conducted a series of three focus from Tuesday, November 29th to Thursday, December 1st in the evening.
 - 6-10 residents participated in each session, which lasted approximately 90 minutes
 - Matt Bostrom of CVBI will present the findings and conduct an exercise with the City Council at our January workshop on Wednesday, January 4th.
 - Let me know if you cannot attend due to holiday travel so I can do an early quorum check
- **Human Rights Day Recap**
 - Our celebration of Human Rights Day took place on Thursday, December 8th from 6-7:30 PM at Falcon Heights Elementary School
 - Included a resource fair and other community resources promoting human rights.
 - Seven organizations participated
 - Multiple boxes of food donated, as well as plenty of coats
- **Law Enforcement Services Contract**
 - On Tuesday, December 13th, the Ramsey County Board approved a one-year contract agreement with the City of Falcon Heights and the City of Little Canada to provide law enforcement services through December 31, 2023.
- **Public Works Snow Removal**
 - Crews were out today scraping snow off the roads, small accumulation
 - Preparing for winter storms the rest of the week
 - Reminder: Whenever there is two inches of snow, there is no street parking for 48 hours or until the street is cleared from curb to curb, whichever comes later.
- **Ice Rink Status**
 - Crews are preparing the ice rinks, hoping to have rinks open by either Wednesday, December 21st or Thursday, December 22nd
 - Staff is working on hiring our 2nd warming house attendant for Curtiss Field Rink.
- **City Hall Holiday Schedule**
 - Closed on:
 - Friday, December 23rd


- Monday, December 26th
- Monday, January 2nd

J. COMMUNITY FORUM:

Please limit comments to 3 minutes per person. Items brought before the Council will be referred for consideration. Council may ask questions for clarification, but no council action or discussion will be held on these items.


K. ADJOURNMENT: 8:24 p.m.

Council Member Leehy
motions to adjourn;
approved 5-0



Randall C. Gustafson, Mayor

Dated this 28th day of December, 2022



Jack Linehan, City Administrator

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	Consent G1
Attachment	General Disbursements, Payroll, and Wire Payments
Submitted By	Roland Olson, Finance Director

Item	General Disbursements, Payroll and Wire Payments
Description	General Disbursements through: 12/21/22 \$227,291.33 Payroll through: 12/15/22 \$18,372.40 Wire Payments through: 12/15/22 \$13,191.88
Budget Impact	The general disbursements, payroll and wire payments are consistent with the budget.
Attachment(s)	<ul style="list-style-type: none"> • General Disbursements, Payroll and Wire Payments
Action(s) Requested	Staff recommends that the Falcon Heights City Council approve general disbursements, payroll and wire payments.

PACKET: 02656 December 21 Payables
 VENDOR SET: 01 City of Falcon Heights
 SEQUENCE : ALPHABETIC
 DUE TO/FROM ACCOUNTS SUPPRESSED

-----ID-----	POST DATE	BANK CODE	-----DESCRIPTION-----	GROSS DISCOUNT	P.O. # G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION
01-0055	12/21/2022	APBNK	AMERICAN OFFICE PRODUCTS				
I-6725	12/21/2022	APBNK	AMERICAN OFFICE PRODUCTS DUE: 12/21/2022 DTSC: 12/21/2022 Business Cards	254.00	1099: N 101 4112-70100-000	SUPPLIES	254.00
			=== VENDOR TOTALS ===	254.00			
01-03103			CANON FINANCIAL SERVICES				
I-29677027	12/21/2022	APBNK	CANON FINANCIAL SERVICES DUE: 12/21/2022 DISC: 12/21/2022 Copier Charges December	122.39	1099: N 101 4131-67010-000	CITY HALL MAINTENANCE	122.39
			=== VENDOR TOTALS ===	122.39			
01-03122			CITY OF ST PAUL				
I-IN52197	12/21/2022	APBNK	CITY OF ST PAUL DUE: 12/21/2022 DISC: 12/21/2022 Asphalt Mix-11	169.72	1099: N 101 4132-75000-000	BITUMINOUS PATCHING	169.72
			=== VENDOR TOTALS ===	169.72			
01-01012			COREMARK METALS				
I-5348064	12/21/2022	APBNK	COREMARK METALS DUE: 12/21/2022 DISC: 12/21/2022 JD Push Plow Repair Parts	16.20	1099: N 101 4132-87000-000	REPAIR EQUIPMENT	16.20
			=== VENDOR TOTALS ===	16.20			
01-00995			LANDFORM				
I-3907	12/21/2022	APBNK	LANDFORM DUE: 12/21/2022 DISC: 12/21/2022 General City Planning	3,000.00	1099: N 101 4117-80400-000	CONSULTING PLANNER	3,000.00
			=== VENDOR TOTALS ===	3,000.00			
01-05843			MN NCPERS LIFE INSURANCE				
I-458800012023	12/21/2022	APBNK	MN NCPERS LIFE INSURANCE DUE: 12/21/2022 DISC: 12/21/2022 2023 Life Insurance January 2023 Life Insurance January 2023 Life Insurance January 2023 Life Insurance January	80.00	1099: N 101 21709-000 204 21709-000 601 21709-000 602 21709-000	OTHER PAYABLE OTHER PAYABLE OTHER PAYABLE OTHER PAYABLE	44.32 1.60 23.36 10.72
			=== VENDOR TOTALS ===	80.00			

PACKET: 02656 December 21 Payables
 VENDOR SET: 01 City of Falcon Heights
 SEQUENCE : ALPHABETIC
 DUE TO/FROM ACCOUNTS SUPPRESSED

POST DATE	BANK CODE	DESCRIPTION	GROSS DISCOUNT	P.O. # G/L ACCOUNT	ACCOUNT NAME	DISTRIBUTION
01-0675 MOBILE MINI, INC.						
I-9016222928		MOBILE MINI, INC.	685.00			
12/21/2022	APBNK	DUE: 12/21/2022 DISC: 12/21/2022 Warming House Rental		1099: N 101 4141-87120-000	FACILITIES & GROUND MAINT	685.00
=== VENDOR TOTALS ===			685.00			
01-06483 SENTRY SYSTEMS, INC.						
I-781947		SENTRY SYSTEMS, INC.	94.50			
12/21/2022	APBNK	DUE: 12/21/2022 DISC: 12/21/2022 Commercial Monitoring Jan-Mar		1099: N 101 4131-87100-000	PANIC BUTTON SECURITY	94.50
=== VENDOR TOTALS ===			94.50			
01-06062 SUMMIT COMPANIES						
I-130064434		SUMMIT COMPANIES	331.25			
12/21/2022	APBNK	DUE: 12/21/2022 DISC: 12/21/2022 Annual Fire Extinguisher Inspe		1099: N 101 4131-87010-000	CITY HALL MAINTENANCE	331.25
=== VENDOR TOTALS ===			331.25			
01-05870 XCEL ENERGY						
I-202212218361		XCEL ENERGY	1,221.37			
12/21/2022	APBNK	DUE: 12/21/2022 DISC: 12/21/2022		1099: N		
		Elect		101 4131-85020-000	ELECTRIC	284.00
		Gas		101 4131-85030-000	NATURAL GAS	731.25
		Elect		101 4141-85020-000	ELECTRIC/GAS	9.14
		Elect		101 4141-85020-000	ELECTRIC/GAS	34.49
		Elect		209 4209-85020-000	STREET LIGHTING POWER	17.10
		Elect		209 4209-85020-000	STREET LIGHTING POWER	2.68
		Elect		209 4209-85020-000	STREET LIGHTING POWER	20.23
		Elect		209 4209-85020-000	STREET LIGHTING POWER	22.15
		Elect		209 4209-85020-000	STREET LIGHTING POWER	18.28
		Elect		209 4209-85020-000	STREET LIGHTING POWER	82.05
=== VENDOR TOTALS ===			1,221.37			
=== PACKET TOTALS ===			5,974.43			

PACKET: 02654 DEC 14 PAYABLEWS

VENDOR SET: 01 City of Falcon Heights

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

-----IU-----
 DT DATE BANK CODE -----DESCRIPTION----- GROSS P.O. #
 DISCOUNT G/L ACCOUNT -----ACCOUNT NAME----- DISTRIBUTION

01-05371 BOND TRUST SERVICES CORPORATIO

I-76656		BOND FEE	475.00			
12/14/2022	APBNK	DUE: 12/14/2022 DISC: 12/14/2022		1099: N		
		BOND FEE		316 4316-94900-000	BOND FEES	475.00
I-76657		BOND FEE	475.00			
12/14/2022	APBNK	DUE: 12/14/2022 DISC: 12/14/2022		1099: N		
		BOND FEE		313 4313-94900-000	BOND FEES	475.00
=== VENDOR TOTALS ===			950.00			

01-03110 CENTURY LINK

I-202212138353		LIFT STATION	71.47			
12/13/2022	APBNK	DUE: 12/13/2022 DISC: 12/13/2022		1099: N		
		LIFT STATION		601 4601-85011-000	TELEPHONE - LANDLINE	71.47
I-202212148358		LANDLINE	63.55			
12/14/2022	APBNK	DUE: 12/14/2022 DISC: 12/14/2022		1099: N		
		LANDLINE		101 4141-85011-000	TELEPHONE - LANDLINE	63.55
=== VENDOR TOTALS ===			135.02			

01-03123 CINTAS CORPORATION

I-4136266849		RUG SVC	61.69			
12/13/2022	APBNK	DUE: 12/13/2022 DISC: 12/13/2022		1099: N		
		RUG SVC		101 4131-87010-000	CITY HALL MAINTENANCE	61.69
I-4137732571		RUG SVC	57.45			
12/13/2022	APBNK	DUE: 12/13/2022 DISC: 12/13/2022		1099: N		
		RUG SVC		101 4131-87010-000	CITY HALL MAINTENANCE	57.45
=== VENDOR TOTALS ===			119.14			

01-03122 CITY OF ST PAUL

I-IN520555		ASPHALT MIX	84.86			
12/13/2022	APBNK	DUE: 12/13/2022 DISC: 12/13/2022		1099: N		
		ASPHALT MIX		101 4132-75000-000	BITUMINOUS PATCHING	84.86
=== VENDOR TOTALS ===			84.86			

PACKET: 02654 DEC 14 PAYABLEWS

VENDOR SET: 01 City of Falcon Heights

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

-----ID-----
 POST DATE BANK CODE -----DESCRIPTION----- GROSS P.O. #
 DISCOUNT G/L ACCOUNT -----ACCOUNT NAME----- DISTRIBUTION
 =====

01-05352 SHAILA CUNNINGHAM

I-202212138354 YOGA INSTRUCTOR 569.60
 12/13/2022 APBNK DUE: 12/13/2022 DISC: 12/13/2022 1099: Y
 YOGA INSTRUCTOR 201 4201-87700-000 INSTRUCTOR-SPECIALTY CLA 569.60
 === VENDOR TOTALS === 569.60

01-05058 JOSH JORDAN

I-202212138355 TAE KWON DO INSTRUCTOR 625.20
 12/13/2022 APBNK DUE: 12/13/2022 DISC: 12/13/2022 1099: Y
 TAE KWON DO INSTRUCTOR 201 4201-87700-000 INSTRUCTOR-SPECIALTY CLA 625.20
 === VENDOR TOTALS === 625.20

01-05440 LOFFLER COMPANIES, INC

I-4209854 COPIER 78.12
 12/13/2022 APBNK DUE: 12/13/2022 DISC: 12/13/2022 1099: N
 COPIER 101 4112-87000-000 REPAIR OFFICE EQUIPMENT 78.12
 === VENDOR TOTALS === 78.12

01-06112 PIONNER PRESS

I-112572540 LEGALS 101.52
 12/13/2022 APBNK DUE: 12/13/2022 DISC: 12/13/2022 1099: N
 LEGALS 101 4111-70410-000 LEGAL NOTICES 101.52
 === VENDOR TOTALS === 101.52

01-06301 SAMS CLUB MC/SYNCE

I-202212148359 SAMS CLUB MC/SYNCE 3,676.05
 12/14/2022 APBNK DUE: 12/14/2022 DISC: 12/14/2022 1099: N
 ELECTION JUDGE FOOD 101 4115-70100-000 SUPPLIES 449.86
 PIONEER PRESS NEWSPAPER 101 4131-70110-000 SUPPLIES 53.00
 ZOOM VIRTUAL 101 4116-85040-000 VIRTUAL COMMUNICATIONS 220.11
 SAFETY GLASS EYE WEAR 101 4132-77000-000 CLOTHING 375.54
 CITY CLOTHING/WITH LOGO 101 4112-70100-000 SUPPLIES 140.93
 KITCHEN SUPPLIES 101 4131-70110-000 SUPPLIES 203.63
 POSTAGE 210 4210-70500-000 POSTAGE 1,104.26
 TREATS-FOOD WINTER COAT DRIVE 101 4116-89010-000 SPECIAL EVENTS 150.00
 CLASS B DRIVERS LICENSE TNG 101 4132-89000-000 MISCELLANEOUS 249.00
 ELECTED OFFICAL INSTITUTE 101 4111-86100-000 CONFERENCES/EDUCATION/TR 700.00
 NAME TAGS 101 4112-70100 000 SUPPLIES 29.72
 === VENDOR TOTALS === 3,676.05

PACKET: 02654 DEC 14 PAYABLEWS

VENDOR SET: 01 City of Falcon Heights

SEQUENCE : ALPHABETIC

DUE TO/FROM ACCOUNTS SUPPRESSED

-----ID-----		GROSS	P.O. #		
POST DATE	BANK CODE	DISCOUNT	G/L ACCOUNT	-----ACCOUNT NAME-----	DISTRIBUTION

01-06561 TILDEN FP FALCON HEIGHTS APART

I-202212148357	2ND HALF PAY AS GO PYMT	104,734.00			
12/14/2022	APBNK	DUE: 12/14/2022 DISC: 12/14/2022	1099: N		
	2ND HALF PAY AS GO PYMT		414 4414-93000-000	DEBT PAY AS YOU GO PYMT	104,734.00
=== VENDOR TOTALS ===		104,734.00			

01-06560 TILDEN FP FALCON HEIGHTS SENIO

I-202212148356	ADDTL 1ST HALF/2ND HALF PAYAS	107,694.00			
12/14/2022	APBNK	DUE: 12/14/2022 DISC: 12/14/2022	1099: N		
	ADDTL 1ST HALF/2ND HALF PAYASG		414 4414-93000-000	DEBT PAY AS YOU GO PYMT	107,694.00
=== VENDOR TOTALS ===		107,694.00			

01-05870 XCEL ENERGY

I-202212138352	ELECT	2,549.39			
12/13/2022	APBNK	DUE: 12/13/2022 DISC: 12/13/2022	1099: N		
	ELECT		209 4209-85020-000	STREET LIGHTING POWER	2,549.39
=== VENDOR TOTALS ===		2,549.39			
=== PACKET TOTALS ===		221,316.90			

*** DIRECT DEPOSIT LIST *****

PAY PERIOD ENDING 12/15/2022
DIRECT DEPOSIT EFFECTIVE DATE 12/07/2022

P #	NAME	AMOUNT
006	JACK LINEHAN	3,144.55
1026	BRENNAN J SORENSEN	1,522.64
-1027	KELLY A NELSON	1,934.87
-1136	ROLAND O OLSON	2,929.37
-2268	MATTHEW CHERNUGAL	1,423.81
-1030	TIMOTHY J PITTMAN	2,368.47
-1033	DAVE TRETSVEN	1,861.53
-1143	COLIN B CALLAHAN	2,061.30

TAL PRINTED: 8 17,246.54

12-07-2022 6:56 AM
PAYROLL NO: 01 City of Falcon Heights

PAGE: 1
PAYROLL DATE: 12/07/2022

EMP NO	EMPLOYEE NAME	TYPE	CHECK DATE	CHECK AMOUNT	CHECK NO.
184	LANDBERG, ALYSSA	R	12/07/2022	997.09	091874
184	NEIS, ADRIAN J	R	12/07/2022	128.77	091875

12-07-2022 6:56 AM
PAYROLL NO: 01 City of Falcon Heights

PAGE: 2
PAYROLL DATE: 12/07/2022

*** REGISTER TOTALS ***

REGULAR CHECKS:	2	1,125.86
DIRECT DEPOSIT REGULAR CHECKS:	8	17,246.54
MANUAL CHECKS:		
PRINTED MANUAL CHECKS:		
DIRECT DEPOSIT MANUAL CHECKS:		
VOIDED CHECKS:		
NON CHECKS:		
TOTAL CHECKS:	10	18,372.40

*** NO ERRORS FOUND ***

END OF REPORT **

WIRE PAYMENTS

Dec 15 payroll

Fed With	6,754.34
St With	1,191.77
Pera	3,935.93
ICMA	1,283.34
Child support	<u>26.50</u>
	13,191.88

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	Consent G2
Attachment	N/A
Submitted By	Kelly Nelson Assistant to the City Administrator

Item	Approval of City License(s)
Description	<p>The following individuals/entities have applied for a <u>Municipal Business License</u> for 2023. Staff have received the necessary documents for licensure.</p> <ol style="list-style-type: none"> 1. Hair Designs Unlimited <p>The following individuals/entities have applied for a <u>Massage Therapy</u> for 2023. Staff have received the necessary documents for licensure.</p> <ol style="list-style-type: none"> 1. Hair Designs Unlimited, Ferencz Mihaly Vincze Turcean <p>The following individuals/entities have applied for a <u>Tree Contractors License</u> for 2023. Staff have received the necessary documents for licensure.</p> <ol style="list-style-type: none"> 1. Hugo's Tree Care, Inc. 2. SavATree, LLC
Budget Impact	N/A
Attachment(s)	N/A
Action(s) Requested	Staff recommends approval of the City license applications contingent on background checks and fire inspections as required.

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ITEM FOR DISCUSSION

Meeting Date	December 28, 2022
Agenda Item	Budget amendments end of year
Attachment	N/A
Submitted By	Roland Olson, Finance Director

Item	Budget amendments for year end.																		
Description	<p>Sometimes at the end of the year, budget amendments need to be made to improve the financial statements for year end. These budget changes occurred during 2022 after the original budget had been prepared. Staff recommends the following:</p> <p>The TIF 1-3 Capital Fund (414) received more increments than what were originally estimated when the 2022 budget was formulated. These increments are difficult to estimate. With an increase in revenue there would also be an increase in the "Pay As You Go" expense payments to the developer.</p> <table style="margin-left: 40px;"> <tr> <td></td> <td style="text-align: center;">dr</td> <td style="text-align: center;">cr</td> </tr> <tr> <td>Revenue: 414-30113-000</td> <td></td> <td style="text-align: right;">50,000</td> </tr> <tr> <td>Expenses: 414-4414-93000-000</td> <td style="text-align: right;">50,000</td> <td></td> </tr> </table> <p>The Infrastructure Fund (419) also had additional expenses that were not budgeted since they occurred during 2022: Increased sidewalk repairs were needed in the Northhome area of the City. Also, 2022 was the third year of the pavement management analysis of our city streets. Additional expenses occurred.</p> <table style="margin-left: 40px;"> <tr> <td></td> <td></td> <td style="text-align: center;">dr</td> </tr> <tr> <td>Expenses: 419-4419-92005-000 (sidewalk)</td> <td></td> <td style="text-align: right;">12,000</td> </tr> <tr> <td>419-4419-83010-000 (pavement mgmt.)</td> <td></td> <td style="text-align: right;">6,000</td> </tr> </table>		dr	cr	Revenue: 414-30113-000		50,000	Expenses: 414-4414-93000-000	50,000				dr	Expenses: 419-4419-92005-000 (sidewalk)		12,000	419-4419-83010-000 (pavement mgmt.)		6,000
	dr	cr																	
Revenue: 414-30113-000		50,000																	
Expenses: 414-4414-93000-000	50,000																		
		dr																	
Expenses: 419-4419-92005-000 (sidewalk)		12,000																	
419-4419-83010-000 (pavement mgmt.)		6,000																	
Budget Impact	Amend budget line items as explained above. For line 419, the excess debits will come from the Infrastructure fund balance.																		
Attachment(s)	N/A																		
Action(s) Requested	Staff asks for council approval to amend the budget line items as explained above.																		

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ITEM FOR DISCUSSION

Meeting Date	December 28, 2022
Agenda Item	G4
Attachment	N/A
Submitted By	Jack Linehan, City Administrator

Item	2022 General Fund Transfer(s)
Description	<p>The City of Falcon Heights had a favorable outcome for the 2021 year-end audit. Moving forward, an increase in unassigned fund balance that exceeds 100% of coverage for revenues versus expenditures will be considered for transfers to needed funds or capital projects.</p> <p>The requested General Fund transfer of \$400,000 be designated towards the Community Park land purchase and building construction.</p>
Budget Impact	The General Fund will be debited (101-4141-97000-000) and the Parks/Recreation/Public Works Capital Fund will be credited (403-39200-000).
Attachment(s)	N/A
Action(s) Requested	Request Council approval for a transfer of funds from the General Fund to the Parks/Recreation/Public Works Capital fund to provide future funding for capital improvements

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ITEM FOR DISCUSSION

Meeting Date	December 28, 2022
Agenda Item	G5
Attachment	Notice, Allange, Resolution
Submitted By	Jack Linehan, City Administrator

Item	Amendments to the Saint Paul Academy and Summit School Project Revenue Refunding Note 2017
Description	<p>On May 10, 2017, the City Council passed Resolution 17-16 calling for public hearing and authorize the publication of notice of hearing for on the issuance of educational facilities revenue refunding notes for Saint Paul Academy and Summit School Project. The refunding note was amended in 2018 with resolution 18-08.</p> <p>The City of Falcon Heights may issue up to \$10,000,000 of its own 501(c) (3) bonds each year as bank-qualified bonds. Under the federal tax law, alternative issuers are permitted, but a “nexus” between the jurisdictional city and the issuers is preferred. In this case, the City of Falcon Heights currently have residents who are students attending the Borrower.</p> <p>The Bonds will not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the Issuers, except the interests of the Issuers in payments to be made by the Borrower under the Loan Agreements. The Bonds are not moral obligations on the part of the State or its political subdivisions, including the Issuers, and the Bonds will not constitute a debt of the Issuers within the meaning of any constitutional or statutory limitation.</p> <p>The City’s Bond Counsel, Taft, has noted that a new amendment is necessary by the LIBOR rate index, which was used for the note, will be ceasing to be available after June 30, 2023. A debt that has a variable rate based on LIBOR needs to be amended to provide for a new rate index. The new rate that will be approved is the CME One-Month Term SOFR.</p> <p>Bremer Bank holds the St. Paul Academy note and its counsel has prepared a draft amendment, called an allonge, which we will need to be approved. The City is being requested to adopt the resolution that approves the amendment.</p>

Budget Impact	The City receives $\frac{1}{4}$ of 1% of the principal amount that such Issuer issues.
Attachment(s)	<ul style="list-style-type: none">• Notice of LIBOR Change• Allange Amendment Request• Resolution 22-63 Amendments to the City's Educational Facilities Revenue Refunding Note, Series 2017 (Saint Paul Academy and Summit School Project)
Action(s) Requested	Motion to approve attached resolution and authorize Mayor and City Administrator to sign all necessary documents.

NOTICE OF INTEREST RATE CHANGE

December 21, 2022

Saint Paul Academy and Summit School
1712 Randolph Avenue
St. Paul, MN 55105
Attn: Director of Finance

City of Falcon Heights, Minnesota
2077 Larpenteur Avenue W.
Falcon Heights, MN 55113-5551
Attn: City Administrator

Taft Stettinius & Hollister LLP
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

Re: City of Falcon Heights, Minnesota Educational Facilities Revenue Refunding Note, Series 2017 (Saint Paul Academy and Summit School Project) issued to Bremer Bank, National Association (“Lender”) in the original principal amount of \$7,375,000.00, as amended by First Amendment to Educational Facilities Revenue Refunding Note (Saint Paul Academy and Summit School Project), Series 2017, dated March 26, 2018 (as amended, the “Note”)

Ladies and Gentlemen:

As you are aware, the interest rate for the Note is based on the One-Month LIBOR Rate. The One-Month LIBOR Rate will no longer be available after June 30, 2023. The terms of the Note provide, in part, as follows:

“If the Index becomes unavailable during the term of this Note, Lender may designate a substitute comparable index in its sole discretion.”

The Lender hereby notifies you that effective January 1, 2023, the Index shall be replaced with the CME One-Month Term SOFR published by CME Group Benchmarks Administration Limited (or a successive administrator designated by the relevant authority) for the date that is two U.S. Government Securities Business Days prior to the Reset Date, as defined in the Note. This index, as adjusted by the spread reflected in the Allonge to Promissory Note included with this Notice, is a rate that is comparable to the current index described in the Note, as adjusted by the spread. In addition, the

Borrower's option on any Conversion Date, as defined in the Note, to convert the interest rate to a fixed rate based on an Interest Rate Swaps Rate, as adjusted by a spread, shall be replaced, effective January 1, 2023, with an option to convert the interest rate to a fixed rate based on the Federal Home Loan Bank Rate for the applicable interest period and as published by The Federal Home Loan Bank of Des Moines as of the date of determination, which is a rate that, taking into account adjustments by a spread, is comparable to the Interest Rate Swaps Rate.

Enclosed herewith is an Allonge to the Note which evidences the new indices for the Note. Terms not defined herein are defined in the Allonge. We would request that the City of Falcon Heights, Minnesota, as Issuer of the Note, and Saint Paul Academy and Summit School, as the Borrower, upon approval respectively, execute the enclosed Allonge and return it to the undersigned at the following address:

Bremer Bank, National Association
225 South Sixth Street, Suite 300
Minneapolis, MN 55402
Attn: David Borden

We would also request that bond counsel provide an update to their opinion confirming the execution and delivery of the Allonge will not adversely affect the tax exempt status of the Note

Bremer Bank, National Association

By: _____

Its: _____

/enclosure

ALLONGE TO PROMISSORY NOTE

This Allonge is dated and effective as of _____, 2023 and is attached to and made a part of that certain City of Falcon Heights, Minnesota Educational Facilities Revenue Refunding Note, Series 2017 (Saint Paul Academy and Summit School Project), dated September 6, 2017, issued by the City of Falcon Heights, Minnesota, a municipal corporation, in the principal amount of \$7,375,000.00 in favor of Bremer Bank, National Association, a national banking association, as amended by the First Amendment to Educational Facilities Revenue Refunding Note (Saint Paul Academy and Summit School Project), Series 2017 dated March 26, 2018 (as amended, the "Note").

Due to the unavailability of the One-Month LIBOR Rate (as defined in the Note) after June 30, 2023, and as contemplated by the terms of the Note in the event of such unavailability, the Note is amended as follows:

1. The second paragraph of Section 1 of the Note is hereby deleted and replaced in its entirety with the following:

"The per annum rate of interest payable hereunder shall initially be equal to 1.90% per annum. On the first Payment Date, and each Reset Date (hereinafter defined) thereafter through March 1, 2018, the interest rate on this Note will be adjusted to a rate per annum equal to (a) the sum of (i) 1.60% and (ii) the One-Month LIBOR Rate in effect as of the Reset Date; (b) multiplied by 0.67% On April 1, 2018, and each Reset Date (hereinafter defined) thereafter until January 1, 2023, the interest rate on this Note will be adjusted to a rate per annum equal to (a) the sum of (i) 1.60% and (ii) the One-Month LIBOR Rate in effect as of the Reset Date, (b) multiplied by 0.79. Notwithstanding anything herein to the contrary, during any period of time while the One-Month LIBOR Rate would be less than zero percent (0.0%), the One-Month LIBOR Rate shall be deemed to be zero (0). On February 1, 2023, and on each Reset Date thereafter, the interest rate on this Note will be adjusted to a rate per annum equal to (a) the sum of (i) 1.701% and (ii) the 1-Month CME Term SOFR Rate in effect as of the Reset Date, (b) multiplied by 0.79. Notwithstanding anything herein to the contrary, during any period of time while the 1-Month CME Term SOFR Rate would be less than zero percent (0.0%), the 1-Month CME Term SOFR Rate shall be deemed to be zero.

The term "1-Month CME Term SOFR Rate" shall mean the CME one-month term SOFR published by CME Group Benchmarks Administration Limited (or a successive administrator designated by the relevant authority) for the date that is two U.S. Government Securities Business Days prior to the Reset Date (the "Index"). The Index is not necessarily the lowest rate charged by the Lender on its loans. If the Index becomes unavailable during the term of this Loan, the Lender may designate a substitute index after notifying the Borrower. The Lender will inform the Borrower of the current Index rate upon the Borrower's request. The interest rate change will not occur more often than each three years.

“U.S. Government Securities Business Day” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its member be closed for the entire day for purposes of trading in United States government securities. Each change in interest rate shall be effective as of each payment day (the “Reset Date”).

Notwithstanding anything to the contrary, if the Lender determines in good faith (which determination shall be conclusive, absent manifest error) that: (A) adequate and fair means do not exist for ascertaining CME One-Month Term SOFR; (B) CME One-Month Term SOFR does not accurately reflect the cost to the Lender of the loan; or (C) a Regulatory Change (as hereinafter defined) shall, in the reasonable determination of the Lender, make it unlawful or commercially unreasonable for the Lender to use CME One-Month Term SOFR as the index for purposes of determining the interest rate, then: (i) CME One-Month Term SOFR shall be replaced with an alternative or successor rate or index chosen by the Lender in its reasonable discretion; and (ii) the Margin may also be adjusted by Lender in its reasonable discretion, giving due consideration to market convention for determining rates of interest on comparable loans. “Regulatory Change” shall mean a change in any applicable law, treaty, rule, regulation, or guideline, or the interpretation or administration thereof, by the administrator of the relevant benchmark or its regulatory supervisor, any governmental authority, central bank or other fiscal, monetary or other authority having jurisdiction over Lender or its lending office. Such an amendment to the terms of this Note will become effective and bind Borrower ten (10) Business Days after Lender gives written notice to Borrower without any action or consent of the Borrower. NOTICE: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law.

Interest on this Note is computed on a 365/360 basis; this is, by applying the ratio of the interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by the actual number of days the principal balance is outstanding (but not including February 29 in leap years). All interest payable under this Note is computed using this method.”

2. The sixth, seventh and eighth paragraphs of Section 1 of the Note are hereby deleted and replaced in their entirety with the following:

“On the first day of any month (the “Conversion Date”), the Borrower (as defined below) may elect, by giving the Lender 60 days’ written notice, to convert the interest rate to a fixed rate. Such rate shall be equal to seventy-nine percent (79%) of the sum of: (i) 116 basis points if the FHLB Index (defined below) rate is equal to the 10-Year FHLB Rate (defined below) or 172 basis points if the FHLB Interest Period Rate (defined below) is used plus (ii) the applicable FHLB Index in effect as of the Conversion Date or Adjustment Date (as defined below), as

applicable (the "Adjustment Rate"). In the event the Conversion Date occurs prior to September 1, 2027 (the "Adjustment Date"), interest shall accrue on the Principal Balance from the Conversion Date through the Adjustment Date, at which time the rate will be adjusted again on the Adjustment Date in the same manner. Such adjustment to the interest rate shall be made and become effective as of the Conversion Date or the Adjustment Date, as applicable, and the interest rate as adjusted shall remain in effect through and including the day immediately preceding the Adjustment Date or the date this Note is paid in full, as applicable. Notwithstanding anything herein to the contrary, during any period of time while the applicable FHLB Index would be less than zero percent (0.0%), the applicable FHLB Index shall be deemed to be zero (0).

The applicable FHLB Index on the Conversion Date shall be determined based on the number of years between the Conversion Date and the Adjustment Date ("Interest Period"), i.e., if the Conversion Date occurs seven (7) years prior to the Adjustment Date, the applicable FHLB Index shall be the FHLB Interest Period Rate for an Interest Period of seven (7) years. The applicable FHLB Index on the Adjustment Date shall be the 10-Year FHLB Rate.

As used herein, the term "FHLB Interest Period Rate" shall mean the interest rate subject to change from time to time based on changes in an independent index which is the Federal Home Loan Bank (FHLB) Rate as published by The Federal Home Loan Bank of Des Moines as of the date of determination for the applicable Interest Period. The FHLB Interest Period Rate is not necessarily the lowest rate charged by Lender on its loans. If the FHLB Interest Period Rate becomes unavailable during the term of this Note, Lender may designate a substitute after notifying the Issuer and Borrower. Lender will tell the Borrower the current FHLB Interest Period Rate for any interest period upon Borrower's request.

As used herein, the term "10-Year FHLB Rate" shall mean the interest rate subject to change from time to time based on changes in an independent index which is the 10 Year Federal Home Loan Bank (FHLB) Rate as published by The Federal Home Loan Bank of Des Moines as of the date of determination. The 10-Year FHLB Rate is not necessarily the lowest rate charged by Lender on its loans. If the FHLB Rate becomes unavailable during the term of this Note, Lender may designate a substitute Index after notifying the Issuer and Borrower. Lender will tell the Borrower the current 10-Year FHLB Rate upon Borrower's request."

The "FHLB Index" shall mean either the FHLB Interest Period Rate or the 10-Year FHLB Rate, as applicable.

(signature page to follow)

(signature page to Allonge)

Agreed to and accepted this 28th day of December, 2022.

ISSUER:

The City of Falcon Heights, Minnesota

By 
Its Mayor

By 
Its City Administrator

(signature page to Allonge)

Agreed to and accepted this ____ day of _____, 20__.

BORROWER:

Bremer Bank, National Association

By _____
Its _____

(signature page to Allonge)

Agreed to and accepted this ____ day of _____, 20__.

BORROWER: Saint Paul Academy and Summit School

By: _____
Its: _____

**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

December 28, 2022

No. 22-63

**RESOLUTION CONSENTING TO AMENDMENTS TO THE
CITY'S EDUCATIONAL FACILITIES REVENUE REFUNDING NOTE, SERIES 2017
(SAINT PAUL ACADEMY AND SUMMIT SCHOOL PROJECT)**

WHEREAS, pursuant to a resolution of the City adopted on September 6, 2017, the City of Falcon Heights, Minnesota (the "City"), issued its Educational Facilities Revenue Refunding Note, Series 2017 (Saint Paul Academy and Summit School Project) (the "Original Note"), in the original aggregate principal amount of \$7,375,000 to Bremer Bank, National Association, a national banking association (the "Lender"); and

WHEREAS, pursuant to a Loan Agreement dated as of September 6, 2017 (the "Loan Agreement"), between the City and Saint Paul Academy and Summit School, a Minnesota nonprofit corporation (the "Borrower"), the City loaned the proceeds of the Original Note to the Borrower for the purpose of refinancing in part the acquisition, construction, and improvement of certain school facilities of the Borrower, including facilities located on the campus of the Borrower at Dunlap and Goodrich and at Randolph and Davern in the City of St. Paul, Minnesota (the "Project"), and the Borrower agreed to repay the Original Note in specified amounts and at specified times sufficient to pay in full when due the principal of, premium, if any, and interest on the Original Note; and

WHEREAS, pursuant to a Pledge Agreement (the "Pledge Agreement") dated as of September 6, 2017 between the City and the Lender, the City pledged and granted a security interest in all of its rights, title, and interest in the Loan Agreement to the Lender (except for certain rights of indemnification and to reimbursement for certain costs and expenses); and

WHEREAS, at the request of the Borrower and the Lender and pursuant to a resolution of the City adopted on February 28, 2018 (the "Amendment Resolution"), the City agreed to certain amendments to the Original Note and, with the written consent of the Borrower and Lender, executed the First Amendment to Educational Facilities Revenue Refunding Note (Saint Paul Academy and Summit School Project), Series 2017 (the "Note Amendment" and, collectively with the Original Note, the "Amended Note"); and

WHEREAS, the Amended Note is currently owned by the Lender; and

WHEREAS, the City has been advised by the Lender that the interest rate on the Amended Note is currently a variable rate based upon a London Inter-Bank Offered Rate ("LIBOR") benchmark rate, plus a spread, and that the LIBOR interest rate index is being phased out effective June 30, 2023, and will no longer be available after that date; and

WHEREAS, if LIBOR becomes unavailable during the term of the Amended Note, the Lender is authorized pursuant to the terms of the Amended Note to designate a substitute comparable index in its sole discretion; and

WHEREAS, the Borrower and the Lender have agreed to use different index to set the interest rate on the Amended Note, replacing LIBOR with one-month term SOFR for some purposes and with the 10-Year Federal Home Loan Bank Rate for others (the "Replacement Indices"); and

WHEREAS, the Lender has advised the City that the Replacement Indices are comparable to LIBOR;

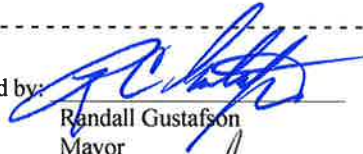
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Falcon Heights, Minnesota as follows:

1. The City approves the Modification and authorizes the execution of an allonge (the "Allonge") to the Amended Note, a substantially final form of which has been provided to the City.
2. The Allonge is hereby in all respects approved, subject to modifications that do not alter the substance of the transaction and that are approved by bond counsel to the City; provided that delivery of the Allonge shall be conclusive evidence of approval.
3. The Mayor and the City Administrator are hereby authorized to execute and deliver the Allonge and any other related documents on behalf of the City.
4. This Resolution shall be in full force and effect from and after its passage.

Moved by:

Meyer

Approved by:


Randall Gustafson
Mayor

GUSTAFSON
MEYER
LEEHY
WASSENBERG
WEHYEE

3

In Favor

0

Against

Attested by:


Jack Binchan
City Administrator

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	Consent G6
Attachment	N/A
Submitted By	Jack Linehan, City Administrator

Item	2023 City Meeting Calendar
Description	<p>Each year, City Staff sets the 2023 meeting calendar based on our past practices for meeting dates and based around our city holiday schedule per our personnel policy.</p> <p>Moving forward, we are recommending that we formally approve the annual calendar so that we can advertise meeting dates to the public and the media.</p> <p>The attached calendar highlights the suggested 2023 meeting dates for City Council, commissions and our city holiday schedule. The council and the commissions still reserve the right to add special meetings or cancel meetings based on the requirements outlined in the Minnesota Open Meetings Act.</p> <p>Upon approval, staff will add all of the dates in to the city website calendar and post the dates as our official meetings.</p>
Budget Impact	N/A
Attachment(s)	2023 Calendar
Action(s) Requested	Motion to approve the 2023 calendar and authorize staff to publish the dates accordingly.

2023 CALENDAR

JANUARY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

JULY						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

FEBRUARY						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

AUGUST						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

MARCH						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

SEPTEMBER						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

APRIL						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

MAY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

NOVEMBER						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7*	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

JUNE						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

DECEMBER						
S	M	T	W	T	F	S
						1 2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

City Holidays		
City Council Meetings - 7:00PM	Council Workshops - 6:30PM	CE Commission - 6:30PM
Environment Commission - 6:30PM	Parks Commission - 6:30PM	Planning Commission - 7:00 PM

City election*

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	Consent G7
Attachment	N/A
Submitted By	Jack Linehan, City Administrator

Item	Accepting Donation from Falcon Heights/Lauderdale Lions Club
Description	The Falcon Heights/Lauderdale Lions Club has utilized City facilities for annual holiday tree sales for many years. On December 21st, the City received with a letter from the Treasurer, John Duncan a donation in the amount of \$500 for the Falcon Heights Friends of the Park Fund.
Budget Impact	The donation will be applied to the Friends of the Park Capital Improvements fund to support future parks initiatives.
Attachment(s)	N/A
Action(s) Requested	Accept the generous donation from the Falcon Heights/Lauderdale Lions Club in the amount of \$500.

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	G8
Attachment	Resolution, Feasibility Report Addendum No. 1
Submitted By	Stephanie Smith, Interim City Engineer

Item	Accept the Addendum to Feasibility Report and Order Public Hearing for the Idaho-Iowa Alleyway Improvement Project 21-03
Description	<p>At the June 9, 2021 meeting, Council held a public improvement hearing for the Idaho-Iowa Alleyway Improvement Project 21-03. The improvements consist of mill and overlay and minor stormwater improvements on:</p> <ul style="list-style-type: none"> • Idaho Ave./Iowa Ave. alleyway from Pascal St. to Arona St. <p>Due to the complexity of the stormwater drainage in the area and short timeframe to add this work to the 2021 PMP contract, staff proposed to delay the project until a later date. Council approved delaying the project at the public hearing on June 9, 2021.</p> <p>As the improvements were not ordered at the first hearing, the Minnesota Statute 429 process requires another public hearing to order the improvements for construction in 2023. A resolution setting a public hearing date is attached.</p> <p>If the Council orders the project, a draft schedule is shown below. Items that require Council action are marked "CC":</p> <ul style="list-style-type: none"> • January 11, 2023 - CC Public Improvement Hearing, Order Improvements • February 2023 - CC Approve Plans and Spec, Authorize Ad for Bids • February 2023 - Open Bids • March 2023 - CC Award Contract • Summer 2023 - Construction • Fall 2023 - CC Assessment Hearing
Budget Impact	<p>This project has the following financial implications for the City and property owners along the streets being considered for improvements:</p> <ul style="list-style-type: none"> • Assessments levied in accordance with the City's assessment policy. • Use of Municipal State Aid (MSA) and street infrastructure funds to pay the City's portion of the project. <p>Expenditure of utility fund dollars to pay for repairs needed to the existing utility system.</p>
Attachment(s)	Resolution 22-64, Feasibility Report Addendum No. 1

Action(s) Requested	Order Public Hearing set for January 11, 2023, for the Idaho-Iowa Alleyway Improvement Project 21-03.
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**CITY OF FALCON HEIGHTS
COUNCIL RESOLUTION**

December 28, 2023

No. 22-64

**RESOLUTION ORDERING PUBLIC HEARING FOR IMPROVEMENT:
IDAHO-IOWA ALLEYWAY IMPROVEMENT PROJECT 21-03**

WHEREAS, pursuant to resolution of the council adopted May 12, 2021, a report has been prepared by the City Engineer with reference to proposed Improvement Project 21-03, the improvement of the alleyway between Iowa Avenue and Idaho Avenue, from Pascal Street to Arona Street by resurfacing and drainage improvements; and

WHEREAS, the original report was received by the Council on May 26, 2022; and


WHEREAS, the City Engineer has appended the report to provide updated cost estimates for the anticipated construction in 2023, and this appended report was received by the Council on December 28, 2023; and

WHEREAS, the report provides information regarding whether the proposed improvement is necessary, cost effective, and feasible; whether it should best be made as proposed or in connection with some other improvement; the estimated cost of the improvement as recommended; and a description of the methodology used to calculate individual assessments for affected parcels.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Falcon Heights, Minnesota:

1. The council will consider the improvement of such alleyway in accordance with the report and the assessment of abutting property for all or a portion of the cost of the improvement pursuant to Minnesota Statutes, Chapter 429 at an estimated total cost of the improvement of \$1,688,000.
2. A public hearing shall be held on such proposed improvement on January 11, 2023, in the council chambers of City Hall at 7:00 p.m. and the City Administrator shall give mailed and published notice of such hearing and improvement, as required by law.

Moved by:

Approved by: 
Randy Gustafson
Mayor

GUSTAFSON
LEEHY
MEYER
WASSENBERG
WEHYEE

In Favor

Against

Attested by: _____

Jack Linehan
City Administrator



Feasibility Report Addendum No. 1

2021 Alleyway Improvement Project Project FH-21-03

Iowa/Idaho Alleyway (Pascal St. to Arona St.)

Prepared by: Stephanie Smith
Interim City Engineer
City of Falcon Heights

I hereby certify that this feasibility report was prepared by me or under my direct supervision and that I am a duly Registered Professional Engineer under the laws of the State of Minnesota.

Digitally signed by Stephanie Smith
Reason: I agree to the terms defined
by the placement of my signature on
this document.
Contact info:
stephanie.smith@cityofmnseville.com
Date: 2022.12.22 11:44:18-0800

_____, P.E.

Registration No. 51837

ADDENDUM NO. 1 - INTRODUCTION

This feasibility report addendum, updates the estimated costs and assessment for the Alleyway Improvement Project 21-03 to assume construction in 2023 as part of the larger project, the 2023 Pavement Management Project. This addendum will provide up-to-date information on the feasibility and cost-effectiveness of the proposed project.

ADDENDUM NO. 1 - ESTIMATED COSTS AND PROPOSED FUNDING

Proposed project costs for the Alleyway Improvement Project 21-03 are summarized below. The cost estimate is based on recent construction projects of similar character and assumes construction in 2023 as part of a larger pavement management project. Please note this is a significant cost increase vs. the initial Feasibility Report as costs have risen significantly, especially asphalt pricing.

	Estimated Cost*	Street Infrastructure Funds	Assessments	Storm Sewer Fund
Alleyway Improvements**	\$89,000	\$8,900	\$80,100	
<i>Optional Pascal St. Storm Water Improvements***</i>	<i>\$36,000</i>			<i>\$36,000</i>
Total	\$125,000	\$8,900	\$80,100	\$36,000

*Includes 13.5% Engineering

**Includes 10% Contingency

***Includes 30% Contingency

The proposed project is eligible for assessments according to the City of Falcon Heights Assessment Policy. Per City Policy, a portion of the street improvements will be assessed to the benefitting properties. Along with assessments, alleyway costs will be financed through the Street Infrastructure Fund.

Utility improvements on Pascal Street would be funded from the Storm Water Utility Fund, and are not assessable.

Assessments will be levied to the benefitting properties as outlined in Minnesota State Statute Chapter 429 and the City's Assessment Policy, which is summarized below. The assessed amount is levied on a front footage basis.

Proposed assessment amounts will be based on the actual cost and may be proposed at a higher or lower rate based on bids received and construction costs. Assuming this project is completed by fall 2023, the final assessment amount would be determined following an assessment hearing in the fall of 2023 and a thorough review of the proposed assessments by the Council.

The following City of Falcon Heights assessment policies are being followed:

- Alleyway Assessment Rates:

- o Adjacent Properties – 90% of the cost
- o City – 10% of the cost

Below is the breakdown of costs for the estimated frontage, per foot rates:

- $\$80,100 / 1208' = \$66.31/\text{foot}$

ADDENDUM NO. 1 - PRELIMINARY ASSEMENT ROLL

Parcel ID	Parcel Address	Frontage (FT)	Footage Used (FT)	Assessment Rate (\$/FT)	Proposed Assessment Total (\$)
222923220084	1463 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220083	1467 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220082	1471 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220081	1477 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220080	1481 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220079	1485 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220078	1489 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220077	1493 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220076	1497 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220075	1503 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220074	1507 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220073	1513 IOWA AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220072	1512 IDAHO AVE W	65	65	\$ 66.31	\$ 4,310.15
222923220071	1508 IDAHO AVE W	55	55	\$ 66.31	\$ 3,647.05
222923220070	1502 IDAHO AVE W	60	60	\$ 66.31	\$ 3,978.60
222923220069	1494 IDAHO AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220068	1490 IDAHO AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220067	1488 IDAHO AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220066	1482 IDAHO AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220065	1478 IDAHO AVE W	50	50	\$ 66.31	\$ 3,315.50
222923220064	1472 IDAHO AVE W	60	60	\$ 66.31	\$ 3,978.60
222923220063	1468 IDAHO AVE W	55	55	\$ 66.31	\$ 3,647.05
222923220062	1464 IDAHO AVE W	55	55	\$ 66.31	\$ 3,647.05

ADDENDUM NO. 1 - PROPOSED PROJECT SCHEDULE

Public Hearing, Order Improvements, Plans and Specs	January 11, 2023
Accept Plans & Specs, Order Ad for Bid	January 25, 2023
Bidding	February, 2023
Accept Bids	March 2023
Construction	Summer 2023
Final Assessment Hearing	Fall 2023



Feasibility Report

2021 Alleyway Improvement Project Project FH-21-03

Iowa/Idaho Alleyway (Pascal St. to Arona St.)

Prepared by: Jesse Freihammer
City Engineer
City of Falcon Heights

I hereby certify that this feasibility report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the State of Minnesota.

**Jesse
Freihammer**

Digitally signed by
Jesse Freihammer
Date: 2021.05.20
16:19:23 -05'00'

, P.E.

License No. 47272

INTRODUCTION

This feasibility report outlines the proposed 2021 Alleyway Improvement Project.

This report consists of a detailed investigation of the alleyway proposed for improvements, shown in the map below.



The proposed project involves storm water utility work, small adjustments to the road elevation of the eastern portion of the alleyway, and milling and overlaying the pavement on the entire length of the alleyway. This project is proposed to address the drainage issue on the eastern end of the alleyway and also to improve the pavement condition over the entire length of pavement.

Utility improvements for the project include the lowering the existing catch basin in the alleyway as well as installing a new catch basin where the alleyway intersects Pascal Street. This will assist with draining the storm water from the alleyway during rain events.

The total project cost for Falcon Heights is estimated to be \$43,000, which includes engineering, contingencies and overhead costs. Additionally, a storm water improvement at the alleyway's intersection with Pascal Street is estimated at \$27,000. Funding for the project will be provided through assessments from the benefitting properties and stormwater utility funds.

It is expected that if these improvements are approved, the work will be completed during the 2021 construction season. This project was initiated by Council after receiving a petition from the adjacent properties requesting improvements to the alleyway. The petition cited issues in the past with drainage on the eastern portion of the alleyway.

EXISTING CONDITIONS

The Iowa/Idaho alleyway is approximately 17' wide. The pavement has significant delamination that has created shallow potholes in the alleyway. This alleyway is the primary access to the garage for the adjacent single-family homes on Iowa Avenue and Idaho Avenue. The right-of-way of the alleyway is 20' wide. Several garages, retaining walls and landscaping are within 1'-3' of the edge of the alleyway.

The alleyway has a reverse crown, which channels storm water to the center of the alleyway rather than shedding to the sides like on a street. There are existing catch basins in the alleyway. Residents submitted photos to City staff showing storm water pooling at the east end of the alleyway and at the intersection of the alleyway and Pascal Street.

This block of Pascal Street has a storm water infiltration trench at Idaho Avenue. The catch basins at the intersection connect to the infiltration trench under Pascal Street, which allows the storm water from the street to percolate into the soil beneath the roadway.

PROPOSED CONSTRUCTION

The main scope of the project is to address the drainage issues in the eastern portion of the alleyway. The design proposed to mitigate this issue would include minor adjustment to the alleyway profile and lowering the elevation of the existing catch basin. This would allow the existing catch basin to collect more of the alleyway drainage. However, some of the drainage would be directed to Pascal Street. A mill and overlay, to remove and replace the top layer of pavement is proposed over the length of the alleyway to tie-in the adjusted roadway profile and address the deteriorated pavement areas.

The area where the alleyway intersects Pascal Street is fairly flat and reported holds water during the spring. This can create icing issues for residents using the alley entrance and on Pascal Street. An option to address this issue would be to install a new catch basin at the intersection of the alleyway and Pascal Street. Perforated pipe would be proposed to connect the new catch basin to the existing infiltration storm trench at Pascal Street and Idaho Avenue. Additional analysis in final design will evaluate the infiltration capacity. As this option includes work that is significantly different from the scope of the rest of the alleyway project and the 2021 pavement management project currently underway in the City, staff recommends construction as a separate project in 2022.

ESTIMATED COSTS AND PROPOSED FUNDING

Proposed project costs for the 2021 Alleyway Improvement Project are summarized below. The cost estimate is based on recent construction projects of similar character and assumes construction in 2022.

	Estimated Cost*	Street Infrastructure Funds	Assessments	Storm Sewer Fund
Alleyway Improvements**	\$43,000	\$4,300	\$38,700	
<i>Optional Pascal St. Storm Water Improvements***</i>	<i>\$27,000</i>			<i>\$27,000</i>
Total	\$70,000	\$4,300	\$38,700	\$27,000

*Includes 13.5% Engineering

**Includes 10% Contingency

***Includes 30% Contingency

The proposed project is eligible for assessments according to the City of Falcon Heights Assessment Policy. Per City Policy, a portion of the street improvements will be assessed to the benefitting properties. Along with assessments, alleyway costs will be financed through the Street Infrastructure Fund.

Utility improvements on Pascal Street would be funded from the storm water utility fund, and are not assessable.

Assessments will be levied to the benefitting properties as outlined in Minnesota State Statute Chapter 429 and the City's Assessment Policy, which is summarized below. The assessed amount is levied on a front footage basis.

Assuming this project is completed by fall 2022, the final assessment amount would be determined following an assessment hearing in the fall of 2022 and a thorough review of the proposed assessments by the Council.

The following City of Falcon Heights assessment policies are being followed:

- Alleyway Assessment Rates:
 - Adjacent Properties – 90% of the cost
 - City – 10% of the cost

Below list the breakdown of costs for the estimated frontage, per foot rates:

- $\$38,700 / 1208' = \$32.03/\text{foot}$

PROPOSED PROJECT SCHEDULE

Feasibility Report, Order Plans & Specs	May 26, 2021
Public Hearing	June 9, 2021
Approve Plans & Specs	Fall 2021
Bidding	Winter 2021/22
Construction	Summer 2022
Final Assessment Hearing	October 2022

PRELIMINARY ASSEMENT ROLL

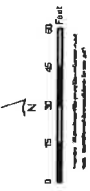
Parcel ID	Parcel Address	Frontage (FT)	Footage Used (FT)	Assessment Rate (\$/FT)	Proposed Assessment Total (\$)
222923220084	1463 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220083	1467 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220082	1471 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220081	1477 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220080	1481 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220079	1485 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220078	1489 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220077	1493 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220076	1497 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220075	1503 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220074	1507 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220073	1513 IOWA AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220072	1512 IDAHO AVE W	65	65	\$ 32.03	\$ 2,081.95
222923220071	1508 IDAHO AVE W	55	55	\$ 32.03	\$ 1,761.65
222923220070	1502 IDAHO AVE W	60	60	\$ 32.03	\$ 1,921.80
222923220069	1494 IDAHO AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220068	1490 IDAHO AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220067	1488 IDAHO AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220066	1482 IDAHO AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220065	1478 IDAHO AVE W	50	50	\$ 32.03	\$ 1,601.50
222923220064	1472 IDAHO AVE W	60	60	\$ 32.03	\$ 1,921.80
222923220063	1468 IDAHO AVE W	55	55	\$ 32.03	\$ 1,761.65
222923220062	1464 IDAHO AVE W	55	55	\$ 32.03	\$ 1,761.65

Appendix



Idaho and Iowa Alleyway- Existing Conditions

- Catch Basin
- ▲ Flared End
- Storm Manhole
- Storm Pipe
- 2' Contours



Map prepared by: FALCON ENGINEERS & ARCHITECTS
 1000 West 10th Street, Suite 100
 Boise, Idaho 83702
 Phone: (208) 333-1111
 Fax: (208) 333-1112
 Website: www.falconengineers.com

City of Meridian
 Project No. 2021-001
 Date: 08/2021



Proposed 15"
Perforated
Pipe

Proposed
Sump
Catch Basin



Idaho and Iowa Alleyway Pascal Street Storm Option

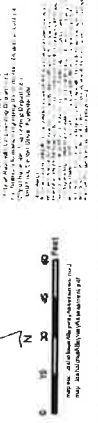
Prepared by: Idaho Pacific Engineering, Inc.
 1000 S. Broadway, Suite 100
 Boise, Idaho 83725
 Phone: (208) 333-1111
 Fax: (208) 333-1112
 Website: www.idahopacific.com





Idaho and Iowa Alleyway Assessed Parcels

Proposed Assessments



PASCAL ST

ARONA AVE

IDAHO AVE

IOWA AVE

1463	1467	1471	1477	1481	1485	1489	1493	1497	1503	1507	1513
1464	1468	1472	1478	1482	1488	1490	1494	1502	1508	1512	

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REQUEST FOR COUNCIL ACTION

Meeting Date	December 28, 2022
Agenda Item	G9
Attachment	Invoice
Submitted By	Stephanie Smith, Interim City Engineer

Item	Request for Approval for Payment of First and Final Invoice to Q3 Contracting for 2021 PMP Restoration
Description	<p>The contractor that was selected to complete the 2021 Pavement Management Project (PMP) has since filed for bankruptcy. As part of the contract, they were required to perform turf and landscape restorations to disturbed right-of-way and the City property on Lindig Street. The City holds a portion of the payment to the contractor to cover the completion of this work. On June 8, 2022, as the contractor was unable to meet this requirement, the Council approved Resolution 22-24, which authorized City Administrator Jack Linehan to negotiate and execute a contract not-to-exceed \$30,000 with Q3 to perform this work. At the time, it was anticipated that the restoration cost would be between \$20,000 to \$30,000 to perform the work.</p> <p>The final invoice is attached for the restoration work on the 2021 Pavement Management Project. The total amount due for restoration is \$38,523.60. The increase in the final bill is largely due to the amount of work required exceeding the initial estimate to restore the area. Due to the amount of restoration performed by the contractor, the cost has exceeded the Administrator's \$30,000 authorization, and staff is bringing the invoice to Council for approval.</p>
Budget Impact	Funds for the restoration remain reserved in the 2021 PMP budget.
Attachment(s)	Q3 Contracting Invoice
Action(s) Requested	Motion to approve final Q3 Contracting invoice for the 2021 Pavement Management restoration.



Invoice MNR3143166

Date: 12/22/2022
Terms: Net 30 Days

REMIT TO
Q3 Contracting Inc.
3066 Spruce Street
Little Canada, MN 55117
Phone 651-224-2424

Customer Inv #...
Customer WO #:
Customer PO#:
Atlas WO#: 3013129
Completed: 9/20/2022
Address: Various Addresses
City: Falcon Heights
Division:
Supervisor:

CUSTOMER
City of Falcon Heights

CODE	DESCRIPTION	QTY	PRICE	EXTENDED
	Dirt & Seed	14603 SF	\$1.20	\$17,523.60
	Watering 2 times	1 EA	\$21,000.00	\$21,000.00

TAXABLE ITEMS: \$0.00
 NON-TAXABLE ITEMS: \$38,523.60

 SUB TOTAL: \$38,523.60
 TAX: \$0.00

INVOICE TOTAL: \$38,523.60