

**City of Falcon Heights
2077 W. Larpenteur Ave
Falcon Heights MN 55113**

**City Council Workshop
February 7, 2007
6:30 p.m.
City Hall**

WORKSHOP AGENDA

1. Discussion of Falcon Heights Personnel Policy
2. Discussion of Falcon Heights Assessment Policy

February 2, 2007

TO: Mayor Gehrz, Council members Harris, Kuettel, Lindstrom and Talbot

FROM: Stacey Kreuser, Assistant City Administrator/Deputy Clerk

Re: Discussion of Falcon Heights Personnel Policy

BACKGROUND:

The Falcon Heights Personnel Policy was last amended in June 1996. Although the policy was adequate, many federal and state laws and practices in City Hall have changed since then.

Administrator Miller asked staff to complete a review of the current policy, recommend changes that would bring the new manual in line with our current practice within City Hall, and update it in regards to law changes. Example policies were obtained from City Attorney Roger Knutson, and the draft policy (attached) was created using language from both the examples and the current Falcon Heights policy. Those policies specific to Falcon Heights have been retained (for example, the tuition reimbursement policy and holidays).

The draft that is attached has been reviewed and found acceptable by City Attorney Knutson.

Some of the larger updates:

- The City had a drug-free workplace policy in the old manual, but no alcohol policy. A combined “Drug and Alcohol Testing” section, which outlines in detail the rules regarding testing and disciplinary action is included in the attached draft.
- A “Donation of Medical Leave” section, which allows employees to give a limited amount of accrued sick or vacation time to a co-worker for a major life-threatening condition or disease.
- References to FMLA (Family Medical Leave Act) in a special section. FMLA is a federal law that applies to all cities in regards to employee leave policy. The old policy had few references to the law.
- A more comprehensive internet and e-mail policy, which better protects the City’s technology infrastructure and host Metro-Inet.
- An updated Bereavement Policy is included in the draft. The old policy had strict guidelines for the amount of leave awarded. The new policy gives more latitude to the City Administrator to make decisions regarding bereavement leave.
- The section on Military Leave was a recommended change from the City Attorney. The old

policy referred to training leave only.

- An introduction, table of contents, simple headings, and page numbering system for improved ease-of-use.

It should be noted that many of the policies included in the draft have been in practice but not adopted in an official capacity. For example:

- New releases and media calls are always funneled through the City Administrator. The new policy reflects that practice.
- Accepting of gifts from the public or vendors is prohibited. The new policy has a section dedicated to the Gift Ban Law.

ATTACHMENT:

Draft Personnel Policy

**CITY OF FALCON
HEIGHTS**



PERSONNEL POLICY

Amended January 2007

INTRODUCTION

This handbook contains personnel policies and procedures approved by the Falcon Heights City Council regarding Falcon Heights employee relations. These policies and procedures are guidelines only and are not to be construed as contractual terms of employment. Any aspect of these policies and procedures may be changed at any time at the sole discretion of The City Council without prior notice.

Employees covered by an employment contract for any of the provisions in the Handbook will be governed by the employment contract with regard to those provisions.

It is the responsibility of each employee to know all of the policies, procedures, and regulations contained in this manual. Violation of the personnel policies may be grounds for disciplinary action up to and including discharge.

Each employee, upon being issued a copy of the personnel policies, will sign a dated form indicating the policy has been received. The employee is required to read the personnel policies within (30) days. At the conclusion of (30) days, the employee will be required to sign an additional form indicating they have read and understand the personnel policies.

Besides these personnel policies, employees are expected to read and be familiar with the special orders, training bulletin, and other publications specific to the employee's job performance or job safety. Employees are expected to develop the same familiarity with these publications as with the personnel policies. Employees are also expected to maintain and update these publications in their employee handbook.

DEFINITIONS

The following words used in this handbook are defined to mean:

Regular Full-Time Employee: an employee retained on a regular basis who works at least forty hours per week on a regular schedule throughout the year.

Regular Part-Time Employee: an employee retained on a regular basis who works under forty hours per week on a regular schedule throughout the year.

Temporary, Seasonal or As-Needed Employee: an employee retained to fill a position, full or part-time, which is of a temporary or seasonal or as-needed nature..

Independent Contractors/Consultants: persons or firms contracted by The City who determine their own hours of operation and/or use of their own resources in the performance of their duties and are not directly employed by The City.

Overtime: time worked by non-exempt employees in excess of forty hours earned per week.

Good Standing: not under suspension or given notice of discharge by The City Council.

Termination: a complete separation of an employee from employment as a result of discharge, resignation, retirement or death.

Exempt Employee: employees not covered under the Fair Labor Standards Act.

Work Week: for purposes of calculating overtime compensation, the work week shall begin at 12:00 a.m. on Monday and conclude at 11:59 p.m. on Sunday.

TABLE OF CONTENTS

	<u>Page</u>
I. EMPLOYEE RELATIONS	
- Employer Authority	1
- Non-Discrimination	1
- Discrimination Recourse	2
- Sexual Harassment	3
- Safety Program	5
- Employee Assistance Program	6
- Appointments and Veterans' Preference	7
- Probationary Period	7
- Drug and Alcohol Testing	8
- Service Time	12
- Temporary, Casual and Part-Time Employment	12
- Employment of Spouses and Relatives	13
- Outside Employment	14
- Promotions/Transfers/Demotions	14
- Resignation	15
- Layoffs	15
- Disciplinary Action	15
- Performance Appraisals	17
II. GENERAL POLICIES	
- Political Activity	17
- Travel	18
- Use of Vehicles	19
- Use of Telephone	20
- Email	20
- Internet	22
- News Release	24
- Personal Records of Employees	24
- Prohibition Against Requesting or Accepting Gifts	25
III. WORK SCHEDULING/TIME RECORDS	
- Hours of Work	25
- Work Time Requirement and Reporting	26
- Pay Period	27
- Overtime Payment	27
- Compensatory Time	28
IV. EMPLOYMENT BENEFITS	

- Employment Benefits	28
- Tuition Reimbursement Program	29
- Employee Insurance	30
- Changes in Coverage	31
- Worker's Compensation	31
- Request for Leave	32
- Bereavement Leave	33
- General Leave	33
- Holidays	34
- Injury on Duty Leave	35
- Court Duty	36
- Military Leave	37
- Sick Leave With Pay	37
- Donated Medical Leave	38
- Family and Medical Leave	39
- School Conference and Activities Leave	42
- Vacation Leave	42
- Voting Leave	43
V. RETIREMENT PROGRAMS	
- Retirement Programs; Continuation of Group Hospital, Medical, and Dental Insurance	44
<u>APPENDIX</u>	
- Employee Time Record	A-1
- Request for Leave	A-2
- Authorization – Donation of Medical Leave	A-3
- Request for Family Medical Leave	A-4

EMPLOYER AUTHORITY

POLICY

The City Council retains the full and unrestricted right to operate and manage all personnel, facilities, and equipment; to establish functions and programs; to set and amend budgets; to determine the use of technology; to establish and modify the organizational structure; to select, direct and determine the number of personnel; to establish work schedules; to perform any inherent managerial function and to amend this handbook at any time.

NON-DISCRIMINATION

POLICY

1. It is the policy and intent of The City of Falcon Heights (herein after "The City") to provide equality of opportunity in employment to all persons.
2. This policy prohibits discrimination because of race, color, creed, religion, national origin, place of residence, political affiliation, sexual preference, disability, marital status, status with regard to public assistance, membership or activity in a local commission, sex or age in all aspects of its personnel policies, programs, practices and operations.
3. This policy applies to all phases of employment including, but not limited to, recruitment, hiring, placement, promotion, demotion, or transfer; layoff, recall, or termination; rates of pay or other forms of compensation and selection for training. This policy also applies to the use of all facilities and participation in all City-sponsored employment activities.
4. It is the responsibility of The City Administrator and every supervisor to cooperate in the implementation of this policy.
5. Failure of any employee to perform in a manner consistent with this policy will constitute grounds for reprimand, suspension, demotion, or dismissal from The City's employ.

DISCRIMINATION RECOURSE

POLICY

1. Equal employment opportunity is the right of a person to work and to advance on the basis of merit, ability, and individual potential.
2. Any employee who feels that he or she is a victim of discrimination or who believes he or she has witnessed discrimination should immediately report such actions in accordance with the following procedure:
 - a. Any employee who has witnessed or believes that he or she is a victim of discrimination should report the act immediately to the City Administrator or City Council.
 - b. The City will investigate every reported incident immediately. Any employee or supervisor who has been found to have discriminated against another employee may be subject to appropriate disciplinary action, up to and including immediate discharge.
 - c. The City will conduct all investigations in a discreet manner. The City recognizes that every investigation requires a determination based on all the facts in the matter.
 - d. The City will not tolerate retaliation against an employee who files a compliant alleging discrimination. The City will discipline any employee who retaliates against another employee who files a complaint alleging discrimination or who testifies, assists or participates in any manner in any investigation into a compliant alleging discrimination. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.
3. A charge of discrimination may be filed with the Minnesota Department of Human Rights and the United States Equal Employment Opportunity Commission by a person or group of persons who believe they are victims of unlawful employment discrimination. Charges may also be filed on behalf of a person or group of persons by their representative. Charges may also be filed by the Commissioner of Human Rights or by the EEOC when there is reason to believe that a person is engaging in an unfair discriminatory practice. A charge must be filed with the EEOC within 180 days of the alleged unlawful employment practice and with the Minnesota Department of Human Rights within one year after the occurrence of the practice.

SEXUAL HARASSMENT

POLICY

1. The City maintains a work atmosphere free of sexual harassment, including sexually oriented comments and actions between employees.
2. Sexual harassment is a form of sex discrimination that is unlawful under Title VII of the Civil Rights Act of 1964 and Minnesota Statutes Chapter 363, the Minnesota Human Rights Act. A charge of discrimination may be filed by a person or group of person who believe they are victims of unlawful sex discrimination.
3. Sexual harassment demeans people and creates unacceptable stress for the entire organization.
4. The City will not tolerate sexual harassment of its employees by anyone, including supervisors, other employees, elected officials, and members of the public.
5. Sexual harassment is defined as any unwelcome sexual advance, request for sexual favor or other verbal or physical conduct of a sexual nature when:
 - a. submission to such conduct is made, either explicitly or implicitly, a term or condition of employment.
 - b. submission to or rejection of such conduct is used as a factor in any employment decision affecting any individual; or
 - c. such conduct has the purpose or effect of unreasonably interfering with any employee's work performance or creating an intimidating, hostile or offensive working environment.
6. The following are some examples of conduct which may legally be actionable sexual harassment:
 - a. Use of any offensive or demeaning terms which have sexual connotation.
 - b. Objectionable physical proximity or physical contact, including patting, pinching, brushing up against, hugging, cornering, kissing, fondling, or any other similar physical contact considered unacceptable by another individual
 - c. Unwelcome suggestions regarding, or invitations to, social engagements or work-related social events.

- d. Any indication, express or implied, that an employee's job security, job assignment, conditions of employment or opportunities for advancement depend or may depend on the granting of sexual favors or the granting of sexual favors to any other employee or officer.
- e. Any action relating to an employee's job status which is in fact affected by consideration of the granting or refusal or social or sexual favors.
- f. The deliberate or careless creation of an atmosphere of sexual harassment or intimidation.
- g. The deliberate or careless express of jokes or remarks of a sexual nature to, or in the presence of, employees who may find such jokes or remarks offensive.
- h. The deliberate or careless dissemination of materials (such as cartoons, articles, pictures, etc.) which have a sexual content, and which are not necessary for the work place, to employees who may find such materials offensive.
- i. Creating a work environment that is intimidating, hostile or offensive because of unwelcome or unwanted sexually oriented conversations, suggestions, requests, demands, or physical contacts or attentions.

All employees should be careful to treat their co-workers, subordinates and supervisors with respect at all times.

- 7. Any employee who feels that he or she is a victim of sexual harassment or who believes he or she has witnessed sexual harassment or who knows of activities which constitute sexual harassment should immediately report such actions in accordance with the following procedure:
 - a. Any employee who has witnessed or believes that he or she is a victim of sexual harassment or knows of activities which constitute sexual harassment should report the act immediately to the City Administrator or City Council.
 - b. The City will investigate every reported incident immediately. Any employee or supervisor who has been found to have sexually harassed another employee may be subject to appropriate disciplinary action, up to and including immediate discharge.
 - c. The City will conduct all investigations in a discreet manner. The City recognizes that every investigation requires a determination based on all

the facts in the matter. The City also recognizes the serious impact a false accusation can have.

- d. The City will not tolerate retaliation against an employee who files a complaint alleging sexual harassment. The City will discipline any employee who retaliates against another employee who files a complaint alleging sexual harassment or who testifies, assists or participates in any manner in any investigation into a complaint alleging sexual harassment. Retaliation includes, but is not limited to, any form of intimidation, reprisal or harassment.

SAFETY PROGRAM

POLICY

1. The City will endeavor through its safety program to maintain a safe and healthy work place; provide safe working equipment; inform employees of proper work habits and procedures which will maximize the potential of an accident free work environment; monitor the existence of proper first aid and emergency equipment and procedures as well as employee knowledge and training in the use of such equipment and procedures; and insure the availability and speedy access of City employees to emergency medical services in the event of an accident or medical emergency.
2. The City safety program provides:
 - a. Safety inspections of the work place environment, machines and equipment, procedures and work habits, as well as access to first aid and emergency medical support access.
 - b. Incident or complaint review of specific work locations, accidents or injuries, machines, or equipment; recommended work habits or procedures to be carried out in the event of a lost-time accident, a reported or suspected health hazard, an employee complaint, or a supervisor's request.
 - c. Safety and protection procedures that make known to employees the existence of potential health hazards, proper protective procedures, and safety and health rules and requirements, as well as emergency procedures.
 - d. Safety education programs which provide safety information and training to employees through demonstrations, training sessions, and verbal and written communications.

- e. Program enforcement through managers and supervisors who are knowledgeable in safety procedures, who promulgate safe safety attitudes, and who publish and enforce compliance with employee safety and health rules and regulations within the sphere of their work authority.
3. The responsibilities for safety must be shared.
 - a. City Administrator. The City Administrator is provided with the authority to establish, promulgate and enforce City safety and health procedures, rules and regulations.
 - b. Employees. Each employee is expected to place safe work practices and identification of unsafe conditions as the highest priority while performing their work duties. Each employee's safety and health commitment includes, but is not limited to, the following:
 - Using appropriate safety equipment.
 - Wearing required dress/uniform and footwear.
 - Warning co-workers of unsafe conditions or practices that could lead to or cause an accident.
 - Operate equipment only after receiving proper training.
 - Reporting defective or damaged equipment.
 - Reporting dangerous, unsafe or unhealthy conditions that exist in the City work place.
 - Reporting of all injuries and accidents.
 - Taking proper protective measures to minimize unsafe conditions that could present a hazard to the public resulting from City work.
 - Maintaining tools and equipment in a proper manner, to ensure that they are in the best possible condition during usage.

EMPLOYEE ASSISTANCE PROGRAM

POLICY

The City has a contract with Ramsey County, whereby the employee can receive diagnostic referral assistance in such areas as parent/child relationships, marital problems, behavior problems, drug and alcohol, emotional and mental disorders and personal adjustment difficulties. The service is provided at no cost to the employee through his/her benefits package. All contact between the employee and the private provider is confidential. The employer does not receive information concerning employees as a result of the service. For more information, contact the Ramsey County Human Resources Department.

APPOINTMENTS AND VETERANS' PREFERENCE

POLICY

1. All appointments to positions of City employment will be based on merit and qualifications of the applicants for the position to be filled. To evaluate the merit and qualifications of the applicants, a criteria will be established for each such position. The criteria established must be capable of being reduced to a 100-point rating system. A 100-point system must be applied to all positions of City employment except for those positions specifically exempted from the Veterans' Preference Act, Minn. Stat. § 43A.11, by Minn. Stat. § 197.46.
2. In accordance with Minn. Stat. § 43A.11 and Minn. Stat. § 197.455, a credit of five points will be added to a veteran's rating at the election of the veteran so long as City position being sought is not exempted from veterans' preference by Minn. Stat. § 197.46. The receipt of the credit is conditional on the veteran obtaining a passing rating under the criteria and 100-point system established for the position without the addition of the credit points.
3. In accordance with Minn. Stat. § 43A.11 and Minn. Stat. § 197.55, a credit of ten points will be added to a disabled veteran's rating at the election of the disabled veteran so long as City position being sought is exempted from veterans' preference by Minn. Stat. § 197.46. The receipt of the credit is conditional on the veteran obtaining a passing rating under the criteria and 100-point system established for the position without the addition of the credit points.

PROBATIONARY PERIOD

POLICY

1. Purpose: The probationary period will be regarded as an integral part of the examination process and will be used for closely observing the employee's work, for securing the most effective adjustment of the employee to this position and for rejecting any employee whose performance does not meet the required standards. Employment remains "AT WILL" following the probationary period.
2. Duration: All appointments will be probationary and subject to a probationary period of six (6) months service after appointment. The City can extend the probationary period beyond twelve months for such period of time as The City at its discretion deems fit and necessary. At any time during the probationary period, any employee may be transferred or dismissed at the City's discretion.
3. Applies to Promotions: All promotions will be subject to a probationary period of six (6) months. If the employee who has been promoted is found unsuited for the

work of the position to which promoted, the employee may be reinstated to the position and rate of pay of the position from which the employee was promoted.

4. Affects Leave Benefits: During the initial probationary period, but not during a promotional period, an employee will not be entitled to vacation leave during the first six months of employment. Vacation leave accrues from the start of employment.

DRUG AND ALCOHOL TESTING

POLICY

1. The City recognizes drug and alcohol abuse by employees as threatening the welfare of the public and the well being of the other employees. Therefore, The City has established drug and alcohol testing for positions covered by this Policy as a means of protecting the public's welfare and employees well being.
2. The intent of this policy is to prevent drug and alcohol abuse by employees and to offer the opportunity for rehabilitation of employees who have tested positively for drug and alcohol use while on duty.
3. The City shall inform a job applicant prior to testing. Information shall include the City's right to request a test, the processing of a test, the consequences of testing positively, and the rights of the employee.
4. Before requesting an employee or a job applicant to undergo drug or alcohol testing, the City shall provide the employee or job applicant with a form developed by the City on which to acknowledge the employee or job applicant has reviewed the Policy. On an additional form, the employee or job applicant may indicate any over-the-counter or prescription medications that they are currently taking or have recently taken and any other information relative to the liability of or explanation for a positive test result. This form will be completed at the collection site and will not be reviewed by the employer.
5. Random testing is prohibited.
6. The City shall not require an employee or job applicant to undergo drug or alcohol testing except as authorized below:
 - a. The City may require a job applicant to undergo drug or alcohol testing provided a job offer has been made to the applicant and the same test is required of all job applicants conditionally offered employment for that position. If the job is withdrawn the City shall inform the applicant of the reasons for its actions.

- b. The supervisor in charge may require an employee to undergo drug or alcohol testing provided a reasonable attempt has been made to receive approval from the City Administrator, that said requirement is stated in writing, and there is reasonable suspicion that the employee:
 - i) is under the influence of drugs or alcohol;
 - ii) is found to personally possess illicit drugs or alcohol while on duty;
 - iii) sustained a personal injury or caused another employee to sustain a personal injury and the supervisor in charge has reasonable suspicion that drugs or alcohol were involved;
 - iv) has caused a work related accident or was helping to operate machinery, equipment, or vehicles involved in a work related accident and the supervisor in charge has reasonable suspicion that drugs or alcohol were involved.
 - c. The City may require an employee to undergo drug or alcohol testing if the employee has been referred for chemical dependency treatment or evaluation which results in a determination that the employee is chemically dependent, in which case the employee may be required to undergo drug and alcohol testing without prior notice during the evaluation or treatment period and for a period of up to two (2) years following completion of any prescribed chemical dependency treatment program.
 - d. Reasonable suspicion shall be defined as that quantity of proof or evidence that is more than a hunch, but less than probable cause. Reasonable suspicion must be based on specific, objective facts and any rationally derived inferences from those facts about the conduct of an individual that would lead the reasonable person to suspect that the individual is or has been using drugs while on or off duty.
7. Test sample collection shall be conducted in a manner which provides a high degree of security for the sample and freedom from adulteration. Employees may not be witnessed while submitting a urine sample. Administrative procedures and biologic testing of the samples shall be conducted to prevent the submission of fraudulent tests. All screening tests shall make use of a split sample which shall be used for confirmatory retests. Upon request, an employee shall be entitled to the presence of a representative before testing is administered. The testing may not be delayed for an unreasonable amount of time to allow the employee this opportunity.
8. All samples shall be tested for CHEMICAL ADULTERATION, OPIATES, CANNABIS, PCP, COCAINE, AMPHETAMINES, BARBITURATES,

BENZODIAZEPINES, AND ALCOHOL. The testing shall be done at a laboratory to be determined by the City and the following standards shall be used:

DRUG	SCREENING TEST	CONFIRMATION
Amphetamines	ng/ml Amphetamine	ng/mg GC-MS
Barbiturates	ng/ml Barbiturate	ng/ml GC-MS
Benzodiazepine	ng/ml Oxazepam	ng/ml GC-MS
Cannabis	ng/ml Delta-THC	ng/ml GC-MS
Cocaine	ng/ml Metabolite	ng/ml GC-MS
Opiates	ng/ml Morphine, Codeine	ng/ml GC-MS
PCP	ng/ml PCP	ng/ml GC-MS
Alcohol	gm/dl Alcohol	gm/dl GC-MS

9. Any sample which has been altered or is shown to be a substance other than urine or blood shall be reported as such. All samples which test positive on a screening test shall be confirmed by gas chromatography-mass spectrophotometry, and no records of unconfirmed positive tests shall be released by the laboratory.
10. Initial screening tests and confirmatory tests shall be at the sole cost of The City.
11. Testing and evaluation procedures shall be conducted in a manner to ensure that an employee's legal drug use does not affect the test results.
12. All results shall be evaluated by a suitably trained occupational physician or occupational nurse prior to being reported.
13. Test results shall be treated with the same confidentiality as other employee medical records. The test results shall not be reported outside The City.
14. Each employee whose confirmatory tests indicate positive for drug or alcohol use shall be medically evaluated by a substance abuse professional. If required by the substance abuse professional, the employee will then be counseled and treated for rehabilitation. At any time an employee may voluntarily enter the chemical dependency program. This program is designed to provide care and treatment to employees who are in need of rehabilitation. Details concerning treatment any employee receives at this program shall remain confidential between The City and the employee and shall not be released to the public. The City shall not be responsible for the cost of the treatment. The employees' health care provider shall provide a portion of the cost of the treatment.
15. No employee shall be relieved of his or her position based on one positive confirmatory test result although the employee may be re-evaluated for his or her assignment. When undergoing treatment and evaluation, employees shall

receive the usual compensation and fringe benefits provided at their assigned position provided the employee is using available accumulated leave.

16. Each employee has the right to challenge the results of drug testing in the same manner that he or she may grieve any managerial action.
17. Upon successful completion of rehabilitation, the employee shall be returned to his or her regular duty assignment. Employee reassignment during treatment shall be based on each individual's circumstances. If follow-up care is prescribed after treatment, this may be a condition of employment. Once treatment and any follow-up is completed and provided no further incidents of positive confirmatory tests occur, at the end of two (2) years the records of treatment and positive drug test results shall be retired to a closed medical record, given to the employee. References of the incident shall be removed from the employee's personnel file.
18. Employees shall be subject to the disciplinary actions prescribed in the handbook if the employee:
 - a. Refuses to undergo drug or alcohol testing; employee may refuse to undergo drug or alcohol testing of a blood sample upon religious grounds if they consent to testing of a urine sample.
 - b. Fails to successfully complete a required rehabilitation program as prescribed by a substance abuse professional.
 - c. Tests positively after completing the initial rehabilitation program. The employee will be given the opportunity to complete a second rehabilitation program. If the employee refuses to complete a second rehabilitation program or if he or she tests positively after the completion of a second rehabilitation program, disciplinary action as prescribed in the Employee Handbook may be applied.
19. An employee may request a confirmatory retest of the original sample at the employee's own expense within five (5) days of receiving notice of a positive confirmatory test result. It shall be the responsibility of the employee to contact the City who will work with the employee to contact the laboratory which performed the original test and also make arrangements with the second federally certified laboratory to perform the confirmatory retest. If the confirmatory retest does not confirm the original positive test result, no adverse personnel action based on the original result may be taken against the employee and the City will reimburse the employee for the actual cost of the confirmatory retest.
20. The employee, upon request and subject to approval of the testing laboratory will have the right to inspect and observe any aspect of the drug testing program.

21. This drug testing program is solely initiated at the behest of the City for the safety and well-being of the public and employees. The City shall be solely liable for any legal obligations for its actions of requiring testing or for actions taken as a result of testing.
22. This Policy is in no way intended to supersede or waive an employee's federal or state constitutional rights, or contractual rights.
23. This Policy is subject to the interpretation of the state law pertaining to drug and alcohol testing.

SERVICE TIME

POLICY

1. Service time is the employee's length of continuous service with the City commencing with the first day of hire. Employees will be on a probationary basis for at least six (6) months from the date of hire. Upon a successful completion of the probationary period, service time will be accumulated from the first day of hire.
2. From time to time, personal circumstances, illness or civic duty may require an employee's absence from work for periods of varying duration. Authorized leaves of absence for vacation, sick leave, funeral leave, medical leave, maternity absence, leave under the Family and Medical Leave Act, parenting leave, school conference and activities leave, sick child care leave, military leave, injury leave, and jury duty will not interrupt the accumulation of continuous service, provided the employee meets the conditions required by the City of such leaves.
3. Service time will not accumulate during a general leave of longer duration than one week.

TEMPORARY, CASUAL, AND PART-TIME EMPLOYMENT

POLICY

1. Persons whose employment is temporary will not be entitled to sick leave, vacation leave, holiday pay or insurance benefits, except for workers compensation insurance.
2. Temporary and part-time employees do not accumulate service time.
3. Employee positions must be established by the budget.

4. Employees who are hired for positions requiring less than full time may be granted certain employee benefits based on actual hours worked, as determined by the City and as may be required by law.
5. An employee on a temporary, casual, or part-time status will be entitled to such public employee benefits as may be provided under the Public Employment Labor Relations Act, Minnesota Statutes Chapter 179A.

EMPLOYMENT OF SPOUSES AND RELATIVES

POLICY

1. An applicant related to any elected or appointed official or employee will not be considered for employment in a work situation where the relative would also be employed if it would result in a conflict of interest. The words "related" or "relative" for the purpose of this policy will mean: mother, father, spouse, son, daughter, brother or sister.
2. Conflict of interest means:
 - a. Where one employee would supervise or have the authority to appoint, remove or discipline a relative.
 - b. Where one relative would be responsible for auditing the work of another relative
 - c. Where circumstances exist which would place a relative in a situation of actual or foreseeable conflict between the City's interests and the relative's interest.
 - d. Where the employment of a relative of a policy level employee of an organization with whom the City deals would give the appearance of improper influence or favor.
 - e. Where confidentiality of the City would be jeopardized.
3. Promotions or transfers of a relative which would result in a conflict of interest will not be acted upon until the conflict is satisfactorily resolved.

OUTSIDE EMPLOYMENT

POLICY

1. Full-time employees may not engage in outside employment which might in any way hinder the objectives and performance of their duties or impair their efficiency on the job.
2. Outside employment must be requested in writing and approved in advance by the City Administrator.

PROMOTIONS/TRANSFERS/DEMOTIONS

POLICY

1. It is the City's policy to fill employment vacancies by promotion or transfer insofar as practical, and in case of equal qualifications to give consideration to length of service.
2. All promotions will be subject to a probationary period of six (6) months. If the employee who has been promoted is found unsuited for the work of the position to which promoted, the employee may be reinstated to the position and rate of pay of the position from which the employee was promoted.
3. Employees will be entitled to vacation leave during a probationary promotion period if they have fulfilled the requirements for vacation time in their prior position.
4. If an employee is transferred, promoted or demoted, the rate of pay will be determined as follows:
 - a. In the case of a transfer or promotion, if the rate of pay for the former position is less than the minimum rate established for the new position, the rate will be advanced to the minimum of the position to which transferred or promoted.
 - b. In the case of a transfer or demotion, if the rate of pay in the former position is more than the maximum rate established for the new position, the rate of pay may be reduced to the maximum rate or to an intermediate rate of the position to which transferred or demoted. Such determination will be made by the City Administrator.
 - c. In case of a transfer for the good of the City and/or the employee and not in the nature of a promotion or demotion, the rate of pay will remain the same.

5. An applicant for City employment or a City employee seeking promotion must not directly or indirectly render any service or pay any money or other valuable consideration to any person for or in connection with the applicant's or employee's employment test or proposed appointment or promotion.

RESIGNATION

POLICY

1. Any employee wishing to leave City employment in good standing must file with the employee's supervisor, at least fourteen (14) days before leaving, a written resignation stating the effective date of the resignation. Failure to comply with this particular procedure may be cause for denying such employee future employment by the City and denying termination leave benefits.
2. Unauthorized absence from work for a period of three (3) working days may be considered by the City as a resignation, without benefits.
3. An employee who has resigned from a position may be considered for re-employment but will have no inherent right to the employee's former position.

LAYOFFS

POLICY

The City may layoff any employee whenever such action is necessary due to shortage of work or funds or when a position has been abolished.

DISCIPLINARY ACTION

POLICY

1. City employees are subject to disciplinary actions for failing to fulfill their duties and responsibilities, including failure to observe policies and work rules. It is the policy of the City to administer disciplinary penalties without discrimination. A supervisor will investigate any allegation for which disciplinary action might be based before any disciplinary action is taken. Employees serve at the will of the City and notwithstanding anything in this policy, may be dismissed with or without cause.
2. Possible disciplinary actions include the following:

- a. An employee may be given an oral reprimand by the employee's immediate supervisor. Documentation of the oral reprimand will be placed in the employee's personnel file.
- b. An employee may be given a written reprimand by the employee's immediate supervisor. A written reprimand will state that the employee is being warned for misconduct. The written reprimand will contain a description of the misconduct, past action taken by the supervisor to correct the problem, a statement urging prompt correction or improvement by the employee, time tables and goals for improvement when appropriate, and an outline of future penalties that may be imposed should the misconduct continue. The employee will be given a copy of the reprimand after the employee signs the original acknowledging its receipt. The signature of the employee on the reprimand will not mean that the employee agrees with the reprimand. The reprimand will be placed in the employee's personnel file.
- c. An employee may be suspended with pay by the employee's immediate supervisor. The immediate supervisor will notify the City Administrator of the suspension with pay. The suspension with pay will continue only upon the approval of the City Council. Upon the City Council's approval of the suspension, the employee will be notified in writing of the reason for the suspension and its length. Upon the employee's return to work, the employee will be provided a written statement outlining further disciplinary actions that may be taken should the misconduct continue. Suspension with pay will include suspending an employee pending investigation of allegations of misconduct against the employee. All suspensions with pay will be reduced to writing and placed in the employee's personnel file. If the suspension with pay is for investigation of allegations of misconduct and the allegations prove to be false, the written suspension with pay will be removed from the employee's personnel file.
- d. . An immediate supervisor may suspend an employee with pay pending a decision by the City Administrator to suspend the employee without pay. Prior to the suspension without pay or as soon thereafter as possible, the employee will be notified in writing of the reason for the suspension without pay and its length. Upon the employee's return to work, the employee will be provided a written statement outlining further disciplinary actions that may be taken against the employee should the misconduct continue. An employee may also be suspended without pay by the City Council. The suspension without pay will be reduced to writing and placed in the employee's personnel file. If the suspension without pay is for investigation of allegations of misconduct and the allegations prove to be false, the written suspension without pay will be removed from the employee's personnel file and the employee will be entitled to any

compensation to which the employee is entitled had the suspension not taken place.

- e. An employee may be involuntarily demoted, required to transfer to a comparable employment position, or have the employee's salary decreased or the employee's salary increase withheld by the City Council. In no event will an employee's salary be decreased below the salary schedule approved for the employee's position by the City. Prior to such action or as soon thereafter as possible, the employee will be notified of the reason for the action. The action taken will be reduced to writing and placed in the employee's personnel file.
 - f. Any employee may be dismissed by the City Council.
 - g. Veterans' Preference Act Exception: Notwithstanding the possible disciplinary actions listed in this handbook, no City employee who is a veteran as defined by Minn. Stat. § 197.447 may be removed from City employment, except in accordance with and as provided by Minn. Stat. § 197.46.
3. In the case of suspension, or demotion, an employee will be granted a review by the city council if the employee submits a written request for a review to the City Administrator within five (5) working days of notification of the action taken.

PERFORMANCE APPRAISALS

POLICY

Employees will receive formal performance appraisals generally annually from their designated supervisor. A copy of the performance appraisal will be placed in the employee's personnel file and provided to the employee. Supervisors and employees are encouraged to discuss job performance and goals on an informal, day-to-day basis.

POLITICAL ACTIVITY

POLICY

- 1. During working hours, no employee will engage in any form of political activity, nor can any political activity impair an employee's usefulness at work.
- 2. An employee may belong to a political party, be a member of an established political organization or club, and may attend political meetings and exercise the right to vote free from interference, and may seek election or appointment to public office.

3. If any employee is elected or appointed to the City Council, the employee must resign or obtain a leave of absence.

TRAVEL

POLICY

APPROVAL AND ADVANCES

1. All travel and seminar attendance by City employees require prior approval by the City Administrator or the City Administrator's designee. All travel and seminar attendance by the City Administrator must be in accordance with the City's adopted budget.
2. Travel requests must be submitted on a Travel Authorization Request form. Information provided will include: reason for travel, duration of stay, method of travel, estimated expenditures, and amount of required advance based on allowable expenses.
3. Approval for travel must be obtained prior to seminar registration or other final travel arrangements. Approval must be requested at least seventy-two (72) hours prior to departure.

ALLOWABLE EXPENSES

4. Hotel/Lodging - Accommodations must be selected at reasonable cost, consistent with the facility available and convenient to location of the conference or business meeting attended.

An employee may claim only the actual and necessary cost of single occupancy where a double or multiple occupancy has occurred.

5. Transportation - Allowable transportation costs will include reimbursement for: mileage accumulated on personal vehicle at prevailing mileage rate; actual round trip coach rate air fare; or actual receipted expenses for City-owned vehicles, as required and as approved.
6. Meals and Miscellaneous - Reimbursement for meals will be made at reasonable cost, as required and as approved. An explanation must be included for cost of meals exceeding per diem guideline of approved Travel Authorization Request.

A breakfast allowance will be authorized for any City departure prior to 8:00 a.m. A dinner allowance will be authorized for any City arrival after 7:00 p.m.

Other miscellaneous expenses may be authorized, as required and as approved.

7. Telephone. Reimbursement for long distance telephone calls will be allowed as follows:
 - City business
 - One call to a family member per day of 10 minutes or less

EMPLOYEE EXPENSE REPORTS

8. Within five (5) working days upon return to work, an employee must submit an Employee Expense Report for approval by the employee's supervisor and the City Administrator or the City Administrator's designee. Receipts for expense items must accompany each expense report.

USE OF VEHICLES

POLICY

1. An employee on City business is required to use a City vehicle if possible. All use of City vehicles must be approved by the immediate supervisor.
2. An employee using a City vehicle must have a valid driver's license in the appropriate class. Any violation of this provision shall subject the employee to disciplinary action up to and including termination.
3. Employees using City vehicles must be particularly mindful of all traffic regulations and courtesies of the road. Abuses and violations may subject the employee to disciplinary action, up to and including termination.
4. Unless approved by the City Administrator, the use of City vehicles for personal reasons is prohibited. Violation of this provision may subject the employee to disciplinary action.
5. From time-to-time, use of a private vehicle for City business is necessary. The mileage rate for reimbursement shall be the rate approved by the IRS for deduction. Claims shall be submitted on a claim form provided by the Finance Director, and shall be itemized, showing the date, destination, purpose of the trip, and mileage, and be signed by the person making the claim. Mileage reimbursement shall be made upon the City Administrator's or immediate supervisor's approval of the claim. Employees using their personal vehicle and claiming mileage reimbursement on City business shall assume liability through the employee's own vehicle insurance carrier for personal injury, property

damage, and comprehensive/collision damage to their vehicle. Any traffic violations incurred while on City business are the responsibility of the employee to satisfy. Use of the employee's private vehicle for City business must also meet requirements of the U.S. Internal Revenue Service as to the reporting of claims for mileage paid by the City.

6. An accident while on City business with either a City vehicle or a private vehicle shall be immediately reported verbally to the supervisor and to the City Administrator. This initial report shall be followed up with completion of the required insurance carrier form and pertinent incident reports as soon as possible.

USE OF TELEPHONE

POLICY

1. The telephone is recognized as a most important means of communication with citizens, the general public, and fellow workers, often the first impression a person has of City government. Employees will answer promptly and identify themselves. They will be courteous, tactful and use good judgment at all times.
2. Adequate coverage of telephones will be a main consideration in scheduling lunch periods, breaks, and time off.
3. The receiving and making of local telephone calls for personal reasons must be kept to a minimum. Abuse of this privilege may subject the employee to disciplinary action.
4. Employees must reimburse the City for long distance charges on personal calls.

EMAIL

POLICY

1. The City maintains an email system. This system is provided by Metro-Net to assist in conducting City business.
2. All messages composed, sent, or received on the email system are and remain the property of the City. They are not the private property of any employee.
3. The use of the email system is reserved for conducting City business.
4. The email system may not be used to solicit or proselytize for commercial ventures, religious or political causes, outside organizations, or other non-job related solicitations.

5. The email system is not to be used to create, send, print or disseminate any offensive or disruptive messages. Among those which are considered offensive, are any messages which are pornographic or which contain sexual implications, racial slurs, gender-specific comments, discriminatory comments, or any other comment that offensively addresses someone's age, sexual orientation, religious or political beliefs, national origin, or disability. Additionally, offensive or sexually oriented emails are in violation of the City's Offensive Behavior/Sexual Harassment policy.
6. The email system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary information or similar materials without prior authorization.
7. The email system shall not be used for engaging in any activity in violation of local, state, or federal law.
8. The City has and will exercise the right to review, audit, intercept, access and disclose all messages created, received or sent over the email system for any purpose. The contents of the email properly obtained for legitimate business purposes, may be disclosed within the City without the permission of the employee. An employee should have no expectation of privacy in messages or files they create, send, read or listen to on City computers.
9. The confidentiality of any message should not be assumed. Even when a message is erased, it is still possible to retrieve and read that message. Further, the use of passwords for security does not guarantee confidentiality. E-mail messages should be drafted in the same manner and with the same care as any communication in printed form on the City letterhead.
10. Notwithstanding the City's right to retrieve and read any email messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient. Employees are not authorized to retrieve or read any e-mail messages that are not sent to them. Any exception to this policy must receive prior approval by the Network Administrator.
11. Employees shall not use a code, access a file, or retrieve any stored information, unless authorized to do so. Employees should not attempt to gain access to another employee's messages without the latter's permission.
12. Employees are prohibited from deactivating software designed to detect and destroy computer viruses.
13. Employees are prohibited from activities which may degrade the performance of the City's computer or communication equipment (e.g. downloading additional software for personal use).

INTERNET

POLICY

As an employee of the City of Falcon Heights you are provided with access to the vast information resources of the internet. The facilities to provide that access represent a considerable commitment of the City resources for telecommunications, networking, software, storage, etc. This internet usage policy is designed to help you understand our expectations for the use of those resources in the particular conditions of the internet, and to help you use those resources wisely.

Unnecessary or unauthorized internet usage causes network and server congestion. It slows other users, takes away from work time, consumes supplies and ties up printers and other shared resources. Unlawful internet usage may also garner negative publicity for the City and expose the City to significant legal liabilities.

This policy applies to all users of City-owned and -operated computer systems and networks. Any exceptions to this policy require the express written consent of the City.

Any employee who discovers a violation of this policy shall immediately notify the City Administrator.

Any employee who violates this policy or uses the internet system for improper purposes shall be subject to discipline, up to and including discharge.

1. The use of the City's internet is intended for City business, including research, communication and professional purposes within the business objectives of the City.
2. The City reserves the right to monitor and review all employee internet usage. No employee should have any expectation of privacy as to his or her internet usage.
3. The confidentiality of any electronic message using the City's internet system should not be assumed. Even when a message is erased, it is still possible to retrieve and read that message.
4. Personal use of internet service cannot interfere with business operations and should be limited to non-working hours.
5. Internet services, or any other network or computer resources, shall not be used for viewing, archiving, storage, distribution, editing or recording of threatening, obscene, harassing or derogatory material or transmittal of material that is confidential to the City.

6. Internet services, or any other network or computer resources, shall not be used for the viewing, archiving, storage, distribution, editing or recording of any kind of sexually explicit image, material or document.
7. Use of the internet system to receive (download) software programs, utilities or software extensions is prohibited without prior authorization from the Network Administrator. This includes, but is not limited to, screen savers, games and utility programs. It does not include files such as Word documents, Excel documents, Adobe Portable Document Format (pdf) files and the like.
8. Any software or files downloaded via the internet into the network become the property of the City. Any such files or software may be used only in ways that are consistent with their licenses or copyrights.
9. No employee may use City facilities knowingly to download or distribute pirated software or data. The use of file swapping software on City computers and City networks is prohibited.
10. No employee may use the City's internet facilities to deliberately propagate any virus, worm or other illegal program code.
11. No employee may use the City's internet facilities knowingly to disable or overload any computer system or network or to circumvent any system intended to protect the privacy or security of another user.
12. The City's internet facilities and computer resources shall not be knowingly used to violate the laws and regulations of the United States or any other nation, or the laws and regulations of any state, city, province or other local jurisdiction in any material way. Use of any City resources for illegal activity is grounds for immediate dismissal, and the City will cooperate with any legitimate law enforcement activity.
13. Users of the City's information systems are prohibited from using password protection to restrict access to files on the City's systems without authorization from the Network Administrator.
14. Each employee using the internet facilities of the City shall identify himself or herself honestly, accurately and completely (including one's company affiliation and function where requested) when participating in chats or newsgroups or when setting up accounts on outside computer systems.
15. Anything an employee writes in email or on the internet in the course of working for the City can be taken as representing the City's posture. For this reason, users of the City's internet system are prohibited from using their City email address or otherwise identifying themselves as employees of the City when participating in non-work related online discussion forums, bulletin board, web

sites or chat sessions.

16. Employees are reminded that chats and newsgroups are public forums where it is inappropriate to reveal private or confidential data. Employees releasing protected information via a newsgroup or chat, whether or not the release is inadvertent, will be subject to discipline.
17. Use of the City's internet facilities to commit infractions such as misuse of City assets or resources, sexual harassment, unauthorized public speaking and misappropriation or theft of intellectual property are prohibited.

NEWS RELEASE

POLICY

1. To the extent possible, any employee who is requested by the news media to provide information regarding City business will refer the request to the City Administrator or the City Administrator's designee.
2. Employees will not issue City news releases without prior approval of the City Administrator or the City Administrator's designee.
3. Except during regular working hours, any individual employee has the right to comment on any public matter in the employee's individual capacity as a private citizen.

PERSONNEL RECORDS OF EMPLOYEES

POLICY

Personal records are the official personnel records of the City and are, therefore, important to all employees. It is the responsibility of each employee to check annually to ensure that the data listed below is correct and reflects current information about the employee. It is the employee's responsibility to see that the following items are kept current at all times:

- a. Correct home address and telephone number;
- b. Changes in dependents (for withholding tax purposes);
- c. Person to contact in case of emergency;
- d. Beneficiary changes (group life insurance and pension); and

- e. Legal change in name.

PROHIBITION AGAINST REQUESTING OR ACCEPTING GIFTS

POLICY

1. City employees may not solicit or accept gifts from any person or company that has a direct financial interest in a decision that the City Council is authorized to make. Gifts may not be accepted from consultants, vendors, job applicants, local businesses, or others that have a financial interest in the decision the City Council may make.
2. The only exceptions to the ban on gifts are:
 - services of insignificant monetary value;
 - a plaque or similar memento recognizing individual services in a field of specialty or a charitable cause;
 - a trinket or memento with a value of \$5 or less;
 - informational material of unexceptional value;
 - food or beverage given at a reception, meal, or meeting away from the employee's place of work by an organization before whom the employee appears to make a speech or answer questions as part of a program;
 - gifts given because of the employee's membership in a group, a majority of whose members are not local officials, and an equivalent gift is given to the other members of the group; or
 - gifts given by a person who is a member of the employee's family unless the gift is given on behalf of the City to someone who is not a member of the family.
3. All employees who are "appointed officials" must also comply with Minn. Stat. § 471.895.

HOURS OF WORK

In order to adequately provide City services and to provide the basis for employee compensation, the City must assure the availability of personnel and specify the number of hours and days the City Council expects employees to be at their jobs.

POLICY

1. Forty (40) hours of actual attendance on duty will constitute the regular work week for most full-time employees, with the average work month to be one

hundred seventy-three and one-third (173-1/3) hours for the purpose of computing vacations, sick leave and fractions of a month's work.

2. Except as otherwise provided, the regular work day will begin at 8:00 a.m. and end at 4:30 p.m., with one-half (1/2) hour period therein constituting a lunch period. Two 15-minute breaks are also awarded per full workday. The regular work week will consist of five (5) consecutive eight (8) hour work days, Monday through Friday, or an equivalent number of hours pursuant to a work schedule arranged with the supervisor and approved by the City Administrator.
3. The City Administrator may establish the scheduled hours of work for employees. Such hours cannot be less than the minimum hours described in this policy, but may vary for shift requirements and other times deemed necessary to properly provide City services beyond regular business hours.
4. Flex-time schedules may be established only with the approval of the City Administrator. Each employee must adhere to a schedule which has been established by taking into consideration the work load and necessary services provided by the City.
5. All overtime must be approved by the appropriate supervisor prior to being worked. (See policy on overtime payment.)
6. Incidental time will be excluded from overtime consideration. Incidental overtime means overtime worked at the beginning or end of an employee's shift in an amount not to exceed fifteen (15) minutes at either end of the work day.
7. For payroll purposes, overtime will be rounded off to the nearest one-tenth (1/10th) of an hour.

WORK TIME REQUIREMENT AND REPORTING

POLICY

1. Employees are required to fill out weekly time reports.
2. If an employee is late for work, the employee will report to their supervisor the reason for the late arrival. If possible, the employee will contact the supervisor ahead of time and inform the supervisor that the employee will be late and the time the employee expects to arrive. The supervisor may deduct the lost time from the time report when there is insufficient reason for the late arrival or there is repeated lateness. Repeated late arrivals will result in written reprimand, suspension or termination.

3. Employees are expected to be at their work areas at the start of their work day, and promptly return to their work areas at the conclusion of their lunch break and coffee breaks.

PAY PERIOD

POLICY

1. Payday for all employees will be semi-monthly. Employees will receive pay on the 15th and on the last day of each month. In the event that either day falls on a weekend or holiday, paychecks will be distributed or deposited on the day preceding the weekend or holiday.
2. Time cards for the prior week must be completed and submitted to the Administrator or designee by noon on Monday for the preceding workweek.
3. **Direct Deposit.** All employees are encouraged to have their paycheck automatically deposited in their checking or savings account on payday. You don't have to change your present banking relationship to take advantage of this service.

OVERTIME PAYMENT

POLICY

1. Authorized overtime work performed by nonexempt employees will be compensated at one and one-half (1-1/2) times the regular rate of pay.
2. Supervisors are responsible to schedule work so as to minimize overtime payment. When authorized by the appropriate supervisor or designee, overtime payment will be made.
3. Regular full-time and part-time nonexempt employees will receive one and one-half (1-1/2) times their normal hourly rate for all approved overtime in excess of forty (40) hours in any regular work week.
4. Temporary full-time and part-time nonexempt employees will receive one and one-half (1-1/2) times their regular hourly rate for all approved overtime in excess of forty (40) hours in any regular work week.
5. Regular full-time nonexempt employees called out for special duty on a regularly scheduled holiday will be compensated at one and one-half (1-1/2) times their regular hourly rate of pay in addition to their holiday pay.

6. Incidental time will be excluded from overtime consideration. Incidental overtime will mean overtime worked at the beginning or end of any nonexempt employee's shift in an amount not to exceed fifteen (15) minutes at either end of the work day.
7. For payroll purposes, overtime will be rounded off to the nearest one-tenth (1/10th) of an hour.
8. At the discretion of the supervisor, a nonexempt employee may receive compensatory time off in lieu of overtime at a rate not less than one and one-half (1-1/2) hour for each hour of employment for which overtime compensation is required.

COMPENSATORY TIME

POLICY

1. Exempt employees, as designated by the City under the Fair Labor Standards Act, are not eligible for overtime compensation.
2. Employees holding positions not designated by the City as exempt will be considered nonexempt employees who are subject to the provisions of the Fair Labor Standards Act. Such nonexempt employees will be eligible for overtime compensation in accordance with the Act, subject to the following conditions:
 - a. Overtime to be accumulated as compensatory time must be approved in advance by the supervisor on the overtime/compensatory form.
 - b. Compensatory time off must be claimed on a form provided by the City, and the request must be made to the employee's supervisor.

EMPLOYMENT BENEFITS

POLICY

Employee benefits mentioned in this section apply only to those employees hired for full-time positions and specifically exclude, contract, casual, part-time, temporary, or volunteer employees, except when such groups are expressly included by the provisions of this policy. Employees who are hired for positions requiring less than full time may be granted certain employee benefits enumerated in this policy as determined by the City Council and as may be required by law, provided that the granting of such benefits will be based on a ratio of the employee's actual working hours as compared to full-time position of two thousand eighty (2080) hours per year unless otherwise required by law.

TUITION REIMBURSEMENT PROGRAM

POLICY

1. Eligibility:
 - a) Upon successful completion of the probationary period, a full-time employee will be eligible to apply for reimbursement for job-related educational course work.
 - b) Participation in this program is voluntary. All course work will be completed outside normal working hours.
2. Approval: In order to be eligible for tuition reimbursement, all requests for course work or a degree program must receive approval from the City Administrator or designee prior to taking the course and are subject to budget appropriations.
3. Reimbursement:
 - a) All regular employees shall be eligible for reimbursement for tuition, required books as listed on the course syllabus and institutional fees associated with post-high school level courses or programs which are work-related or part of a formal degree or certification program at institutions which are certified by the State Education Association.
 - b) The City will reimburse 100% of the expenses associated with course work which is work related and 75% of the expenses associated with the course work which is not work related but is required for the completion of a degree.
 - c) The maximum reimbursement is \$2000 per calendar year for regular full-time employees, with that amount pro-rated for regular part-time employees based upon the number of hours designated for the position compared to full time hours.
 - d) The course must be successfully completed to be reimbursed, and the employee must re-pay this benefit if they leave the City's employ within one year of course completion.
 - a. One of the following constitutes successful completion of the course:
 - i. Letter grade of "B" or better.
 - ii. "Pass in a pass/no pass system
 - iii. Certificate from the instructor indicating satisfactory completion of the course if grades are not issued.

EMPLOYEE INSURANCE

POLICY

Insurance benefits will be available to regular full-time employees and their immediate families. The City will contribute toward these health premiums in an amount determined by the City Council. Basic long term disability and life insurance in an amount determined by the City Council will be at no cost to the regular full-time employee.

CONTINUATION OF INSURANCE AT THE TIME OF UNPAID LEAVE POLICY

1. COBRA. Federal law, known as COBRA, permits an employee to continue, at the employee's expense, coverage under the City's insurance plan(s) at the time of an unpaid leave, resignation, termination, or retirement if the employee does not have the same type of coverage under another employer group plan and is not entitled to Medicare.
2. Continuation Period. The length of continuation depends on the Qualifying Event that applies to the employee's loss of coverage:
 - a. Eighteen (18) months, if the employee is presently a City employee and the employee's coverage would stop because the employee's employment is terminated or the employee's work hours are reduced below the qualifying level for coverage (this period may be extended to 36 months if another qualifying event, listed below, occurs during the original 18-month period--an employee must notify the City Administrator or designee within 60 days of a second qualifying event); or
 - b. Thirty-six (36) months, if an individual is not an employee but is:
 - i. A separated or divorced spouse or child of a City employee;
 - ii. A surviving spouse or child of a deceased City employee;
 - iii. A child of a City employee, and is no longer an eligible dependent as defined in City insurance plan; or
 - iv. A dependent that loses dependent coverage when the City employee becomes enrolled in Medicare benefits.
3. Termination of Continuation Coverage.
 - a. An employee's right to continuation coverage will cease immediately if the employee fails to pay the required premium due.

- b. Plan eligibility ceases if:
 - i. An employee becomes covered under another group plan as a result of employment, re-employment, marriage, or remarriage; or
 - ii. An employee, an employee's spouse, or an employee's dependent children become enrolled in Medicare, in which case coverage ceases for each individual so covered; or
 - iii. All City insurance plans under this policy are terminated.

CHANGES IN COVERAGE

INSURANCE/RETIREMENT

POLICY

1. The employee is responsible for notifying the City of any changes that the employee wishes to make in the employee's insurance coverage or retirement plan, such as:
 - a. Change of address or phone;
 - b. Change of name;
 - c. Change of beneficiary; and
 - d. Change in type of coverage.
2. It is very important that the City be notified immediately as these changes occur. Contact the Finance Director for the necessary forms to make these changes.

WORKERS' COMPENSATION

POLICY

1. In accordance with the laws of the State of Minnesota, the City provides coverage for medical expenses in the event of work related injury or disease, plus partial salary continuation in the event of disability, and additional benefits if the injury or disease causes partial or regular disability or death.

2. Employees are automatically covered under the workers' compensation plan as soon as employment begins. To be eligible for workers' compensation, the injury or disease must arise out of and occur during the course of employment.
3. The City pays the entire cost of this protection. Benefits paid depend entirely on the benefit schedule set up by the State of Minnesota and applicable at the time the work related injury or disease is incurred.
4. It is the injured employee's responsibility to immediately report any work related injury or disease to the employee's supervisor as soon as possible after the injury occurs or the disease is diagnosed.
5. The immediate supervisor is responsible to see that the First Report of Injury is filed with the City within forty-eight (48) hours following the injury. This report is prepared by the supervisor during an interview (if possible) with the injured employee.
6. If an employee has a work-related injury or disease and is under a doctor's care, that employee cannot change doctors for treatment of this work-related injury or disease without first contacting the City's workers' compensation company and obtaining approval to make this change.

REQUEST FOR LEAVE

POLICY

1. An employee is required to fill out a Request for Leave form for any time absent from regularly scheduled work time. Leave of Absence Reports are required for:
 - a. Funeral Leave
 - b. General Leave
 - c. Injury on Duty Leave
 - d. Jury Duty
 - e. Medical Leave
 - f. Military Leave
 - g. Sick Leave with Pay
 - h. Vacation Leave

- i. Comp. Time
 - j. Parenting Leave
 - k. School Conference and Activities Leave
 - l. Family and Medical Leave Act Leave
2. The employee must also complete the weekly time sheets in a manner that will reflect any time off, using the categories as indicated above.

BEREAVEMENT LEAVE

POLICY

1. Employees shall be allowed up to three (3) working days, with pay, as bereavement leave upon the death of an immediate family member. This paid leave will not be deducted from the employee's vacation or sick leave balance. Immediate family is defined as the employee's parents, spouse, children, siblings, or grandchild or grandparents, or the spouse's parents, or a ward of the employee's household.
2. Employees shall be allowed up to one (1) working day, with pay, for the death of the spouse's grandparent or sibling, or the employee's son-in-law or daughter-in-law. This leave will not be deducted from accrued sick or vacation leave.
3. Deviations from this policy may be approved by the City Administrator.

GENERAL LEAVE

POLICY

1. Employees may apply for an unpaid leave of absence for personal or emergency reasons. The granting of such leave will be at the sole discretion of the City Administrator and will not be granted for a period exceeding one hundred eighty (180) days in duration.
2. For efficiency in the conduct of City business, it is essential that the granting of such requests for leave be kept to a minimum. The City Administrator will consider:
 - a. Work load, taking into consideration the good of the services provided by the City;
 - b. Reason for leave; and
 - c. Length of service with the City.

3. Such leave may be granted by the employer for extended illness of the employee's family, civic activities or other reasons deemed appropriate by the employer.
4. Request for leave must be made in writing on a Request for Leave form with full explanation and, if possible, submitted to the appropriate supervisor fourteen (14) days in advance of the leave date.
5. An employee on unpaid leave under this policy will be entitled to retain the employee's accrued leave and other benefits. The accrued leave and other benefits will be determined by the City as of the date the leave commences and may be used upon the employee's return. The employer will accrue no leave or other benefits for the period of time the employee is on leave.
6. An employee on an unpaid leave of absence may continue to participate in City insurance programs if such participation is permitted under the City's insurance policies. Such participation would be conditioned on the employee paying the entire premium for any insurance coverage the employee wishes to retain. Payment of the premium will be required effective as of the date the leave commences.
7. Service time will not accumulate during a general leave of absence of longer duration than one week.
8. Unauthorized absence from work by an employee for a period of three (3) working days will be considered by the City as a resignation without benefits.

HOLIDAYS

POLICY

1. The following days are observed as paid holidays:
New Year's Day, January 1
Martin Luther King Day, the third Monday in January
President's Day, the third Monday in February
Memorial Day, the last Monday in May
Independence Day, July 4
Labor Day, first Monday in September
Veteran's Day, November 11
Thanksgiving Day, the fourth Thursday in November
The day following Thanksgiving Day
Christmas Eve, December 24
Christmas Day, December 25
Floating Holiday, to be used at employee's discretion (must be used before the

end of each year).

Whenever one of the above holidays falls on a Saturday, the preceding Friday will be observed as a holiday. Whenever one of the above holidays falls on a Sunday, the following Monday will be observed as a holiday.

If December 25 falls on a Saturday, the December 24 and 25 holidays will be observed on Thursday, December 23 and Friday, December 24. If the December 24 holiday falls on a Sunday, the December 24 and 25 holidays will be observed on Monday, December 25 and Tuesday, December 26.

2. Nonexempt employees who are required to be on duty on any holiday, or who agree to be on duty on any holiday, will be compensated at one and one-half (1-1/2) times their regular rate of pay. This pay shall be in addition to their holiday pay. For hours worked in excess of their work schedule day they shall be paid at double their hourly rate of pay.

INJURY ON DUTY LEAVE

POLICY

1. When any employee of the City suffers an injury on the job, a report of such accident must be made immediately by the employee's supervisor. This report must be made on the standard form supplied by the City's worker's compensation carrier, plus the supplementary form supplied by the Employee Safety and Health Committee. These forms must be completed and returned to Administration within 48 hours following the injury.
2. Injury leave will be granted to all employees who are injured or contract an occupational disease while in the actual performance of their assigned job, and are eligible because of the injury or illness for worker's compensation insurance coverage.
3. Injury on duty leave will be earned at the rate of one eight (8) hour day per month of full-time employment up to a maximum of 180 eight (8) hour days.
4. During such injury leave the City will pay such employee either as direct payment from injury on duty leave accrued, worker's compensation insurance benefits, or both. The total amount paid will not exceed the full pay which the employee would have received for such period. Employees receiving workers' compensation payments may be granted injury on duty leave pay for the amount of the difference between the employee's workers' compensation payment and the employee's salary, to the extent that injury on duty leave is accrued. To clarify the record keeping of injury on duty leave used during the injury on duty leave, the injured employee will immediately contact Administration upon receipt of a workers' compensation check.

5. A day is defined as the combination of workers' compensation insurance and injury on duty pay sufficient to pay the employee gross pay equal to the pay the employee would receive for a scheduled work day.
6. For each day of injury time used one work day will be deducted from the employee's accumulated injury on duty leave.
7. An employee on injury time leave must keep the employee's supervisor informed of the employee's status on an established regular basis.
8. If injury leave extends beyond the employee's accrued injury time leave, the employee may use sick leave and vacation leave after the injury or duty leave is exhausted.
9. Employees using earned injury on duty leave will be considered to be working for the purpose of accumulating vacation or sick leave.
10. A full-time employee on injury leave will retain and continue to earn length of service time for the duration of the leave.
11. The City may request periodically a certificate from the employee's physician indicating sufficient disability to preclude the employee from performance of the employee's duties.
12. Before returning to work from injury leave, an employee must submit a letter from the employee's physician certifying the employee is fit and capable of performing the job the employee held before injury occurred.

COURT DUTY

POLICY

1. Regular employees subpoenaed as witnesses or called for jury duty shall be granted leave of absence for the time necessary to complete those duties.
2. All fees received as a juror, except mileage fees for the use of the employee's private vehicle, food or lodging, shall be paid to the City.
3. The employee will receive all pay and other benefits that would have accrued had the employee been performing services for the employer during the period of absence for jury duty, less all per diem allowances and any other compensation received for such duty.
4. Employees excused or released from jury duty during their regular working hours must report to their supervisor immediately thereafter.

MILITARY LEAVE

POLICY

1. Employees serving in a military reserve program are entitled to a leave of absence, without loss of pay, seniority, status, efficiency rating, vacation, sick leave, or other benefits for time spent with such military reserve program in training or in active service, not to exceed fifteen (15) days in any calendar year, in the manner provided in Minnesota Statutes Section 192.26.
2. A Request for Leave form must be completed and submitted two weeks in advance of the requested leave.
3. The reinstatement of rights of any employee who entered the military service of the United States by reason of a law enacted by Congress or who voluntarily enlisted during the effective period of such law shall be determined in accordance with the provisions of the law granting such rights. Reinstated employees are entitled to vacation and sick leave with pay from the time the employee entered military service until the date of reinstatement.

SICK LEAVE WITH PAY

POLICY

1. Regular full-time employees shall earn eight (8) hours of sick leave for each month of employment. Regular part-time employees shall earn a proportion of that sick leave calculated as a proportion of the full-time sick leave based on the relationship between the number of hours designated for the part-time position and a full-time position's hours.
2. Sick leave may only be used for sickness, disability, and for dental or medical appointments.
3. In order to be eligible for sick leave with pay an employee must:
 - a. Keep the supervisor informed of the condition if the absence is of more than three (3) days duration.
 - b. Submit a medical certificate for any absence of any duration if required by the supervisor and/or the City Administrator.

The employee must complete a Request for Leave form before the employee will be granted sick leave pay.

4. Employees who meet the other requirements of this section who are receiving worker's compensation payments may be granted sick leave pay for the amount of the difference between employee's worker's compensation payment and employee's salary to the extent that employee's sick leave is accrued, after the employee has used all of employee's accrued injury on duty leave.
5. Employees using earned sick leave shall be considered to be working for the purpose of accumulating vacation and sick leave.
6. An employee who has been unable to work for a period of time because of illness or accident may be required before being permitted to return to work to provide medical evidence that employee is again able to perform all significant duties of the position in a competent manner without hazard to employee or others.
7. Claiming sick leave when physically fit may be cause for disciplinary action, including transfer, suspension, demotion, or dismissal.
8. An employee whose illness extends beyond the sick leave credit available may apply for a medical leave of absence.
9. An employee may use sick leave for absences due to illness of the employee's immediate family for such reasonable periods as the employee's attendance with the immediately family member may be necessary, on the same terms the employee is able to use City sick leave benefits for the employee's own illness.

For the purpose of such sick child care leave, a "child" means an individual under 18 years of age or an individual under age 20 who is still attending secondary school.

10. Upon separation from the City or retirement of an employee who is in good standing, a cash payment of 50% of the employee's total accrued sick leave up to a maximum of 960 total accrued sick leave hours at the employee's hourly compensation rate will be made. Employees with 10 years or more of service, the total accrued sick leave would be capped at 1,260 hours.

DONATED MEDICAL LEAVE

POLICY

1. With the express written approval of the City Administrator, City employees having accrued sick or vacation leave will be allowed to donate a portion of such accrued sick or vacation leave to fellow employees experiencing a major life threatening disease or condition suffered by the employee, their spouse, or minor children. A major life threatening disease of condition shall include, but not

necessarily be limited to heart attack, stroke, organ transplant, or life threatening illness or condition as defined by a physician's diagnosis.

2. A donation of sick or vacation leave from one employee to another shall be subject to the following terms and conditions:
 - a. An employee is only eligible to receive donated medical leave for time loss from work due to a major life threatening disease or condition as described above, equal to the number of hours of time, compensated by sick leave, vacation leave, or compensatory time, which the employee would lose from his or her job due to the major life threatening disease or condition.
 - b. An employee will be eligible to receive donated medical leave only after the employee's accrued sick leave, compensatory time, and vacation have been used by the employee.
 - c. No employee will be allowed to receive more than twenty (20) days of donated medical leave for any single major life threatening disease or condition without the additional express approval of the City Administrator.
 - d. An employee may donate no more than sixteen (16) hours per calendar year to a single fellow employee. This shall not be construed to prohibit donating sixteen (16) hours each per year to additional fellow employees.
 - e. A written request to donate medical leave must be made to the City Administrator.
 - f. The City Administrator shall have the right to deny use of donated medical leave or limit its use as shall be determined necessary and in the best interest of the City.

FAMILY AND MEDICAL LEAVE

POLICY

1. Family and Medical leave ("FMLA leave") provides up to twelve (12) weeks of unpaid leave to eligible employees for certain family and medical reasons. Employees are eligible if they have been employed for a minimum of twelve (12) months, and have worked at least 1,040 hours over those twelve (12) months.
2. An employee may take a maximum of twelve (12) work weeks of FMLA leave in a rolling twelve month period.
3. FMLA leave may be granted for any of the following reasons:

- a. To care for the employee's child after birth, or placement for adoption or foster care;
 - b. To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
 - c. For a serious health condition that makes the employee unable to perform the employee's job.
4. The employee must give the City at least thirty (30) days advance notice. In unexpected or unforeseeable situations, the employee should give as much notice as is practicable, usually verbal notice within one or two business days of when the need for leave becomes known, followed by a completed "Request for Family/Medical Leave" written notice.

For leaves taken because of the employee's or a covered family member's serious health condition, the City may require that a "Physician or Practitioner Certification" form be completed. In addition, the City may require periodic reports on the employee's status and intent to return to work, and a fitness-for-duty report to return to work.

5. A serious health condition is an illness or injury that involves:
- a. An overnight stay in a hospital, hospice, or residential medical care facility;
 - b. Any period of incapacity that involves continuing treatment or supervision by a health care provider and that requires absence from work, school, or other regular daily activities for more than three (3) days;
 - c. Continuing treatment or supervision by a health care provider for a chronic or long-term health condition that is incurable or so serious that, if not treated, would likely result in a period of incapacity of more than three (3) days;
 - d. Any period of incapacity due to pregnancy, or for prenatal care, or prior to an adoption to help complete the adoption process;
 - e. Any period of absence to receive multiple treatments by a health care provider; or
 - f. Substance abuse may qualify as a serious health condition if one of the above clauses is satisfied. However, FMLA leave may only be taken for treatment for substance abuse by a health care provider or by a provider of health care services on referral by a health care provider. Absence caused by substance use is not covered by this policy.

6. Employees may choose to use accrued vacation, compensatory time, or sick leave while on FMLA leave as long as the provisions within those written policies apply.
7. Employees are required to use employee's FMLA leave when employee must miss work due to an injury obtained while on duty unless employee is using sick leave or vacation leave. The FMLA leave and the injury on duty leave shall run concurrently.

The employee shall report the injury as provided in the Injury on Duty Leave and provide adequate information to establish the basis for the leave. The City shall provide employee written notification within five (5) working days specifying that any absence will be counted against the employee's remaining FMLA time and that the FMLA leave shall run concurrently with the injury on duty leave.

8. The employee will not accrue benefits such as sick leave or vacation while on unpaid FMLA leave.
9. Leave may be taken intermittently or on a reduced schedule when it is medically necessary. If an employee requests intermittent leave or leave on a reduced schedule that is foreseeable due to medical treatment, the employee may be temporarily transferred to another position if the position has equivalent pay and benefits and better accommodates the recurring periods of leave. Any such transfer is subject to a collective bargaining agreement.
10. Eligibility for leave after birth, placement for adoption or foster care, expires twelve (12) months after the birth, placement or adoption. If the child must remain in the hospital longer than the mother, the leave may in the alternative begin at any time up to six (6) weeks after the child leaves the hospital.
11. The employee may choose to continue existing health care benefits and life insurance while on FMLA leave. The City will continue to pay the same portion of the cost of the coverage as it did prior to the leave.

Employee contributions will be required either through payroll deduction or by direct payment to the City. The employee will be advised in writing at the beginning of the leave period as to the amount and method of payment. If an employee's contribution is more than thirty (30) days late, the City may terminate the employee's insurance coverage.

12. Upon return from FMLA leave, employees will be restored to their original or equivalent position with equivalent pay, benefits, and other employment terms. If, during FMLA leave, the City experiences a layoff and an employee would have lost a position had the employee not been on leave, pursuant to the good faith operation of a bona fide layoff and recall system, including a system under a

collective bargaining agreement, the employee is not entitled to reinstatement in the former or comparable position. In such circumstances, the employee retains all rights under the layoff and recall system, including a system under a collective bargaining agreement, as if the employee had not taken the FMLA leave.

SCHOOL CONFERENCE AND ACTIVITIES LEAVE

POLICY

1. An employee will be granted up to a total of 16 hours during any school year to attend school conferences or school-related activities related to the employee's child, subject to the following requirements:
 - a. The employee must work an average of twenty or more hours per week.
 - b. The conference or school-related activities cannot be scheduled during non-work hours.

2. For the purpose of such leave, a "child" means an individual under 18 years of age or an individual under age 20 who is still attending secondary school. When such leave cannot be scheduled during non-work hours and the need for the leave is foreseeable, the employee must provide reasonable prior notice of such leave to the City and make a reasonable effort to schedule the leave so as to not disrupt unduly the operations of the City. Such leave may be either unpaid or an employee may substitute any accrued paid vacation leave or other appropriate paid leave for any part of such leave.

VACATION LEAVE

POLICY

1. The vacation schedule for regular full-time employees is as follows:

From the beginning of employment through the fourth year of continuous employment	10 days of vacation per year
After the employee's fifth anniversary through the ninth year of continuous employment	15 days of vacation per year
After the employee's tenth anniversary of continuous employment	16 days of vacation per year
After the employee's eleventh anniversary of continuous employment	17 days of vacation per year
After the employee's twelfth anniversary of	18 days of vacation per year

continuous employment	
After the employee's thirteenth anniversary of continuous employment	19 days of vacation per year
After the employee's fourteenth anniversary of continuous employment	20 days of vacation per year

2. Vacation accrues by pay period and may be used only when accrued.
3. Request for vacation leave must be initiated on Request for Leave submitted to the supervisor and/or the City Administrator, as appropriate. Exceptions to this policy are granted on a very limited basis, taking into consideration the good of the service provided by the City.
4. If the nature of the work makes it necessary to limit the number of employees on vacation at the same time, the employee with the greater seniority will be given the choice of vacation period if the employee's request is made thirty (30) days prior to the vacation time desired. When requests are made less than thirty (30) days prior to the vacation time desired, vacation will be granted on a first come first served basis.
5. Employees may accumulate up to a maximum of twice their annual vacation leave.
6. Employees must use at least one week of vacation leave per calendar year unless another vacation plan is approved by the City Administrator before the end of the calendar year.
7. Employees using earned vacation leave will be considered to be working for the purpose of accumulating vacation or sick leave.
8. Employees leaving the City employment in good standing, after giving proper notice of such termination of employment, will be compensated for vacation leave accrued up to the maximum amount permitted and unused to the date of separation. An employee who leaves employment will be given prorated vacation pay for that part of the year worked.

VOTING LEAVE

POLICY

1. Every employee who is entitled to vote at any statewide election or any election to fill a vacancy in the office of Representative in Congress is entitled to be absent from work for the purpose of voting during the election day without penalty or deduction from the employee's salary or wage on account of such

absence. Time off equivalent to two hours will be given all employees during such elections for the purpose of voting.

2. Arrangements must be made with the employee's supervisor at least 24 hours prior to this requested leave. Completion of a Request for Leave form in this instance is not necessary.

RETIREMENT PROGRAMS

CONTINUATION OF GROUP HOSPITAL, MEDICAL, AND DENTAL INSURANCE

POLICY

1. This policy applies to all City employees who retire on or after January 1, 1993, who participated in the City's group hospital, medical, and dental insurance program and who met the requirements necessary to receive a disability benefit or an annuity from a Minnesota public pension plan other than a volunteer fire fighter plan.
2. Minnesota law, Minn. Stat. Chapter 43A, provides that upon retirement, an eligible City employee and his or her covered dependents can participate in the group health/dental insurance program at the same premium rate as active employees until age 65.
3. Retirees who have continuously participated in the group insurance program since leaving employment and retirees who are currently continuing coverage through COBRA can participate at the same premium rate as active employees until age 65.
4. Coverages and levels of benefits provided to retirees under age 65 and their dependents must be identical to that provided for active employees and their dependents.
5. Retirees age 65 and over may stay in the group *indefinitely*, but premium rates do not have to be pooled with the active employee rates and retiree coverage does not have to be identical to active coverage.
6. The retiree must pay the entire premium.
7. Dependent coverage can only be continued after retirement if the employee carried dependent coverage prior to retirement. Employees are not required to continue dependent coverage after retirement.

APPENDIX
CITY OF FALCON HEIGHTS
Leave Action Form

Name:

Date Submitted:

Action:

- Vacation
- Sick Leave
- Compensatory Time
- Leave w/o pay
- Other (note reason)

Date(s) of leave:

Total hours on leave:

Reason for leave:

Employee signature: _____
Date

Supervisor's signature: _____
Date

City Administrator's approval: _____
Date

Accountant recorded: (initials) _____
Date

Final copy to: Employee (original)
Accountant
Personnel leave file (grey) f:\leave.doc

DONATION OF MEDICAL LEAVE AUTHORIZATION

I, _____ hereby request and authorize the City of
Falcon Heights to transfer _____ hours of my accumulated sick leave to
_____ .

Signature

Date

APPROVAL:

Signature

Date

REQUEST FOR FAMILY/MEDICAL LEAVE

Employee Name _____ Date of Request _____

Department _____ Position Title _____

Hire Date _____

I request a Family/Medical Leave for the following reason (check one):

- _____ A. The birth of a child in order to care for such child or the placement of a child for adoption or foster care.
- _____ B. In order to care for an immediate family member if such family member has a serious health condition. Circle one: CHILD - SPOUSE - PARENT. (Must submit "Physician or Practitioner Certification" within 15 days).
- _____ C. Employee's own serious health condition that makes the employee unable to perform the functions of his/her position.

METHOD OF LEAVE REQUESTED

- _____ A. Consecutive Leave
- _____ B. Intermittent or Reduced Leave Schedule (specify schedule below):

Date Leave is to Begin _____ Expected Duration of Leave _____

If the duration of my family/medical leave (total of paid and unpaid time) does not exceed 12 weeks, I will be returned to my same or equivalent position. I understand that if my family/medical leave should exceed 12 weeks I will be returned to my same or similar position, only if available, in accordance with applicable laws. If my same or similar position is not available, I understand that I may be terminated.

Employee Signature

Date

Supervisor Signature of Approval/Date

U.S. DEPARTMENT OF LABORE
EMPLOYMENT STANDARDS ADMINISTRATION
WAGE AND HOUR DIVISION

**CERTIFICATION OF PHYSICIAN OR PRACTITIONER
(Family and Medical Leave Act of 1993)**

1. Employee's Name:
2. Patient's Name (if other than employee):
3. Diagnosis:

4. Date condition commenced: 5. Probable duration of condition:
6. Regiment of treatment to be prescribed (indicate number of visits, general nature and duration of treatment, including referral to other provider of health services). Include schedule of visits or treatment if it is medically necessary for the employee to be off work on an intermittent basis or to work less than the employee's normal schedule of hours per day or days per week.
 - A. By Physician or Practitioner:

 - B. By another provider of health services, if referred by Physician or Practitioner:

IF THIS CERTIFICATION IS RELATED TO CARE FOR THE EMPLOYEE'S SERIOUSLY-ILL FAMILY MEMBER, SKIP ITEMS 7, 8 AND 9, AND PROCEED TO ITEMS 10 THROUGH 14 ON REVERSE SIDE. OTHERWISE, CONTINUE BELOW.

Check YES or NO in the boxes below, as appropriate:

- | | YES | NO | |
|-----|-----|-----|---|
| 7. | ___ | ___ | Is in-patient hospitalization of the employee required? |
| 8. | ___ | ___ | Is employee able to perform work of any kind? (If "NO", skip Item 9). |
| 9. | ___ | ___ | Is employee able to perform functions of employee's position? (Answer after reviewing statement from employer of essential functions of employee's position, or, if none provided, after discussing with employee). |
| 15. | | | Signature of Physician or Practitioner: |
| 16. | | | Date: |
| 17. | | | Type of Practice (specialized field, if any): |

FOR CERTIFICATION RELATING TO CARE FOR THE EMPLOYEE'S SERIOUSLY-ILL FAMILY MEMBER, COMPLETE ITEMS 10 THROUGH 14 BELOW AS THEY APPLY TO THE FAMILY MEMBER AND PROCEED TO ITEM 15 ON FRONT.

YES NO

10. ___ ___ Is in-patient hospitalization of the family member required?
11. ___ ___ Does (or will) the patient require assistance for basic medical hygiene, nutritional needs, safety, or transportation?
12. ___ ___ After review of the employee's signed statement (See Item 14 below), is the employee's presence necessary or would it be beneficial for the care of the patient? (This may include psychological comfort).
13. Estimate the period of time care is needed or the employee's presence would be beneficial:

ITEM 14 TO BE COMPLETED BY THE EMPLOYEE NEEDING FAMILY/MEDICAL LEAVE.

14. When Family/Medical Leave is needed to care for a seriously-ill family member, the employee shall state the care he or she will provide and an estimate of the time period during which this care will be provided, including a schedule if leave is to be taken intermittently or on a reduced leave schedule.

Employee signature:

Date:

This form must be completed by _____

and returned to:



CITY OF
FALCON HEIGHTS

2077 W. Larpenteur Avenue
Falcon Heights, MN 55113-5594

email: mail@ci.falcon-heights.mn.us
website: www.ci.falcon-heights.mn.us

Phone - (651) 792-7600
Fax - (651) 792-7610

January 19, 2007

To: Mayor Gehrz, Councilmembers Harris, Kuettel, Lindstrom, and Talbot

**From: Justin Miller, City Administrator; Roland Olson, Finance Director
Tim Pittman, Director of Parks and Public Works; Deb Bloom, City Engineer**

Re: Assessment Policy Discussion

BACKGROUND:

One of the items identified as a 2007 city council goal is to re-evaluate our current public improvement assessment policy. As far as staff can tell, the current policy dates back to April 1996, and as such it is in need of updating.

An assessment policy needs to address several topics, and this report is intended to serve as a starting point for discussions on how to update our current policy.

1. Street Projects

The most common type of assessment the City of Falcon Heights has used has been in connection with street improvements. Current practice calls for the city to assess \$26.50 per front foot, no matter what the cost of the project is to the city. This rate has not been adjusted for inflation since 1996, meaning that the city has been paying for a greater portion of each project every year.

For the most part, improvements fall into three categories – sealcoating, mill and overlays, and reconstructions:

- A. *Sealcoating* involves applying a thin coat of oil on the street and then laying gravel on top. Our current practice calls for all streets to be sealcoated roughly every seven years, and this is seen as a mostly maintenance type project. Staff's recommendation would be to not assess any of this type of improvement to benefiting property owners.
- B. *Mill and overlay* projects involve grinding the top few inches of roadway off and replacing it with a new layer of asphalt. This type of repair is typically done every 15 years and extends the life of the roadway without having to perform a costly reconstruction project. Funding policies vary widely in regards to this type



of project, and we have typically not assessed for mill and overlays. However, staff is recommending that we begin to assess for 40% of mill and overlay projects to residential property owners, 60% to commercial property owners, and 100% to tax-exempt properties.

- C. *Reconstruction* projects are more comprehensive and are typically performed every 30 years. This type of work involves totally removing the existing roadway, replacing the base materials, and oftentimes performing utility work (water, sewer, etc.) at the same time. Most cities assess for this type of project, and do so in a variety of methods. Methods vary from establishing an assessment rate each year to setting a percentage that properties will be assessed. Staff recommends that we begin assessing 40% of the costs of the project to benefiting residential property owners and 60% to benefiting commercial/industrial property owners. As is current policy, staff recommends that tax-exempt properties be assessed 100% of the cost of the project A survey of assessment levels in other communities is attached to this report, and staff believes that the 40% residential level is consistent with the practices of other communities and is fair to property owners and general taxpayers.

Assessing by the foot or by unit:

Cities vary on how assessments are applied, with most choosing between a per foot basis or a per unit basis. Per foot is exactly as it sounds, where the assessment rate is applied based on the actual street frontage. Per unit is determined by applying the same assessment amount for each unit on a specific project. Per unit structures are most often used by communities that have many cul-de-sacs, so that large lots on curved streets (and therefore have small street frontages) are not given preferential treatment. Since we have very few cul-de-sacs, and most of our lots are similar in size, staff recommends that we continue to use the per foot basis for our assessment policy.

Corner Lots

Corner lots create unique problems when determining how to assess them for street projects. While the homeowner receives a benefit if either street they abut is improved, it could create a financial hardship if more than one project was assessed at the same time. Current policy states that assessments will be based on the short-sided street. Staff recommends that we change this practice to assess for the street which the property uses as its address. Staff would also recommend that tax-exempt properties be assessed for projects on each street that it abuts.

Alleys

Most alleys in Falcon Heights serve a predominantly residential purpose, and as such the city has assessed 90% of the reconstruction costs to the benefiting property. Staff recommends that this practice remain the same. However, a few alleys serve both residential and commercial properties, and therefore experience more wear and tear than typical alleys. Staff recommends that these projects be looked at on a case-by-case basis due to the differing levels of impact commercial users place on each specific alley.

2. Non-Street Projects

Other assessable projects that are initiated either by the city or by petition are sanitary and storm sewers, sidewalks, street lighting, and landscaping.

- A. *Sanitary and Storm Sewers* – Current practice states that the city pays for 100% of the costs for these projects. Property owners clearly benefit from such projects, and therefore staff recommends that they be assessed in a similar fashion to street reconstructions, with the benefiting property owners paying 40% and the city paying 60%. This would pertain only to reconstruction projects, with routine maintenance being the responsibility of the city (if it is in the right-of-way). Any new utilities (such as for new developments) would be 100% assessed to the benefiting property owner.
- B. *Sidewalks* – Current practice states that the city pays for replacement of faulty sidewalk panels or even entire sidewalk systems. Staff recommends that this practice remain the same. Some areas of the city do not have sidewalks, and in order to promote a more walkable community, staff recommends that if a neighborhood or group of residents petition the city to install a sidewalk, the cost of such improvements should be shared by the residents and the city in an equal 50-50 split.
- C. *Streetlights*- Sometimes neighborhoods or groups of residents ask the city for permission to install custom streetlights. In these cases, staff recommends that the costs for such projects be entirely funded by the benefiting property owners.
- D. *Landscaping* - Periodically, opportunities arise where more decorative landscaping projects can be installed at the time of a public improvement. Staff recommends that the cost of installing such landscaping be entirely funded by the benefiting or petitioning property owners.

3. Financial Considerations

Issues to consider when assessing property owners for public improvements include how to set the interest rate and how long to spread the assessments over.

- A. *Setting the interest rate* – Current practice states that we set the interest rate at 2% over what our cost of borrowing the money is. More often than not, we have not had to bond for projects, so we set a rate a 2% over what our financial advisors estimate what our bonding costs would be for a general obligation note. Staff recommends that the city continue with setting the assessment interest rate at 2% over what the actual cost of borrowing the money would be, or if the project is not bonded for, it be set at 2% over what our financial advisors estimate the bonding costs would be.

- B. *Length of assessments* – Current practice states that we assess most projects for a period of three to fifteen years. Staff believes that for major projects (such as reconstructions), the time period be set at ten years, while smaller projects (such as mill and overlays) be spread out over a shorter five to seven year period.
- C. *Sources of city funds* – In any public improvement project, city funds may come from, but are not limited to, the following sources:
- a. State Aid funds
 - b. General tax levies
 - c. Cash reserves
 - d. Available Tax Increments

It is worth noting that we have been fortunate in past years to have reserves available to pay for many projects without having to levy taxes or bond for the city obligations. Many cities adopt a special levy, or even include as a general fund line item, city-wide property taxes to pay for portions of the project which are not assessed. This is a practice that the City of Falcon Heights may have to consider in future years due to increased pressure on capital funds.

- D. *Hardship deferrals* – Under state statute, cities are allowed to defer assessments based on criteria such as age of the homeowner or a disability. Our current policy allows for this, and staff recommends that hardships deferrals continue to be allowed in the city but that we update the policy language to adhere to state statute. Attached to this report is a copy of Arden Hills' deferral policy which can serve as a model for our policy.

Please remember that the city council can set this policy as they wish, and can also amend it from project to project depending on unique circumstances. However, staff recommends that whatever policy is eventually adopted be adhered to consistently to eliminate repeated requests to provide relief.

We have included hypothetical examples of projects so that the council can see the impact of different policy decisions on assessment levels. Staff welcomes input on this topic, and after Wednesday's workshop will consolidate the discussion into a more formal assessment policy for the council to consider.

Attachments:

Hypothetical mill and overlay and reconstruction assessment impacts
Current Falcon Heights Assessment Policy
Survey of assessment policies in surrounding cities
Model hardship deferral policy

	Proposed Policy		Current Policy	
Cost to Mill and Overlay One Mile	\$	290,400	\$	290,400
Cost per foot	\$	55	\$	55
Typical Northhome Lot (in front footage)		56.00		56.00
		Homeowner Portion		Homeowner Portion
40% Assessment	40% \$	1,232	\$	-
50% Assessment	50% \$	1,540	\$	-
60% Assessment	60% \$	1,848	\$	-

Hypothetical Iowa/Idaho Mill and Overlay Project Approximately 1 mile in length				
Total Cost	\$	290,400	\$	290,400
Assessments	40% \$	116,160	0% \$	-
City Contribution	60% \$	174,240	100% \$	290,400
Average Individual Assessment	\$	1,232	\$	-
Annual Five Year Payment at 6.5%	\$	278	\$	-
Annual Seven Year Payment at 6.5%	\$	211	\$	-
Annual Ten Year Payment at 6.5%	\$	161	\$	-

Reconstruction Example

	Proposed Policy		Current Policy	
Cost to Reconstruct One Mile	\$	1,200,000	\$	1,200,000
Cost per foot	\$	227	\$	227
Typical Northhome Lot (in front footage)		56.00		56.00
		Homeowner Portion		Homeowner Portion
40% Assessment	40% \$	5,091	\$26.50 per foot	\$ 1,484
50% Assessment	50% \$	6,364	\$26.50 per foot	\$ 1,484
60% Assessment	60% \$	7,636	\$26.50 per foot	\$ 1,484

Hypothetical Iowa/Idaho Reconstruction Project				
Approximately 1 mile in length				
Total Cost	\$	1,200,000	\$	1,200,000
Assessments	40% \$	480,000	18% \$	211,200
City Contribution	60% \$	720,000	82% \$	988,800
Average Individual Assessment	\$	5,091	\$	1,484
Annual Five Year Payment at 6.5%	\$	1,150	\$	335
Annual Seven Year Payment at 6.5%	\$	872	\$	254
Annual Ten Year Payment at 6.5%	\$	665	\$	194

INDEX

	PAGE
CHAPTER I GENERAL	1
CHAPTER II DEFINITIONS	3
A. ASSESSMENT UNITS	3
1. LOT UNIT	3
2. GROSS AREA	3
3. WEIGHTED AREAS	3
4. FRONT FOOTAGE	3,4
B. GENERAL	4
1. PETITION	4
2. TOTAL PROJECT COST	4
3. ASSESSMENT PERIOD	4
4. ASSESSMENT INTEREST RATE	5
5. MUNICIPAL STATE-AID STREETS	6
6. MUNICIPAL STATE-AID CONSTRUCTION FUNDS	6
7. PENDING ASSESSMENT	6
8. CLASSIFICATION OF LOCAL IMPROVEMENT PROJECTS	6,7
CHAPTER III STREET IMPROVEMENTS	8
A. DEFINITIONS	8
1. FEDERAL, STATE & COUNTY HIGHWAYS	8
2. COUNTY STATE AID HIGHWAYS (C.S.A.H.)/ COUNTY ROAD	8
3. MUNICIPAL STATE AID (MSA) STREETS	8
4. COLLECTOR STREETS	8
5. RESIDENTIAL STREETS	9
6. ALLEY	9
7. APPURTENANCES	9
8. MAINTENANCE/REHABILITATION PROJECTS	9,10
B. DETERMINING STREET ASSESSMENT RATES	10
1. NEW CONSTRUCTION	10
2. RESIDENTIAL EQUIVALENT RATE	10
3. RESIDENTIAL EQUIVALENT ASSESSMENT RATE	10
4. TAX EXEMPT PROPERTIES	11
5. COMMERCIAL EQUIVALENT ASSESSMENT RATE	11
6. ALLEY	11

	7. APPURTENANCES	11,12
	8. MAINTENANCE/REHABILITATION PROJECTS	12
CHAPTER IV	STORM SEWER IMPROVEMENTS	13
	A. DEFINITIONS	13
	1. STORM SEWER IMPROVEMENT DISTRICT	13
	2. STORM SEWER TRUNK FACILITIES	13
	3. STORM SEWER LATERAL FACILITIES	13
	B. DETERMINING SANITARY SEWER ASSESSMENT RATES	13
	1. STORM SEWER TRUNK RATES	13,14
	2. STORM SEWER LATERAL RATES	14
	3. MUNICIPAL STATE-AID CONSTRUCTION FUNDS CONTRIBUTION	14
CHAPTER V	SANITARY SEWER/WATER IMPROVEMENTS	15
	A. DEFINITIONS	15
	1. SANITARY SEWER LATERALS	15
	2. WATERMAIN LATERALS	15
	3. SANITARY SEWER BUILDING SERVICES	15
	4. WATERMAIN BUILDING SERVICES	15
	5. SANITARY SEWER AVAILABILITY CHARGE (SAC)	15,16
	6. INFRASTRUCTURE REHABILITATION PROJECTS	17
	B. DETERMINING SANITARY SEWER ASSESSMENT RATES	17
	1. NEW CONSTRUCTION	17
	2. SANITARY SEWER RECONSTRUCTION	17
	3. WATER RECONSTRUCTION	17
CHAPTER VI	HARDSHIP DEFERRAL OF ASSESSMENTS	18
	A. ELIGIBILITY FOR DEFERRAL	18

I. GENERAL

THE PURPOSE OF THIS ASSESSMENT MANUAL IS TO SET FORTH A GUIDE TO BE UTILIZED BY THE CITY OF FALCON HEIGHTS WHEN PREPARING ASSESSMENT ROLLS, SO AS TO ASSURE UNIFORM AND CONSISTENT TREATMENT OF THE AFFECTED PROPERTIES. IT IS THE GENERAL POLICY OF THE CITY OF FALCON HEIGHTS TO ASSESS ALL AFFECTED PROPERTIES ACCORDING TO THIS POLICY WITHOUT REGARD TO FUNDING SOURCE.

MINNESOTA STATE LAW, CHAPTER 429.010 AND 429.111 PROVIDES THAT A MUNICIPALITY SHALL HAVE THE POWER TO MAKE PUBLIC IMPROVEMENTS SUCH AS SANITARY SEWERS, STORM SEWERS, WATER SOURCE AND DISTRIBUTION FACILITIES, STREET IMPROVEMENTS INCLUDING GRADING, CURB AND GUTTER, SURFACING, SIDEWALKS, STREET LIGHTING, LANDSCAPING, AND RECREATIONAL FACILITIES, ETC. THE VARIOUS PROCEDURES THAT THE MUNICIPALITY MUST FOLLOW INCLUDING REPORTS, NOTICES AND PUBLIC HEARINGS ARE WELL DEFINED WITHIN THE LAW.

THE STATUTE FURTHER PROVIDES THAT THE COST OF ANY IMPROVEMENT MAY BE ASSESSED UPON PROPERTY BENEFITED BY THE IMPROVEMENT BASED UPON THE BENEFITS RECEIVED WHETHER OR NOT THE PROPERTY ABUTS ON THE IMPROVEMENT AND WHETHER OR NOT ANY PART OF THE COST OF THE IMPROVEMENT IS PAID FROM OTHER FUNDING SOURCES. THE LAW IS NOT SPECIFIC ON HOW THESE BENEFITS ARE TO BE MEASURED OR HOW THE COSTS ARE TO BE APPORTIONED, BUT RATHER MAKES IT INCUMBENT UPON THE MUNICIPALITY TO DETERMINE WITH ASSISTANCE OF THE CITY ENGINEER, CITY ATTORNEY, APPRAISERS OR OTHER QUALIFIED PERSONNEL, A FAIR AND EQUITABLE METHOD OF COST SHARING AMONG THE PROPERTIES INVOLVED. IT IS THE INTENT OF THIS POLICY THAT THE MAXIMUM VALUE OF AN ASSESSMENT BE BASED ON THE HIGHEST AND BEST USE OF PROPERTY.

THROUGHOUT THIS MANUAL, THE TOTAL COST OF AN IMPROVEMENT SHALL INCLUDE THE CONSTRUCTION COST PLUS ALL ASSOCIATED OVERHEAD COSTS. THE TOTAL COST OF THE ASSOCIATED OVERHEAD FOR A PUBLIC IMPROVEMENT PROJECT WOULD TYPICALLY INCLUDE CITY ADMINISTRATION, ENGINEERING, FISCAL, LEGAL, CAPITAL INTEREST, AND CONTINGENCIES.

AS A PERCENTAGE OF CONSTRUCTION COST, THESE OVERHEAD COSTS USUALLY RUN 28 PERCENT. THE ACTUAL COSTS INCURRED WILL BE TRACKED AND CHARGED TO THE PROJECT.

THE INITIATION OF PUBLIC IMPROVEMENT PROJECTS MAY HAPPEN IN TWO DIFFERENT METHODS. THE FIRST METHOD IS BY A PETITION OF THE AFFECTED PROPERTY OWNERS. THE PETITION MUST BE SIGNED BY THE OWNERS OF NOT LESS THAN 35 PERCENT OF THE FRONTAGE OF THE REAL PROPERTY ABUTTING THE PROPOSED IMPROVEMENTS. THE SECOND METHOD IS TO INITIATE THE PROCEEDINGS BY CITY COUNCIL DIRECTION, IN WHICH CASE NO PETITION IS NEEDED. AN OUTLINE OF THE PUBLIC IMPROVEMENT PROCESS IS PROVIDED IN

THE APPENDIX.

ANY REFERENCE TO LAND ZONING IN THIS MANUAL SHALL MEAN THE MOST CURRENT APPROVED CITY ZONING MAP AVAILABLE AT THE TIME. IT SHOULD BE EMPHASIZED THAT THE SPECIAL ASSESSMENT METHODS AND POLICIES SUMMARIZED HEREIN CANNOT BE CONSIDERED AS ALL-INCLUSIVE AND THAT UNUSUAL CIRCUMSTANCES MAY AT TIMES JUSTIFY SPECIAL CONSIDERATION. IF THE CITY SHOULD DETERMINE THAT THE APPLICATION OF THESE POLICIES RESULTS IN AN ASSESSMENT AMOUNT GREATER THAN THE INCREASE IN MARKET VALUE TO ANY PROPERTY, THE CITY WILL LIMIT THE ASSESSMENT TO THE INCREASE IN MARKET VALUE REGARDLESS OF POLICY. ALSO, ANY FIXED COST DATA AND RATES WILL BE ADJUSTED PERIODICALLY SO AS TO REFLECT CURRENT COSTS.

II. DEFINITIONS

A. ASSESSMENT UNITS

THE FOLLOWING DEFINITIONS REFER TO THE ASSESSMENT UNITS TO BE USED WHEN DETERMINING VARIOUS ASSESSMENT RATES AS DESCRIBED IN THE REMAINING SECTIONS OF THIS MANUAL.

1. LOT UNIT

A LOT UNIT IS DEFINED AS A PLATTED SINGLE FAMILY RESIDENTIAL LOT WHICH IN ACCORDANCE WITH FALCON HEIGHTS ZONING AND SUBDIVISION REGULATIONS, CANNOT BE FURTHER SUBDIVIDED.

2. GROSS AREA

THE TOTAL AREA, IN ACRES OR SQUARE FEET, OF A LOT OR PARCEL OF LAND INCLUDING ANY EASEMENTS. THE GROSS AREA OF A LOT OR PARCEL OF LAND DOES NOT INCLUDE ANY OF THE ABUTTING RIGHT-OF-WAY.

3. WEIGHTED AREAS

FOR THE PURPOSE OF STORM SEWER ASSESSMENTS, THE WEIGHTING OF AREAS SHALL BE BASED ON ZONING AS FOLLOWS:

SINGLE-FAMILY RESIDENTIAL	1.00
MULTI-UNIT RESIDENTIAL	1.50
COMMERCIAL	2.50

4. FRONT FOOTAGE

A. SINGLE FRONTAGE LOTS

IN PLATTED AREAS, THE FRONT FOOTAGE FOR PURPOSES OF FRONT FOOTAGE ASSESSMENTS SHALL BE DETERMINED AT THE BUILDING SET BACK LINE AS DESCRIBED IN THE FALCON HEIGHTS ZONING ORDINANCE, AND SHALL BE MEASURED PARALLEL TO THE PROPERTY LINE ABUTTING THE IMPROVEMENT.

B. CORNER LOTS

IN THE CASE OF A STREET IMPROVEMENT PROJECT WHICH ABUTS BOTH SIDES OF A CORNER LOT, THE LOT SHALL BE TREATED AS AN INTERIOR LOT AND THE FRONT FOOTAGE SHALL BE THE SHORT SIDE OF THE LOT. THERE WILL NOT BE AN ADDITIONAL ASSESSMENT AGAINST CORNER LOTS FOR

THE SIDE LOT DIMENSION. WHEN THE STREET IMPROVEMENT IS ONLY ALONG THE LONG SIDE OF THE LOT, THE SHORT SIDE OF THE LOT WILL BE USED FOR DETERMINATION OF ASSESSABLE FRONT FOOTAGE. THE ASSESSMENT FOR THE SHORT SIDE WILL OCCUR WITH THE FIRST STREET TO BE RECONSTRUCTED.

FOR ALL OTHER IMPROVEMENTS SUCH AS SANITARY SEWER OR WATER, THE FRONT FOOTAGE SHALL BE THE FOOTAGE ESTABLISHED FOR THE SHORT SIDE OF THE LOT WHEN BOTH SIDES OF THE LOT ARE BEING AFFECTED BY THE IMPROVEMENT. WHERE THE PROPOSED IMPROVEMENT PROJECT IS ONLY ALONG THE LONG SIDE OF A CORNER LOT, THE SHORT SIDE FRONT FOOTAGE SHALL BE USED FOR ASSESSMENT PURPOSES.

B. GENERAL

1. PETITION

PETITION SHALL MEAN A WRITTEN DOCUMENT PRESENTED TO THE CITY COUNCIL FOR PURPOSES OF INITIATING A PUBLIC IMPROVEMENT PROJECT. ALL SIGNATURES SHALL BE ACCOMPANIED BY THE ADDRESS OF EACH SIGNATOR, THE DATE OF THE SIGNATURE AND A PRINTING OF EACH SIGNATOR'S NAME. AN EXAMPLE OF THE USUAL FORM OF PETITION IS INCLUDED IN THE APPENDIX.

2. TOTAL PROJECT COST

TOTAL PROJECT COST SHALL MEAN THE FINAL CONSTRUCTION COST PLUS ALL ASSOCIATED OVERHEAD COSTS. OVERHEAD COSTS SHALL INCLUDE BUT NOT BE LIMITED TO CITY ADMINISTRATION, ENGINEERING, LEGAL, FISCAL, INTEREST DURING CONSTRUCTION, AND LAND ACQUISITION.

3. ASSESSMENT PERIOD

THE LENGTH OF PAYMENT PERIOD ON VARIOUS TYPES OF IMPROVEMENT PROJECTS SHALL BE AS FOLLOWS:

SANITARY SEWER	10-15 YEARS
WATERMAIN	10-15 YEARS
STORM SEWER	5-10 YEARS
STREET CONSTRUCTION	10-15 YEARS
STREET RESURFACING	3-7 YEARS

IN THE CASE WHERE SEVERAL OF THE IMPROVEMENTS LISTED ABOVE ARE INCLUDED IN THE SAME PROJECT, THE ASSESSMENT PERIOD WILL BE 10-15 YEARS. IN NO EVENT SHALL AN ASSESSMENT PERIOD EXCEED 15 YEARS.

4. ASSESSMENT INTEREST RATE

THE INTEREST RATE CHARGED ON ASSESSMENTS SHALL BE SET BY THE CITY COUNCIL. TYPICALLY, THE RATE IS SET AT ABOUT 2% OVER THE GENERAL OBLIGATION BOND RATE USED TO FUND THE PROJECT.

5. MUNICIPAL STATE-AID STREETS

MUNICIPAL STATE AID STREETS ARE ROUTES DESIGNATED BY THE CITY COUNCIL AND APPROVED BY THE COMMISSIONER OF TRANSPORTATION FOR INCLUSION IN THE CITY'S STATE AID SYSTEM. ALL ROUTES INCLUDED BEGIN AND END ON ANOTHER MUNICIPAL STATE AID ROAD, COUNTY STATE AID ROAD, OR TRUNK HIGHWAY.

6. MUNICIPAL STATE AID CONSTRUCTION FUNDS

MUNICIPAL STATE AID CONSTRUCTION FUNDS ARE MONIES APPORTIONED TO THE CITY FROM THE STATE TO BE USED FOR THE CONSTRUCTION OF ROUTES DESIGNATED ON THE MUNICIPAL STATE AID SYSTEM. ALL CONSTRUCTION FUNDED WITH THESE MONIES MUST BE DONE IN ACCORDANCE WITH THE MNDOT OFFICE OF STATE AID DESIGN CRITERIA.

7. PENDING ASSESSMENT

AN ASSESSMENT IS PENDING AGAINST A PARTICULAR PROPERTY IF THE CITY HAS DETERMINED THAT THE PROPERTY IS BENEFITED BY A PUBLIC IMPROVEMENT PROJECT WHICH HAS BEEN ORDERED OR CONSTRUCTED, BUT FOR WHICH AN ASSESSMENT HAS NOT YET BEEN LEVIED AGAINST THE PROPERTY.

8. CLASSIFICATION OF LOCAL IMPROVEMENT PROJECTS

LOCAL IMPROVEMENTS ARE DIVIDED INTO THE THREE CLASSES ACCORDING TO THEIR RESPECTIVE BENEFITS TO THE CITY AS A WHOLE AND TO PROPERTY SPECIALLY SERVICED BY THE IMPROVEMENT. THEY ARE CLASSIFIED AS FOLLOWS:

CLASS A. CLASS A IMPROVEMENTS ARE THOSE WHICH ARE OF GENERAL BENEFIT TO THE CITY AT LARGE. ANY SUCH IMPROVEMENTS SHALL BE FINANCED FROM GENERAL CITY FUNDS AND NOT FROM SPECIAL ASSESSMENTS. CLASS A IMPROVEMENTS INCLUDE NON-MOTORIZED PATHWAYS.

CLASS B. CLASS B IMPROVEMENTS ARE THOSE WHICH ARE OF BOTH GENERAL BENEFIT TO THE CITY AT LARGE AS WELL AS SPECIAL BENEFIT TO ABUTTING OR NEARBY PROPERTY. CLASS B IMPROVEMENTS INCLUDE CONSTRUCTION OR RECONSTRUCTION OF COLLECTOR OR ARTERIAL STREETS.

CLASS C. CLASS C IMPROVEMENTS ARE THOSE WHICH ARE PRIMARILY, IF NOT EXCLUSIVELY, OF BENEFIT TO PROPERTY ABUTTING OR IN THE AREA OF THE IMPROVEMENT,

INCLUDING THE CONSTRUCTION OF SIDEWALKS, THE
CONSTRUCTION OF STORM SEWERS, THE CONSTRUCTION
OR RECONSTRUCTION OF RESIDENTIAL STREETS AND ALLEYS.

III. STREET IMPROVEMENTS

A. DEFINITIONS

1. FEDERAL AND STATE HIGHWAYS

THESE STREETS ARE CLASSIFIED AS EXPRESSWAYS, FREEWAYS, AND MAJOR ARTERIALS CONSTRUCTED AND MAINTAINED BY THE MINNESOTA DEPARTMENT OF TRANSPORTATION. THEY CARRY LARGE VOLUMES OF TRAFFIC AT PEAK LOADING TIMES. IN FALCON HEIGHTS SNELLING AVENUE IS IN THIS CATEGORY.

2. COUNTY STATE AID HIGHWAYS (C.S.A.H.)/COUNTY ROAD

THESE STREETS ARE CLASSIFIED AS MAJOR AND MINOR ARTERIALS AND COLLECTORS CONSTRUCTED AND MAINTAINED BY THE RAMSEY COUNTY PUBLIC WORKS DEPARTMENT. THESE STREETS TYPICALLY CARRY HIGH VOLUMES OF TRAFFIC AT PEAK LOADING TIMES. IN FALCON HEIGHTS THE STREETS IN THIS CATEGORY INCLUDE LARPEN TEUR AVENUE, ROSELAWN AVENUE, HOYT AVENUE (EAST OF SNELLING), HAMLINE AVENUE, FAIRVIEW AVENUE, CLEVELAND AVENUE AND FULHAM STREET (NORTH OF LARPEN TEUR).

3. MUNICIPAL STATE AID (MSA) STREETS

THESE ARE STREETS WHICH INTERCONNECT COLLECTOR STREETS, STATE OR COUNTY HIGHWAYS, OR OTHER MUNICIPAL STATE AID STREETS. THEY ARE CONSTRUCTED AND MAINTAINED BY THE CITY.

BY THEIR DESIGNATION AS MSA ROUTES, THEY ARE ELIGIBLE FOR THE USE OF MUNICIPAL STATE AID CONSTRUCTION FUNDS. THE CITY'S DESIGNATED MUNICIPAL STATE AID ROUTES ARE SHOWN ON EXHIBIT 1 IN THE APPENDIX.

4. COLLECTOR STREETS

COLLECTOR STREETS ARE THOSE STREETS GENERALLY CONSIDERED TO COLLECT TRAFFIC FROM SPECIFIC AREAS OF THE CITY AND CONVEY IT TO ARTERIAL ROUTES. THESE STREETS HAVE LIMITED OR NO PROPERTY DIRECTLY ABUTTING THEM. THE DESIGNATED COLLECTOR STREETS ARE SHOWN ON EXHIBIT 2 IN THE APPENDIX.

5. RESIDENTIAL STREETS

THIS IS THE MINIMUM STREET DESIGN ACCEPTABLE AS A PUBLIC STREET WITHIN NEW SUBDIVISIONS OR DEVELOPMENTS. THEY CARRY RELATIVELY SMALL VOLUMES OF LOCAL NEIGHBORHOOD TRAFFIC. THE TYPICAL URBAN RESIDENTIAL STREET IS 30 FEET WIDE WITH CONCRETE CURB AND GUTTER AND A 9-TON DESIGN IN

ACCORDANCE WITH CURRENT MNDOT STANDARDS.

6. ALLEY

THESE ARE NARROW BITUMINOUS SURFACED DRIVING AREAS CONSTRUCTED WITHIN CITY RIGHTS-OF-WAY. THEY PROVIDE A MEANS OF INGRESS AND EGRESS TO THE REAR OF PROPERTY. THEY ARE TYPICALLY CONSTRUCTED TO A 9-TON DESIGN IN ACCORDANCE WITH CURRENT MNDOT STANDARDS.

7. APPURTENANCES

A. PATHWAYS

PATHWAYS MAY BE REQUIRED BY THE CITY ON OR ADJACENT TO SELECTED STREETS. THESE ARE GENERALLY ROUTES DEEMED TO CARRY HIGHER VOLUMES OF PEDESTRIAN TRAFFIC. THE CITY DESIGNATED PATHWAY ROUTES ARE SHOWN ON EXHIBIT 3 IN THE APPENDIX.

B. SIDEWALKS

SIDEWALKS MAY BE REQUIRED BY THE CITY ON OR ADJACENT TO SELECTED STREETS OR IN SELECTED SUBDIVISIONS. SIDEWALKS WOULD TYPICALLY BE INSTALLED BASED ON A REQUEST FROM ABUTTING PROPERTY OWNERS.

C. STREET LIGHTING

STREET LIGHTS MAY BE REQUIRED ON SELECTED STREETS.

D. TREES

TREES AND OTHER TYPES OF LANDSCAPING MAY BE REQUIRED ON SELECTED STREETS.

E. SEEDING/SODDING

BOULEVARD RESTORATION BY SEEDING/SODDING IS REQUIRED AS PART OF STREET IMPROVEMENT PROJECTS.

8. MAINTENANCE/REHABILITATION PROJECTS

A. COLD IN PLACE RECYCLING AND REPAVING (CIR/REPAVING)

COLD IN PLACE RECYCLING AND REPAVING SHALL BE PAID FOR WITH THE USE OF MSA FUNDS TO OFFSET THE PROJECT COSTS, WITH ASSESSMENTS AS NEEDED.

B. BITUMINOUS OVERLAY

BITUMINOUS OVERLAY PROJECTS SHALL BE PAID FOR WITH THE USE OF MSA FUNDS TO OFFSET THE PROJECT COSTS, WITH ASSESSMENTS AS NEEDED.

C. CRACK SEALING

CRACK SEALING IS A MAINTENANCE PROCEDURE FUNDED BY THE CITY.

D. BITUMINOUS SEAL COATING

BITUMINOUS SEAL COATING IS FUNDED BY THE CITY WITH NO ASSESSMENTS TO THE ABUTTING PROPERTY.

B. DETERMINING STREET ASSESSMENT RATES

1. NEW CONSTRUCTION

ALL NEW STREET CONSTRUCTION, REGARDLESS OF CLASSIFICATION OR DESIGN, SHALL BE TOTALLY ASSESSED TO BENEFITING PROPERTIES ON A FRONT FOOT BASIS.

2. RESIDENTIAL EQUIVALENT RATE

THE RESIDENTIAL EQUIVALENT RATE IS DEFINED AS THE COST FOR A RESIDENTIAL STREET SECTION WHEN THE ACTUAL PROJECT CONSISTS OF A HIGHER STANDARD STREET EITHER IN STRENGTH OR WIDTH. THE RESIDENTIAL EQUIVALENT RATE IS THE BASIS FOR DETERMINING THE RESIDENTIAL EQUIVALENT ASSESSMENT RATE.

3. RESIDENTIAL EQUIVALENT ASSESSMENT RATE

ALL RESIDENTIALLY ZONED PROPERTIES WITH FRONTAGE ABUTTING A STREET WHICH IS RECONSTRUCTED SHALL BE ASSESSED ON A FRONT FOOT BASIS AT THE RESIDENTIAL EQUIVALENT ASSESSMENT RATE. THIS RATE SHALL APPLY REGARDLESS OF THE STREET'S CLASSIFICATION (LOCAL, COLLECTOR, ARTERIAL, TRUNK HIGHWAY); DESIGNATION (COUNTY STATE AID HIGHWAY, MUNICIPAL STATE AID STREET); OR JURISDICTION (STATE, COUNTY OR CITY).

THE RESIDENTIAL EQUIVALENT ASSESSMENT RATE SHALL BE BASED ON A PORTION OF THE COST OF STREET CONSTRUCTION FOR A TYPICAL RESIDENTIAL STREET SECTION. THIS RESIDENTIAL EQUIVALENT ASSESSMENT RATE SHALL BE DETERMINED BY THE CITY

COUNCIL AND ESTABLISHED BY RESOLUTION FROM TIME TO TIME BASED UPON COMPARABLE PROJECT DATA AVAILABLE TO THE CITY.

4. TAX EXEMPT PROPERTIES

ALL PROPERTIES WITH TAX EXEMPT STATUS AND ABUTTING STREET RECONSTRUCTION IMPROVEMENTS SHALL BE ASSESSED 100% OF THE RESIDENTIAL EQUIVALENT RATE.

5. COMMERCIAL EQUIVALENT ASSESSMENT RATE

ALL COMMERCIALLY ZONED PROPERTIES WITH FRONTAGE ABUTTING A STREET WHICH IS RECONSTRUCTED SHALL BE ASSESSED ON A FRONT FOOT BASIS AT THE COMMERCIAL EQUIVALENT ASSESSMENT RATE. THIS RATE SHALL APPLY REGARDLESS OF THE STREETS CLASSIFICATION (LOCAL, COLLECTOR, ARTERIAL, TRUNK HIGHWAY); DESIGNATION (COUNTY STATE AID HIGHWAY, MUNICIPAL STATE AID STREET); OR JURISDICTION (STATE, COUNTY OR CITY).

THE COMMERCIAL EQUIVALENT ASSESSMENT RATE SHALL BE BASED ON 135% OF THE RESIDENTIAL EQUIVALENT STREET ASSESSMENT RATE. THIS COMMERCIAL EQUIVALENT ASSESSMENT RATE SHALL BE DETERMINED BY THE CITY COUNCIL AND ESTABLISHED BY RESOLUTION FROM TIME TO TIME BASED UPON COMPARABLE PROJECT DATA AVAILABLE TO THE CITY.

6. ALLEY

ALL NEW ALLEY CONSTRUCTION OR RECONSTRUCTION SHALL BE ASSESSED TO THE ABUTTING PROPERTIES AT A RATE DETERMINED BY THE CITY COUNCIL. THE ASSESSMENT SHALL BE ON A FRONT FOOT BASIS FOR THE PROPERTY FRONTAGE ON THE ALLEY.

7. APPURTENANCES

APPURTENANCES TO STREET PROJECTS EITHER REQUIRED BY THE CITY OR REQUESTED BY THE ABUTTING PROPERTIES MAY BE ASSESSED ALONG WITH THE COST OF THE STREET WITH THE FOLLOWING EXCEPTION.

A. PATHWAYS

PAVED OFF ROAD PATHWAYS DESIGNATED ON THE CITY'S PATHWAY PLAN ARE CONSIDERED TO BE OF CITY WIDE BENEFIT AND ARE FUNDED BY THE CITY.

B. LANDSCAPING

LANDSCAPING REQUIRED BY THE CITY COUNCIL IS CONSIDERED TO BE OF CITY-WIDE BENEFIT AND IS FUNDED BY THE CITY.

8. MAINTENANCE/REHABILITATION PROJECTS

A. COLD IN PLACE RECYCLING AND REPAVING (CIR/REPAVING)

COLD IN PLACE RECYCLING AND REPAVING SHALL BE ASSESSED TO THE ABUTTING PROPERTY ON A LOT BASIS.

B. BITUMINOUS OVERLAY

BITUMINOUS OVERLAY PROJECTS SHALL BE ASSESSED TO THE ABUTTING PROPERTY ON A LOT BASIS.

C. CRACK SEALING

CRACK SEALING IS A MAINTENANCE PROCEDURE FUNDED BY THE CITY.

D. BITUMINOUS SEAL COATING

BITUMINOUS SEAL COATING IS FUNDED BY THE CITY WITH NO ASSESSMENTS TO THE ABUTTING PROPERTY.

IV. STORM SEWER IMPROVEMENTS

A. DEFINITIONS

1. STORM SEWER IMPROVEMENT DISTRICT

THE CITY COUNCIL HAS ESTABLISHED A STORM SEWER TAX DISTRICT PURSUANT TO MINNESOTA STATUTE 444.16 THROUGH 444.21. THE CITY COUNCIL MAY, AT ITS DISCRETION, CONSTRUCT AND FINANCE STORM SEWER IMPROVEMENTS BY UTILIZING THIS FUND. THESE STATUTES ARE REPRODUCED IN THE APPENDIX.

2. STORM SEWER TRUNK FACILITIES

A. PONDS

A BASIN OR WETLAND CONSTRUCTED OR NATURALLY LOCATED WITHIN A PERMANENT EASEMENT FOR THE PURPOSE OF CONTAINING STORM RUNOFF. MAY BE EITHER A RETENTION (PERMANENT) POND, DETENTION (TEMPORARY) POND, OR A COMBINATION OF BOTH.

B. PIPE NETWORK

A NETWORK OF PIPES RANGING IN SIZE GENERALLY FROM 30 INCHES THROUGH 60 INCHES. THE TRUNK PIPE NETWORKS ARE DESIGNED TO COLLECT STORM RUN-OFF FROM AN AREA GENERALLY LARGER THAN 10 ACRES.

C. CHANNELS

AN OPEN DITCH CONVEYANCE NETWORK CONSTRUCTED WITHIN PERMANENT EASEMENTS FOR THE PURPOSES OF TRANSPORTING STORM RUN-OFF.

3. STORM SEWER LATERAL FACILITIES

A NETWORK OF PIPES RANGING IN SIZE GENERALLY FROM 12 INCHES TO 27 INCHES DESIGNED TO COLLECT STORM RUN-OFF FROM A SPECIFIED SMALL AREA TO A TRUNK FACILITY. THE LATERAL FACILITIES ALSO INCLUDE STREET OVERLAND FLOW AND INLET STRUCTURES SUCH AS CATCH BASINS, MANHOLES AND FLARED END SECTIONS.

B. DETERMINING STORM SEWER ASSESSMENT RATES

1. STORM SEWER TRUNK RATES

- A. DESIGN AND ESTIMATE THE TOTAL IMPROVEMENT COST OF THE ULTIMATE TRUNK SYSTEM NEEDED TO PROVIDE COMPLETE SERVICE TO EACH PROPERTY IN THE SERVICE DISTRICT CONSIDERED. ALSO, INCLUDE THE TOTAL COST OF ANY EXISTING FACILITIES AND/OR PREVIOUS STORM SEWER ASSESSMENTS TO BE CREDITED. THEN USE ONE HALF OF THE TOTAL IMPROVEMENT COST TO DETERMINE THE BASE ASSESSMENT RATE.
- B. DETERMINE THE BASE ASSESSMENT RATE BY DIVIDING ONE HALF OF THE ULTIMATE SYSTEM COST DESCRIBED ABOVE BY THE SUM TOTAL OF THE FOLLOWING:
 - 1) GROSS AREA OF SINGLE FAMILY RESIDENTIAL PROPERTIES TIMES 1.0
 - 2) GROSS AREA OF MULTI-UNIT RESIDENTIAL, PROPERTIES TIMES 1.50
 - 3) GROSS AREA OF COMMERCIAL PROPERTY TIMES 2.5
- C. ASSESSMENT RATES WOULD BE SET AS FOLLOWS:

THE BASE RATE SHALL APPLY TO SINGLE-FAMILY RESIDENTIAL PROPERTIES.
THE BASE RATE TIMES 1.50 SHALL APPLY TO MULTI-UNIT RESIDENTIAL PROPERTIES.
THE BASE RATE TIMES 2.5 SHALL APPLY TO COMMERCIAL PROPERTY.

2. STORM SEWER LATERAL RATES

ONE HALF OF THE LATERAL STORM SEWER PROJECT COSTS SHALL BE ASSESSED ON AN AREA BASIS. THIS METHOD WOULD BE SIMILAR TO DETERMINING THE STORM SEWER TRUNK RATES AS DESCRIBED IN SECTION IV(B)(1).

3. MUNICIPAL STATE AID CONSTRUCTION FUND CONTRIBUTIONS

WHEN A MUNICIPAL STATE AID STREET PROJECT INCLUDES STORM SEWER, EITHER TRUNK OR LATERAL, WHICH THE MINNESOTA DEPARTMENT OF TRANSPORTATION DETERMINES MAY BE FUNDED BY MUNICIPAL STATE AID CONSTRUCTION FUNDS, THE AMOUNT DETERMINED TO BE ACTUALLY FUNDED BY MNDOT MAY BE DEDUCTED FROM THE TOTAL IMPROVEMENT COSTS TO BE ASSESSED.

V. SANITARY SEWER/WATER IMPROVEMENTS

A. DEFINITIONS

1. SANITARY SEWER LATERALS

A NETWORK OF PIPES, USUALLY 8 INCH IN SIZE WHICH ARE INSTALLED 8-20 FEET DEEP AND ARE DESIGNED TO SERVE THOSE BUILDINGS ABUTTING A GIVEN STREET OR EASEMENT.

2. WATERMAIN LATERALS

A NETWORK OF WATER PIPES AND RELATED APPURTENANCES USUALLY 6 OR 8 INCHES IN SIZE WHICH ARE INSTALLED WITH ABOUT 8 FEET OF GROUND COVER TO RETARD FREEZING AND ARE DESIGNED TO SERVE THOSE BUILDINGS ABUTTING A GIVEN STREET OR EASEMENT. LATERAL MAINS ARE "LOOPEd" WHEREVER POSSIBLE TO BALANCE PRESSURES AND PREVENT PROBLEMS ASSOCIATED WITH "DEAD ENDS". APPURTENANCES TO THESE FACILITIES WOULD INCLUDE VALVES, FITTINGS, AND FIRE HYDRANTS.

3. SANITARY SEWER BUILDING SERVICES

THOSE PIPES, USUALLY 4 INCH OR 6 INCH IN SIZE LEADING FROM LATERALS WHICH SERVE INDIVIDUAL BUILDINGS. THESE SERVICES ARE PLUGGED AT THE PROPERTY LINE UNTIL SUCH TIME THAT A BUILDING IS CONNECTED TO THE SEWER SYSTEM. THE PROPERTY OWNER MUST MAKE ARRANGEMENTS WITH A LICENSED, BONDED PLUMBER TO COMPLETE THE SERVICE CONNECTION.

4. WATERMAIN BUILDING SERVICE

THOSE PIPES, USUALLY 3/4 TO 6 INCH IN SIZE LEADING FROM LATERALS WHICH SERVE INDIVIDUAL BUILDINGS. THE LINES TERMINATE AT THE PROPERTY LINE WITH A SHUT OFF VALVE AND ARE PLUGGED UNTIL SUCH TIME THE BUILDING IS CONNECTED TO THE WATER SYSTEM. THE PROPERTY OWNER MUST MAKE ARRANGEMENTS WITH A LICENSED, BONDED PLUMBER TO COMPLETE THE SERVICE CONNECTION.

5. SANITARY SEWER AVAILABILITY CHARGE (SAC)

THIS IS A CHARGE BILLED TO ALL PROPERTIES AT THE TIME OF CONNECTION TO THE SANITARY SEWER SYSTEM. THE CHARGE IS THE INDIVIDUAL PROPERTY SHARE OF THE COST OF THE INTERCEPTOR TRUNK AND TREATMENT FACILITIES WHICH MAKE SEWER SERVICE AVAILABLE. THE CHARGE IS BASED ON AN EQUIVALENT UNIT BASIS. THE METHOD USED TO CALCULATE THE

TOTAL NUMBER OF UNITS FOR ANY SPECIFIC PROPERTY AND THE CURRENT UNIT CHARGE ARE PROVIDED IN THE APPENDIX. THIS CHARGE MAY NOT BE ASSESSED AGAINST THE PROPERTY.

6. INFRASTRUCTURE REHABILITATION PROJECTS

ANY PROJECT OR PORTION OF A PROJECT WHICH RECONSTRUCTS AN EXISTING SANITARY SEWER/WATER FACILITY. A REHABILITATION PROJECT MAY OCCUR ON THE EXISTING ALIGNMENT OF THE SEWER/WATER LINE OR ON A NEW ALIGNMENT, THUS ALLOWING THE EXISTING LINE TO BE ABANDONED.

B. DETERMINING SANITARY SEWER ASSESSMENT RATES

1. NEW CONSTRUCTION

ALL NEW SANITARY SEWER AND WATER CONSTRUCTION SHALL BE TOTALLY ASSESSED TO THE BENEFITING PROPERTIES ACCORDING TO THE FOLLOWING METHOD:

A. SANITARY SEWER/WATER LATERAL RATES

THE BUILDING SERVICE ASSESSMENTS DESCRIBED BELOW WILL BE DEDUCTED FROM THE TOTAL IMPROVEMENT COST TO BE ASSESSED. THE AMOUNT REMAINING AFTER SAID DEDUCTIONS WILL BE ASSESSED BY THE FOLLOWING METHOD. THE RESULTING ASSESSMENT WILL BE KNOWN AS A LATERAL BENEFIT ASSESSMENT.

1) FRONT FOOTAGE BASIS

DETERMINE THE TOTAL ASSESSABLE FRONT FOOTAGE OF ALL LOTS RECEIVING LATERAL BENEFIT AND DIVIDE THE PROJECT COST BY THE TOTAL OF ASSESSABLE FRONT FOOTAGE. EACH LOT ASSESSMENT IS EQUAL TO THE TOTAL ASSESSABLE FRONT FOOTAGE PER UNIT MULTIPLIED BY THE FRONT FOOTAGE ASSESSMENT RATE.

B. BUILDING SERVICE

THE ASSESSMENT RATE FOR EACH SIZE OF BUILDING SANITARY/WATER SERVICE SHALL BE DETERMINED BY ADDING ALL THE COSTS ASSOCIATED WITH EACH SIZE OF SERVICE AND DIVIDING BY THE TOTAL NUMBER OF SERVICES CONSTRUCTED. EACH UNIT WILL BE ASSESSED AT THE DETERMINED RATE FOR EACH SIZE AND NUMBER OF SERVICES INSTALLED. THIS WILL BE KNOWN AS THE BUILDING SERVICE ASSESSMENT.

2. SANITARY SEWER RECONSTRUCTION

THE CITY HAS ESTABLISHED A "CAPITAL IMPROVEMENTS" FUND WHICH MAY BE USED FOR SANITARY SEWER RECONSTRUCTION PROJECTS.

3. WATER RECONSTRUCTION

THE CITY HAS ESTABLISHED A "WATER SURCHARGE" FUND WHICH MAY BE USED FOR WATER RECONSTRUCTION PROJECTS.

VI. HARDSHIP DEFERRAL OF ASSESSMENTS

A. ELIGIBILITY FOR DEFERRAL

1. THE CITY COUNCIL MAY APPROVE DEFERRAL OF PAYMENTS FOR HOMESTEAD PROPERTY AS AUTHORIZED BY MINNESOTA STATUTES 435.193 IF THE OWNER:
 - A) IS AT LEAST 65 YEARS OLD OR ON PERMANENT TOTAL DISABILITY RETIREMENT, AND
 - B) HAS ANNUAL GROSS INCOME FROM ALL SOURCES LESS THAN 50% OF THE LATEST MEDIAN INCOME AS DETERMINED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, AND
 - C) IS A PERSON FOR WHOM IT WOULD BE A HARDSHIP TO MAKE THE PAYMENTS.

2. THE DEFERRAL WILL LAST FOR NOT MORE THAN TEN YEARS AND WILL TERMINATE BEFORE TEN YEARS IF THE OWNER DIES AND THE SPOUSE IS NOT ELIGIBLE OR THE PROPERTY IS SOLD OR THE PROPERTY IS NO LONGER HOMESTEAD OR THE CITY COUNCIL DETERMINES THERE IS NO LONGER HARDSHIP TO REQUIRE IMMEDIATE OR PARTIAL PAYMENT.

3. THE CITY MAY DETERMINE THE AMOUNT OF INTEREST ON THE DEFERRED ASSESSMENT, WHETHER IT WILL BE SIMPLE INTEREST OR COMPOUND INTEREST, AND THE TIME THAT INTEREST PAYMENTS ARE TO BE MADE.

APPENDIX INDEX

	PAGE
1. TYPICAL MINNESOTA STATUTE 429 IMPROVEMENT PROJECT PROCESS	A-1 THRU A-4
2. TYPICAL PETITION FORMS	A-5
3. SAMPLE RESOLUTIONS	A-6 THRU A-16
4. SANITARY SEWER AVAILABILITY CHARGE UNITS	A-16/A-19
5. MINNESOTA STATUTE 444.16 - 444.21	A-20/A-21
6. HARDSHIP DEFERRAL OF ASSESSMENT	A-22 THRU A-26
7. BICYCLE/PEDESTRIAN TRAIL PLAN	A-26

IMPROVEMENT PROJECT PROCESS

1. PROJECT INITIATION

- A. PETITION OF MORE THAN 35 PERCENT OF AFFECTED PROPERTY OWNERS.
- B. CITY COUNCIL ACTION.

2. **RESOLUTION** ORDERING PREPARATION OF REPORT ON IMPROVEMENT AND DECLARING ADEQUACY OF PETITION IF APPROPRIATE.

NOTE: THIS RESOLUTION SHOULD BE PUBLISHED IN THE OFFICIAL NEWSPAPER AFTER ADOPTION. UNLESS THERE IS A CHALLENGE TO THE DETERMINATION OF ADEQUACY WITHIN 30 DAYS, THE DETERMINATION CANNOT BE CHALLENGED IN THE FUTURE.

3. ENGINEER'S REPORT

- A. FEASIBILITY OF PROPOSED IMPROVEMENT.
- B. WHETHER IMPROVEMENTS SHOULD BE MADE AS PROPOSED OR WITH OTHER IMPROVEMENT.
- C. COST OF IMPROVEMENT AS RECOMMENDED.

4. **RESOLUTION** RECEIVING THE FEASIBILITY REPORT AND CALLING FOR HEARING ON THE IMPROVEMENT.

NOTE: IF 100% OF AFFECTED PROPERTY OWNERS PETITION FOR THE IMPROVEMENT, THEY MAY ALSO WAIVE THEIR RIGHTS TO THIS PUBLIC HEARING.

5. NOTICE OF PUBLIC HEARING

- A. TIME AND PLACE OF HEARING.
- B. GENERAL NATURE OF IMPROVEMENT.
- C. ESTIMATED COST OF IMPROVEMENT.
- D. PROPOSED AREA TO BE ASSESSED.
- E. NOTICE MUST BE PUBLISHED TWICE (ONE WEEK APART) IN THE OFFICIAL NEWSPAPER; 3 DAYS MUST ELAPSE BETWEEN THE LAST PUBLICATION DATE

AND THE HEARING.

F. NOTICE MUST BE MAILED TO OWNER OF EACH PARCEL WITHIN THE AREA TO BE ASSESSED NOT LESS THAN 10 DAYS PRIOR TO THE HEARING.

6. **RESOLUTION** ORDER THE IMPROVEMENT AND PREPARATION OF PLANS AND SPECIFICATIONS.

NOTE: THIS ACTION MAY BE TAKEN ANY TIME WITHIN 6 MONTHS AFTER THE PUBLIC HEARING. BEYOND THAT A NEW PUBLIC HEARING MUST BE HELD. IF THE PROJECT WAS INITIATED BY PETITION OF THE OWNERS OF LESS THAN 35 PERCENT OF THE FRONTAGE, THIS RESOLUTION MUST BE ADOPTED BY AT LEAST A 4/5 VOTE.

7. **RESOLUTION** APPROVING THE PLANS AND SPECIFICATIONS AND ORDERING THE ADVERTISEMENT FOR BIDS.

NOTE: IF THE ESTIMATED CONSTRUCTION COST IS UNDER \$100,000 AT LEAST 10 DAYS MUST ELAPSE BETWEEN THE FIRST ADVERTISEMENT AND THE BID OPENING. OVER \$100,000 AT LEAST THREE WEEKS (21 DAYS) MUST ELAPSE.

8. **RESOLUTION** ACCEPTING THE BIDS AND DIRECTING THE MAYOR AND CITY ADMINISTRATOR TO ENTER INTO A CONTRACT WITH THE LOWEST RESPONSIBLE BIDDER MUST BE DONE WITHIN ONE YEAR OF RESOLUTION ORDERING IMPROVEMENT.

9. CONTRACTOR/CITY PAPERWORK PRIOR TO COMMENCING CONSTRUCTION.

- ISSUE NOTICE OF AWARD AND CONTRACT
- CONTRACTOR RESUBMITS SIGNED NOTICE OF AWARD, CONTRACT, PERFORMANCE BOND AND INSURANCE DOCUMENTS.
- PRE-CONSTRUCTION MEETING
 - DISCUSS SCHEDULING OF CONSTRUCTION
 - STAKING
 - CONFLICTS WITH UTILITIES
 - SPECIAL PROBLEMS
- ISSUE NOTICE TO PROCEED
- CONTRACTOR RESUBMITS SIGNED NOTICE TO PROCEED
- CONSTRUCTION BEGINS

10. DURING CONSTRUCTION PHASE, PARTIAL PAY ESTIMATES AND CHANGE ORDERS ARE PRESENTED TO THE CITY COUNCIL FOR ACTION.

11. **RESOLUTION** DETERMINING COST TO BE ASSESSED AND ORDERING THE PREPARATION OF PROPOSED ASSESSMENT ROLL.

12. CITY STAFF AND CITY ENGINEER PREPARE AND FILE ASSESSMENT ROLL.

13. NOTICE OF HEARING ON PROPOSED ASSESSMENT.

A. NOTICE MUST BE PUBLISHED ONE OR MORE TIMES IN THE OFFICIAL NEWSPAPER AT LEAST TWO WEEKS PRIOR TO THE MEETING. NOTICE MUST CONTAIN THE FOLLOWING ITEMS:

1) DATE, TIME AND PLACE OF HEARING.

2) GENERAL NATURE OF THE IMPROVEMENTS.

3) AREA PROPOSED TO BE ASSESSED.

4) TOTAL AMOUNT OF THE PROPOSED ASSESSMENT.

5) THAT THE PROPOSED ASSESSMENT ROLL IS ON FILE WITH THE CLERK.

6) THAT WRITTEN AND ORAL OBJECTIONS WILL BE CONSIDERED.

7) NO APPEAL OF THE AMOUNT OF ANY ASSESSMENT MAY BE MADE UNLESS A WRITTEN OBJECTION SIGNED BY PROPERTY OWNERS IS FILED WITH THE CLERK PRIOR TO THE HEARING OR PRESENTED TO THE PRESIDING OFFICER AT THE HEARING.

8) THAT AN APPEAL TO DISTRICT COURT MAY BE MADE BY SERVING NOTICE UPON THE MAYOR OR CLERK WITHIN 30 DAYS OF THE ADOPTION OF THE ASSESSMENT ROLL AND FILING SUCH NOTICE WITH THE DISTRICT COURT WITHIN 10 DAYS AFTER SERVICE UPON THE MAYOR AND CLERK.

9) WHETHER THE CITY HAS ADOPTED ANY DEFERMENT ORDINANCE OR RESOLUTION AND ITS BASIC SUBSTANCE.

10) SUBSTANCE OF MINNESOTA STATUTE 435.193 THROUGH 435.195.

B. NOTICE MUST BE MAILED TO EACH PARCEL OWNER DESCRIBED ON THE ASSESSMENT ROLL NOT LESS THAN TWO WEEKS PRIOR TO THE HEARING. IN ADDITION TO THE ITEMS LISTED ABOVE, THE MAILED NOTICE MUST INCLUDE THE FOLLOWING:

1) AMOUNT TO BE ASSESSED AGAINST THE PARTICULAR PARCEL.

- 2) THAT THE ASSESSMENT AMOUNT MAY BE PREPAID AND TO WHOM.
- 3) WHETHER PARTIAL PREPAYMENT HAS BEEN AUTHORIZED BY ORDINANCE.
- 4) TIME WITHIN WHICH PREPAYMENT MAY BE MADE WITHOUT INTEREST
- 5) RATE OF INTEREST TO BE ACCRUED IF ASSESSMENT IS NOT PREPAID.

14. PUBLIC HEARING AND **RESOLUTION** ADOPTING ASSESSMENT ROLL.

15. APPEALS TO DISTRICT COURT.

NOTE: IN ORDER TO APPEAL TO DISTRICT COURT, THE PROPERTY OWNER MUST SERVE NOTICE UPON THE MAYOR OR CITY CLERK WITHIN 30 DAYS OF ADOPTION OF THE ASSESSMENT ROLL. THEY CAN ONLY DO THIS AFTER HAVING FILED A WRITTEN SIGNED OBJECTION PRIOR TO THE ASSESSMENT HEARING OR HAVING PRESENTED SAME TO THE PRESIDING OFFICER AT THE HEARING. THE NOTICE OF APPEAL MUST BE FILED WITH THE CLERK OF THE DISTRICT COURT WITHIN TEN (10) DAYS AFTER SERVICE ON THE CITY.

Amount of Project Assessed to Residential Properties

Full Reconstruction = Upgrade to Concrete curb from no curb or bituminous curb, improvement of base material, new paving, boulevard and driveway restoration.

Partial Reconstruction = Minor repairs to existing concrete curb, improvement of base materials, new paving

Mill & Overlay = Grind off top portion of the existing asphalt pavement surface, repave the original or slightly thicker section.

N/A = These cities have not done this type of project.

	Columbia Heights	New Brighton	Blaine	Coon Rapids	Moundsview	Hopkins	Arden Hills	Roseville
Full Reconstruction	50%	100% of Curb + 25% of rest	N/A	50%	25%	70%	50%	25%
Partial Reconstruct	75%	25%	25%	50%	25%	70%	50%	25%
Mill & Overlay	85%	0%	N/A	N/A	25%	N/A	50%	0%
Sealcoat	100%	No	No	No	No	No	No	No
Basis of Cost Division	per Lot	per Lot	per Lot	per Lot	per Lot	front foot	per lot	front foot

Notes:

Establish a cost for a "typical" street. Approx. 50% of reconst cost.

The assessment process shall be carried out in accordance with Minnesota Statutes Chapter 429. The assessment rate shall be on a per-lot unit basis and shall be calculated and processed in accordance with the current Arden Hills Pavement Management Program and Assessment Policy.

Hardship Deferrals

Minnesota Statute No. 435.193 allows the City, at its own discretion, to defer the payment of any assessment for any homestead property, that is a primary place of residence, owned by a person sixty-five (65) years of age or older, or retired by virtue of a permanent and total disability for which it would be a hardship to make the payments. Under the hardship criteria, no payment amount is reduced or eliminated, but deferred to a future date. Eventually, a payment in full with interest will be due to the City/County.

The person filing for a senior deferment must be sixty-five (65) of age on or before December 31st of the assessment year.

In order to receive such a deferment, the affected person must establish the economic hardship that would be incurred to the reasonable satisfaction of the Arden Hills City Council by providing documentation showing an annual gross income less than fifty percent (50%) of the Ramsey County median household income as determined by the most recent census.

The deferral will last for a period of not more than ten (10) years, and will terminate before ten (10) years if any one of the following conditions is present:

- ? The owner of the property dies and the spouse is not eligible for a deferment;
- ? The property is sold;
- ? The property is no longer homestead;
- ? The City Council determines that there is no longer hardship incurred in immediately requiring either full or partial payment of the assessment.

The City reserves the right to periodically request verification of continued eligibility for a hardship deferral.

It should be noted that during the term of the deferral, interest will accrue. At the termination of the deferral period, interest and principal will be due in a lump sum amount.

An application for deferment of special assessments is available at the City Offices. It is the responsibility of the resident to submit a completed deferral form, along with tax documents, to the Finance Director for approval. This application must be filed within 30 days of the assessment role. The submission of a deferral form to the City does not automatically qualify a resident for the deferral. If a resident is approved for the deferral, the City staff will notify the resident of the approval. The City staff on a periodic basis may request the resident to verify their eligibility.