

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

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

WORKSHOP AGENDA

1. Garden Avenue Sidewalk/Safe Routes to Schools Grant Proposal
2. 2008 Sanitary Sewer Rate/Budget Discussion

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

FROM: Justin Miller, City Administrator

RE: Garden Avenue Sidewalk/Safe Routes to Schools Grant Proposal

Explanation:

At our October 3rd city council workshop, staff presented ideas about a sidewalk along Garden Avenue between Snelling and Hamline. The impetus behind this was to address the council goals of improving and adding pathways in the city, increasing pedestrian activity, and to take advantage of a Safe Routes to Schools grant opportunity. The city council directed staff to do the following:

- Conduct more research into feasibility of constructing the sidewalk
- Solicit input from residents along the north side of Garden Avenue

Findings:

Staff met with the city engineer and determined that while a sidewalk behind the curblin would be feasible, there are a few problems that would need to be addressed:

- The driveways at 1811 Simpson and 1810 Arona are already short and barely allow for storage of vehicles without overhanging into the street. If a sidewalk was installed behind the curblin, parking in these driveways would be impossible without blocking the sidewalk. It would make parking in a number of other driveways very tight without having the vehicle overhang across the sidewalk.
- While moving the sidewalk behind the curblin (instead of along the street in the parking lane) would reduce the overall costs by eliminating some storm sewer replacement costs, there are a few storm sewer relocations that would still need to be made which would reduce any projected cost savings.
- It is questionable whether or not the trees adjacent to the Falcon Heights United Church of Christ parking lot would be able to be saved in their current location. Trees along the front of Falcon Heights Elementary School would also be impacted, and their survival would be in doubt.

Letters were sent to the eleven residences along the north side of Garden Avenue. Five households responded, and all expressed their desire not to add the sidewalk. Their main concerns were as follows:

- Increased maintenance responsibilities (snow removal)
- Loss of green space/increase of impervious surface
- Would not want to be assessed for the portion of sidewalk on their property
- Unsure of need/safety impacts
- Loss of driveway space

Recommendation:

The deadline for submittal of the SRTS grant is November 16th. Therefore, city council approval would need to occur at our November 14th meeting. If the council wishes to proceed with the grant application, staff will prepare the appropriate materials in time for the November 14th meeting.

October 4, 2007

Re: Proposed Garden Avenue Sidewalk

Dear Neighbor:

Over the past several years, we have periodically received requests from residents in your neighborhood for a sidewalk along Garden Avenue. As you are aware, this route is heavily used by students walking to and from Falcon Heights Elementary. It is also often used by residents in the neighborhood for dog walking, pushing strollers, and general exercise.

Recently the City of Falcon Heights learned of a grant opportunity through the Minnesota Department of Transportation called Safe Routes to Schools. This competitive grant provides money to cities and school districts to construct pedestrian improvements which encourage safe alternatives for children to walk and bike to school. The city council has adopted goals of encouraging pedestrian activity and increasing the number of pathways and sidewalks in the city, so this grant is a perfect opportunity to address these goals.

A preliminary plan has been suggested that would create a sidewalk along the north side of Garden Avenue between Hamline Avenue and the Snelling Service Drive. This sidewalk would be similar to the new sidewalk along Roselawn, in that it would be behind the curb in existing city right-of-way. However, it would replace some of the grass you currently maintain as part of your lawn.

This neighborhood has no interior sidewalks, so all pedestrian activity is done at street level. We feel that this amenity will be a positive addition to the neighborhood and provide a safe route for not only children walking to school but also a safe alternative for all pedestrians in the neighborhood. We are in the very preliminary stages of this project, so detailed designs have not been drawn up. Before doing this, we want to gauge interest from the homeowners who would be most impacted, those of you on the north side of Garden Avenue who would have the proposed sidewalk in the right-of-way adjacent to your property.

If this project were to proceed, below is an estimated timeline:

- November 14th City Council approves grant application
- November 16th Grant application due to MnDOT
- Early spring 2008 Notification of grant acceptance/denial

If the grant is awarded,

- Spring 2008 Designs finalized
- Summer 2008 Construction of project

I realize that many there will probably be many questions that cannot be sufficiently answered by

this letter. We would be very interested in your questions, comments and suggestions, so please feel free to contact me by phone at (651) 792-7611 or by email at justin.miller@falconheights.org. The input we receive will be very instrumental in deciding whether or not to proceed with this project, so please let us know your thoughts.

Sincerely,

Justin Miller
City Administrator

cc: Mayor and City Council

Falcon Heights Safe Routes to School Proposed Path



CITY OF FALCON HEIGHTS
2077 W. Larpentour Avenue
Falcon Heights, MN 55113

 Proposed Path
Streets

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

FROM: Justin Miller, City Administrator, Roland Olson, Finance Director

Re: 2008 Sanitary Sewer Rate/Budget Discussion

At our October 3rd city council workshop, the council reviewed the proposed 2008 budgets for enterprise, special revenue, and debt service funds. At that time, staff recommended that sanitary sewer rates be increased from \$39/quarter to \$45/quarter (a \$2/month increase). The city council asked that staff bring back some additional information including:

- Comparable city data
- Impact on ratepayers
- Breakout of usage by the Minnesota State Fair and the University of Minnesota

As we have tried to minimize the impact of levy increase on the general fund, we have moved more expenses to enterprise funds. The result has been increasing pressure on keeping enterprise fund rates constant. We have also added significant preventative maintenance expenses (annual televising and cleaning schedules) which impact the health of the sanitary sewer fund, yet are necessary due to the age of our infrastructure. The table below outlines the effect on cash flow with alternate sanitary sewer rates:

Proposed 2008 Rate	Positive (Negative) Cash Flow
\$39/quarter (no change)	(\$41,025)
\$42/quarter (\$1/mo increase)	\$2,436
\$43.50/quarter (\$1.50/mo increase)	\$24,168
\$45/quarter (\$2/mo increase)	\$45,898

The above rates reflect flat rate charges for residential properties. Each residence is charged the same amount no matter how much water is used. Commercial properties are billed based on water usage, and past practice has been to increase their rate in a percentage equal to the rate increase on residential rates.

Attached to this report is the information requested. Staff will have more detailed information, including flow contribution levels for our commercial and institutional users, at our workshop on November 7th.

SANITARY SEWER (601)

ACCOUNT NUMBER	ACCOUNT TITLE	ACTUAL 2005	ACTUAL 2006	BUDGET 2007	ESTIMATED 2007	BUDGET 2008	COMPARE 2007 BUDGET TO 2006 BUDGET	COMPARE 2007 BUDGET TO ESTIMATED 2006
REVENUES:								
<i>CHARGES FOR SERVICES</i>								
34180	SANITARY SEWER CHARGES	500,304	583,600	528,000	565,000	565,000	7.0%	0.0%
34181	SANITARY SEWER PENALTIES	0	0	0	0	0		
34183	OTHER CHARGES	0	0	0	0	0		
34192	SAC CHARGES	30,450	0	10,800	0	11,500	6.5%	
36100	SPECIAL ASSESSMENTS	0	0	0	0	0		
	TOTAL CHARGES FOR SERVICES	530,754	583,600	538,800	565,000	576,500	7.0%	2.0%
<i>MISCELLANEOUS</i>								
36211	INTEREST ON INVESTMENTS	33,435	62,277	38,000	36,000	35,000	-7.9%	-2.8%
36213	LOAN INTEREST	0	0	0	0	0		
36400	MISCELLANEOUS	0	0	0	0	0		
	TOTAL MISCELLANEOUS	33,435	62,277	38,000	36,000	35,000	-7.9%	-2.8%
	TOTAL REVENUES	564,189	645,877	576,800	601,000	611,500	6.0%	1.7%
<i>OTHER FINANCING SOURCES</i>								
25315	CONTRIBUTED CAPITAL	0	10,550	0	0	0		
39200	TRANSFERS	0	0	0	0	0		
	TOTAL OTHER FINANCING SOURCES	0	10,550	0	0	0		
	TOTAL REVENUES & OTHER FINANCING SOURCES	564,189	656,427	576,800	601,000	611,500	6.0%	1.7%
EXPENSES:								
<i>COMPENSATION</i>								
60100	REGULAR SALARIES	26,406	42,271	42,560	43,700	48,000	12.8%	9.8%
60520	PART-TIME EMPLOYEES	2,088	562	4,120	1,500	2,000	-51.5%	33.3%
61000	OVERTIME WAGES	0	0	100	0	0	-100.0%	
64011	PERA CONTRIBUTIONS	1,611	1,914	2,660	2,690	3,000	12.8%	11.5%
64012	FICA CONTRIBUTIONS	2,391	3,281	3,575	3,400	2,830	-20.8%	-16.8%
64031	HOSPITALIZATION	3,598	3,888	5,610	8,350	9,513	69.6%	13.9%
64032	DENTAL	445	476	520	755	472	-9.2%	-37.5%
64033	LONG-TERM DISABILITY	59	62	55	105	105	90.9%	0.0%
64034	LIFE INSURANCE	91	96	100	195	195	95.0%	0.0%
	TOTAL COMPENSATION	36,689	52,550	59,300	60,695	66,115	11.5%	8.9%
<i>MATERIALS & SUPPLIES</i>								
70100	SANITARY SEWER SUPPLIES	354	168	700	600	600	-14.3%	0.0%
70120	TOOLS	507	0	200	178	200	0.0%	12.4%
70500	POSTAGE	0	0	0	0	0		
74000	MOTOR FUEL & LUBRICANTS	243	0	400	300	400	0.0%	33.3%
	TOTAL MATERIALS & SUPPLIES	1,104	168	1,300	1,078	1,200	-7.7%	11.3%
<i>OTHER SERVICES & CHARGES</i>								
80100	ENGINEERING	0	0	1,000	1,000	2,000	100.0%	100.0%
80310	AUDIT	950	1,066	1,100	1,114	1,150	4.5%	3.2%
85011	TELEPHONE - LANDLINE	0	634	700	680	700	0.0%	2.9%
85015	CELL PHONE	0	547	675	725	740	9.6%	2.1%
85020	ELECTRIC	254	254	450	340	360	-20.0%	5.9%
85060	METRO SEWER CHARGES	392,165	394,688	420,000	379,057	440,000	4.8%	16.1%
85070	SAC CHARGES	30,450	0	10,800	0	11,500	6.5%	

85080	PORTABLE TOILET - PARKS	0	973	0	0	0			
86030	CONFERENCES & SCHOOLS	54	0	300	50	100	-66.7%	100.0%	
87000	REPAIR EQUIPMENT	0	5,763	5,000	1,300	5,000	0.0%	284.6%	
87090	REPAIR EQUIP - STUB	1,109	58	60	0	60	0.0%		
87100	TELEVISIONING & COMMERCIAL JETTING	0	0	0	60,196	20,000		-66.8%	
87200	SEWER LINE REPAIRS	0	0	0	0	23,200			
87300	ROOT TREATMENT	0	0	0	0	10,000			
87600	DEPRECIATION	19,693	21,971	18,660	21,000	21,000	12.5%	0.0%	
88000	INSURANCE & BONDS	0	1,317	1,600	970	1,200	-25.0%	23.7%	
88030	ONE CALL CONCEPTS-LOCATES	0	1,726	1,200	1,000	1,200	0.0%	20.0%	
88500	BILLING FEE-UTILITIES	10,383	10,985	10,600	10,900	11,000	3.8%	0.9%	
89000	MISCELLANEOUS	3,864	2,207	3,400	900	1,000	-70.6%	11.1%	
	TOTAL OTHER SERVICES & CHARGES	458,921	442,190	475,545	479,232	550,210	15.7%	14.8%	
	CAPITAL OUTLAY								
91000	MACHINERY & EQUIPMENT	0	12,812	0	0	0			
92000	SANITARY INFRASTRUCTURE	0	0	0	0	0			
	TOTAL CAPITAL OUTLAY	0	12,812	0	0	0			
	TOTAL EXPENDITURES	496,715	507,719	536,145	541,005	617,525	15.2%	14.1%	
	OTHER FINANCING USES								
97000	TRANSFERS	0	225,000	0	0	0			
	TOTAL OTHER FINANCING USES	0	225,000	0	0	0			
	TOTAL EXPENDITURES & OTHER FINANCING USES	496,715	732,719	536,145	541,005	617,525	15.2%	14.1%	
	NET ASSETS - JANUARY 1	1,639,108	1,706,582	1,630,290	1,630,290	1,690,285	3.7%	3.7%	
	NET INCOME (LOSS)	67,474	(76,292)	40,655	59,995	(6,025)	-114.8%	-110.0%	
	NET ASSETS - DECEMBER 31	1,706,582	1,630,290	1,670,945	1,690,285	1,684,260	0.8%	-0.4%	

ESTIMATED

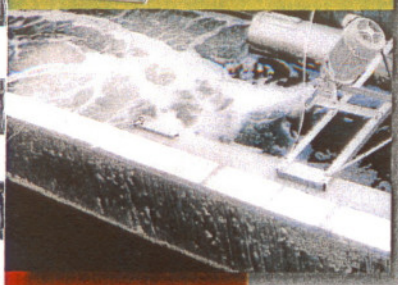
STATEMENT OF CASH FLOWS
SANITARY SEWER FUND
For Year Ending December 31, 2XXX

	Year Ending 31-Dec 2005	Year Ending 31-Dec 2006	Estimated Year Ending 31-Dec 2007	Estimated Year Ending 31-Dec 2008	Estimated Year Ending 31-Dec 2008 (\$1/ mo incr) 42/qtr	Estimated Year Ending 31-Dec 2008 (\$1.50/mo incr) 43.50/qtr	Estimated Year Ending 31-Dec 2008 (\$2/mo incr) 45/qtr
CASH FLOWS- OPERATING ACTIVITIES:	35/qtr	39/qtr	39/qtr	39/qtr			
Receipts from Customers and Users	470,691	559,484	565,000	565,000	608,461	630,193	651,923
Receipts from SACS charged to users	30,450						
Payment to Suppliers	(407,596)	(466,873)	(480,310)	(539,910)	(539,910)	(539,910)	(539,910)
Payments to Employees	(36,257)	(52,362)	(60,695)	(66,115)	(66,115)	(66,115)	(66,115)
Net Cash Flows - Operating Activities	57,288	40,249	23,995	(41,025)	2,436	24,168	45,898
CASH FLOWS -CAPITAL AND RELATED FINANCING ACTIIVITES:							
Acquisition Capital Assets	(10,326)	(12,229)	0	0	0	0	0
Transfer to Storm Drain for 2006 Drainage Project		(225,000)					
	(10,326)	(237,229)	0	0	0	0	0
CASH FLOWS - INVESTING ACTIVITIES:							
Investment Income	31,540	65,977	36,000	35,000	35,000	35,000	35,000
Net Increase (decrease) in Cash and Cash Equivalents	78,502	(131,003)	59,995	(6,025)	37,436	59,168	80,898
Cash and Cash Equivalents - January 1	1,497,747	1,576,249	1,445,246	1,505,241	1,505,241	1,505,241	1,505,241
Cash and Cash Equivalents - December 31	1,576,249	1,445,246	1,505,241	1,499,216	1,542,677	1,564,409	1,586,139

Estimated Community Retail Sanitary Sewer Charges

Annual Charges for One- and Two- Family Residences

Community	2006 Annual Cost	2007 Annual Cost
1 Falcon Heights	\$156	\$156
2 Lauderdale	\$168	\$168
3 Maplewood	\$169	\$169
4 Roseville	\$155	\$174
5 Columbia Heights	\$152	\$175
6 Little Canada	\$180	\$180
7 St. Anthony	\$198	\$198
8 Shoreview	\$210	\$224
9 New Brighton	\$223	\$234
10 Mounds View	\$190	\$241
11 Vadnais Heights	\$200	\$272
12 St. Paul	\$315	\$326



WASTEWATER SYSTEMS BY METRO/STATE

The graphs depict typical monthly residential wastewater utility bills for those municipalities who responded to the survey separated by Minneapolis / St. Paul Metro Area and State. The bills are based on 7,500 gallons per month.

MINNEAPOLIS / ST. PAUL METRO AREA

