

**CITY OF FALCON HEIGHTS**  
**Regular Meeting of the City Council**  
**City Hall**  
**2077 W. Larpenteur Ave.**

**AGENDA**  
**11/14/01**

- A. CALL TO ORDER: 7 p.m.
- B. ROLL CALL:       GEHRZ \_\_\_\_ KUETTEL \_\_\_\_ LAMB \_\_\_\_  
                          LINDSTROM \_\_\_\_ TALBOT \_\_\_\_  
                          WORTHINGTON \_\_\_\_ PHILLIPS \_\_\_\_  
                          ATTORNEY \_\_\_\_ ENGINEER \_\_\_\_
- C. COMMUNITY FORUM:
- D. APPROVAL OF MINUTES: October 24, 2001
- E. PUBLIC HEARING: None
- F. CONSENT AGENDA:
1. General disbursements through 11/9/01, \$28,000.04  
Payroll, 10/16/01 to 10/30/01, \$10,863.39
  2. Municipal Business and Christmas Tree Sales License
  3. Approval of the third partial pay estimate to Hardrives, Inc. for the Northome  
Street Repairs and Alley Improvements Project
  4. Adoption of resolution 01-27 eliminating the 2002 debt levy on general obligation debt
  5. Authorize an additional \$5,200 for sidewalk repair in the University Grove
- G. POLICY AGENDA:
1. Purchase of a new network server for the administrative offices
  2. Approval of pager contract for staff
  3. Establish Storm Drainage Fund 602 as a new enterprise fund and close the  
Special Revenue Sewer Fund 202 as of January 1, 2001
  4. Request for action on the option to waive the statutory tort limits under the  
LMCIT insurance plan
  5. Resolution 01-29 authorizing the transfer of excess 1999 Street Improvement  
Project capital funds to the 2001 Alley Improvement Project capital fund

H. INFORMATION ONLY

1. Letter and rate sheet for St. Paul Water Utility 2002 water rates

I. REPORTS FROM COUNCILMEMBERS:

J.. INFORMATION AND ANNOUNCEMENTS:

K. ADJOURN TO WORKSHOP

1. 2002 Budget
2. Permit and License Fee discussion
3. Employee benefit discussion

***CITY OF FALCON HEIGHTS***  
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                      LINDSTROM \_\_\_ TALBOT \_\_\_  
                      WORTHINGTON \_\_\_ PHILLIPS \_\_\_  
                      ATTORNEY \_\_\_ ENGINEER \_\_\_
- C. COMMUNITY FORUM:
- D. APPROVAL OF MINUTES: October 24, 2001 **(Tab #1)**
- E. PUBLIC HEARING: None
- F. CONSENT AGENDA:
1. General disbursements through 11/9/01, \$28,000.04  
Payroll, 10/16/01 to 10/30/01, \$10,863.39 **(Tab #2)**
  2. Municipal Business and Christmas Tree Sales License **(Tab #3)**
  3. Approval of the third partial pay estimate to Hardrives, Inc. for the Northome  
Street Repairs and Alley Improvements Project **(Tab #4)**
  4. Adoption of resolution 01-27 eliminating the 2002 debt levy on general obligation debt  
**(Tab #5)**
  5. Authorize an additional \$5,200 for sidewalk repair in the University Grove **(Tab #6)**
- G. POLICY AGENDA:
1. Purchase of a new network server for the administrative offices **(Tab #7)**
  2. Approval of pager contract for staff **(Tab #8)**
  3. Establish Storm Drainage Fund 602 as a new enterprise fund and close the  
Special Revenue Sewer Fund 202 as of January 1, 2002 **(Tab #9)**
  4. Request for action on the option to waive the statutory tort limits under the  
LMCIT insurance plan **(Tab #10)**
  5. Resolution 01-29 authorizing the transfer of excess 1999 Street Improvement  
Project capital funds to the 2001 Alley Improvement Project capital fund  
**(Tab #11)**

H. INFORMATION ONLY

1. Letter and rate sheet for St. Paul Water Utility 2002 water rates **(Tab #12)**

I. REPORTS FROM COUNCILMEMBERS:

J.. INFORMATION AND ANNOUNCEMENTS:

K. ADJOURN TO WORKSHOP

1. 2002 Budget
2. Permit and License Fee discussion
3. Employee benefit discussion

City of Falcon Heights  
City Council Minutes  
October 24, 2001

**DRAFT**

The meeting was called to order by Mayor Gehrz at 7:00 p.m.

PRESENT: Gehrz, Kuettel, Lamb, Lindstrom, Talbot. Also present was Heather Worthington, City Administrator

ABSENT: Deputy Clerk Phillips

COMMUNITY FORUM: There was no one wishing to speak at this forum.

APPROVAL OF MINUTES: The minutes of October 10, 2001 were approved with a minor correction

#### CONSENT AGENDA

Councilmember Talbot moved to approve the following consent agenda. The motion passed unanimously.

1. General disbursements and payroll
2. Christmas tree sales license
3. Authorization to transfer State Fire Aid amount for 2001 of \$31,005.0 to the Falcon Heights Fire Relief Association account
4. Appointment of firefighter

#### PRESENTATION

Administrator Worthington gave some information on the Kids Voting program which is being spearheaded by the Roseville Rotary. Worthington said the program started in Minnesota in 1994 and promotes and encourages kids to vote with parents at their polling place. The program is designed for grades K through 12. Worthington said studies have shown that communities with this program in place have had a 6% increase in voter turnout among eligible voters and promotes civic pride. It also provides kids with an opportunity to learn about the candidates and current issues and the importance of being an informed voter. Council asked about the cost of such a program and Worthington said it would be about \$7,500 districtwide with the cost to have the program at Falcon Heights School running about \$500. This covers having a teacher in service to the school district and providing curriculum about democracy and voting. Worthington asked the council to consider encouraging and supporting this program beginning in 2002. Councilmember Lindstrom recommended placing the program on an upcoming agenda for council action. Mayor Gehrz suggested a resolution be drafted supporting the program.

#### INFORMATION AND ANNOUNCEMENTS

Councilmember Talbot inquired about leaf pick up and Administrator Worthington said leaves will most likely be swept in early November.

Councilmember Lindstrom thanked the fire department for the open house that was held at the fire station on October 13th.

Mayor Gehrz reminded everyone of the Town Meeting which will be held on November 15 at City Hall from 7 – 9 p.m. This is part of the Falcon Heights Fights Back meeting that was held October 29th. Gehrz said there will be presentations from public safety officials, the University of Minnesota and the state fairgrounds. Notice of the meeting will be given to every resident the first week of November.

Administrator Worthington said another meeting on the SE corner redevelopment project will be held with residents and the developer. The date is set for December 4th at 7 p.m. Notices will be sent to the residents.

#### ADJOURN

The meeting adjourned to a workshop at 7:35 p.m.

Respectfully submitted,

Pat Phillips  
Deputy Clerk

CONSENT 1  
Meeting Date: 11/14/01

ITEM DESCRIPTION: Disbursements

SUBMITTED BY: Roland Olson, Finance Director

EXPLANATION/SUMMARY:

1. General disbursements through 11/9/01, \$28,000.04
2. Payroll, 10/16/01 to 10/30/01, \$10,863.39

ACTION REQUESTED: Approval

APPROVAL OF BILLS  
 PERIOD ENDING: 11/9/01\_

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
40497	GOVERNMENT TRAINING SERV.	2001 MAYOR CONF REGISTRA	LEGISLAT	120.00
40536	LEAGUE OF MN CITIES	2001 POLICY ADOPT-MAYOR	LEGISLAT	60.00
	LILLIE SUBURBAN NEWSPAPER	ACCURACY TEST	LEGISLAT	4.90
	LILLIE SUBURBAN NEWSPAPER	OFFICIAL BALLOT	LEGISLAT	83.81
	LILLIE SUBURBAN NEWSPAPER	ORD 00-03 BLDG CODE	LEGISLAT	35.53
	*** TOTAL FOR DEPT 11			304.24
	AMERICAN OFFICE PRODUCTS	TONER/BINDERS/CLIPS/FLDR	ADMINIST	92.23
	AMERICAN OFFICE PRODUCTS	NAME PLATES	ADMINIST	7.46
	ICMA RETIREMENT TRUST 457	NOV/01 WORTHINGTON	ADMINIST	100.00
40536	LEAGUE OF MN CITIES	2001 POLICY ADOPT-HEATHR	ADMINIST	60.00
	LEAGUE OF MN CITIES	SEXUAL HARASSMENT TNG	ADMINIST	75.00
	MIDWAY CHAMBER COMMERCE	MEMBERSHIP-HEATHER	ADMINIST	175.00
	NCPERS GROUP LIFE INS	11/01 PHILLIPS	ADMINIST	12.00
40498	PERA	OCT 16-31 PERA WITH	ADMINIST	1,103.32
	PIONEER PRESS	SUBSCRIPTION	ADMINIST	104.52
	ROSEVILLE ROTARY CLUB	ROTARY CLUB MEETING EXPS	ADMINIST	251.00
	LYNN & ASSOCIATES	CONSULTING	ADMINIST	120.00
	*** TOTAL FOR DEPT 12			2,100.53
	CAMPBELL KNOTSON	OCT/01 LEGAL SVCS	LEGAL	881.00
	*** TOTAL FOR DEPT 14			881.00
	FBN, INC	PC ISSUES/ SET UP	COMMUNIC	170.00
	INSTY-PRINTS PLUS	ELECTIONS STAMP	COMMUNIC	30.83
	MCI WORLDCOM RES SVC	LONG DISTANCE CHRGS	COMMUNIC	6.24
40537	SUBURBAN ACE HARDWARE	PROPANE TORCH/OPEN HOUSE	COMMUNIC	30.87
	QWEST	TELE 11/1	COMMUNIC	595.37
	VALLEY CASTING	AMERICAN FLAG PINS	COMMUNIC	105.00
	*** TOTAL FOR DEPT 16			938.31
	DEBORAH JONES	REIMB LAND USE CONF EXPS	PLANNING	232.66
	HERMES FLORAL COMPANY	TOKEN OF APPRECTN/KUTZIK	PLANNING	24.00
	*** TOTAL FOR DEPT 17			256.66
	XCEL ENERGY	ELECT 10/17	EMERGENC	6.28
	FASTSIGNS	TOWN HALL BANNER	EMERGENC	107.36
	KINKO'S INC.	COPYING/F.H. FIGHTS BACK	EMERGENC	634.74
	*** TOTAL FOR DEPT 21			748.38
40496	HUGHES & COSTELLO	OCT PROSECUTIONS	PROSECUT	2,586.50
	HUGHES & COSTELLO	NOV PROSECUTIONS	PROSECUT	2,672.75
	*** TOTAL FOR DEPT 23			5,259.25
	AMERIPRIDE LINEN&APPAREL	LINEN CLEANING FIRE HALL	FIRE FIG	43.55
	FIRE EQUIPMENT SPECIALTIE	6 BATTERY PACKS/ CLOTHIN	FIRE FIG	300.27
	FIRE EQUIPMENT SPECIALTIE	GLOVES	FIRE FIG	45.08
	FIRE INSTRUCTORS ASSN. MN	FIRE TNG BOOK	FIRE FIG	31.95
	LEAGUE OF MN CITIES	SEXUAL HARASSMENT TNG	FIRE FIG	75.00
	MINNESOTA CONWAY	RECHARGE FIRE EXT	FIRE FIG	44.00
40495	MARY RIGNEY	SEPT/OCT FIRE HALL CLEAN	FIRE FIG	180.00
	SUPERAMERICA	FUEL	FIRE FIG	43.77



APPROVAL OF BILLS  
 PERIOD ENDING: 11/9/01\_

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
	SUPERIOR PRINTWEAR	T-SHIRTS/SWEATS/PANTS	FIRE FIG	1,164.80
	QWEST	TELE 11/1	FIRE FIG	161.06
	*** TOTAL FOR DEPT 24			2,089.71
	BROWNING-FERRIS IND.	NOV/01 WASTE REMOVAL	CITY HAL	267.74
	BOARD OF WATER COMMISSNRS H2O		CITY HAL	146.43
	BOARD OF WATER COMMISSNRS S.S.		CITY HAL	16.90
40499	HOME DEPOT CRC/GECP	THERMOSTAT/LIGHT BULBS	CITY HAL	48.01
40499	HOME DEPOT CRC/GECP	CLEANING SOLUTION	CITY HAL	21.31
	M-75 BUILDING MAINTENANCE	OCT/01 CLEANING	CITY HAL	221.41
	XCEL ENERGY	ELECT 10/29	CITY HAL	756.24
	XCEL ENERGY	GAS 10/28	CITY HAL	63.77
	OXYGEN SERVICE COMPANY	TANK RENTALS	CITY HAL	10.00
40537	SUBURBAN ACE HARDWARE	RESPIRATOR MASK/KEY	CITY HAL	19.13
40537	SUBURBAN ACE HARDWARE	FASTENERS/ GLOVES/ BITS	CITY HAL	65.44
	UNITED LABORATORIES	BATHROOM SUPPLIES	CITY HAL	53.94
	VERIZON WIRELESS	CELL PHONE CHRGS	CITY HAL	10.57
	*** TOTAL FOR DEPT 31			1,700.89
	GOPHER SIGN COMPANY	8 WATCHOUT CHILDREN SIGN	STREETS	368.16
40499	HOME DEPOT CRC/GECP	2 PLANKS FOR TRL BED RPR	STREETS	17.08
	MUSKA ELECTRIC CO.	CHECK SIGN LIGHT/PHOTOCE	STREETS	72.85
	XCEL ENERGY	ELECT 10/30	STREETS	8.58
	XCEL ENERGY	ELECT 10/30	STREETS	9.79
	XCEL ENERGY	ELECT 10/28	STREETS	37.40
	XCEL ENERGY	ELECT 10/28	STREETS	7.92
	XCEL ENERGY	ELECT 10/28	STREETS	78.11
	XCEL ENERGY	ELECT 10/28	STREETS	68.72
	XCEL ENERGY	ELECT 10/28	STREETS	2,003.30
	XCEL ENERGY	ELECT 10/29	STREETS	81.62
	XCEL ENERGY	ELECT 10/29	STREETS	8.78
	XCEL ENERGY	ELECT 10/29	STREETS	61.34
	RAMSEY CTY PUBLIC WORKS	CENTER STRIPE ST PAINTNG	STREETS	545.75
	TRI-STATE BOBCAT INC	PARTS FOR BOBCAT	STREETS	11.98
	*** TOTAL FOR DEPT 32			3,381.38
	NRG PROCESSING SOLUTIONS	TREE TRIMMINGS DISPOSAL	TREE PRO	69.25
40537	SUBURBAN ACE HARDWARE	TRIMMING EQUIP PARTS	TREE PRO	36.19
	*** TOTAL FOR DEPT 34			105.44
	BOARD OF WATER COMMISSNRS H2O		PARK & R	11.66
	BOARD OF WATER COMMISSNRS S.S.		PARK & R	33.80
	FLANAGAN SALES, INC.	REPLACE BROKEN PLAY EQUI	PARK & R	390.21
	HONEYWELL INC.	4TH QTR SECURITY	PARK & R	112.25
	ICMA RETIREMENT TRUST 457	NOV/01 TRETSVEN	PARK & R	100.00
	ICMA RETIREMENT TRUST 457	NOV/01 MAERTZ	PARK & R	100.00
	MARGOLIS BROTHERS	6 3" RED TWIG DOGWOOD	PARK & R	69.49
	NRG PROCESSING SOLUTIONS	BRUSH DISPOSAL	PARK & R	22.50
	NCPERS GROUP LIFE INS	11/01 MAERTZ	PARK & R	12.00
	XCEL ENERGY	ELECT/GAS 10/20 COMM PK	PARK & R	377.14
	XCEL ENERGY	ELECT 10/28	PARK & R	21.73
	XCEL ENERGY	PROTECTIVE LIGHTING	PARK & R	22.82
	XCEL ENERGY	ELECT/GAS CURTIS	PARK & R	43.42

APPROVAL OF BILLS  
 PERIOD ENDING: 11/9/01\_

CHECK#	VENDOR NAME	DESCRIPTION	DEPT.	AMOUNT
	ON SITE SANITATION	PORTABLE TOILET RENTAL	PARK & R	70.65
40537	SUBURBAN ACE HARDWARE	FILTER/FASTENER/DRILLBIT	PARK & R	30.59
40537	SUBURBAN ACE HARDWARE	FERTILIZER	PARK & R	19.05
	UNITED LABORATORIES	BATHROOM SUPPLIES	PARK & R	53.93
	VERIZON WIRELESS	CELL PHONE CHRGS	PARK & R	21.14
	QWEST	TELE 10/22	PARK & R	111.01
	FASTSIGNS	9/1 SIGN FOR COMM PARK	PARK & R	53.62
	*** TOTAL FOR DEPT 41			1,677.01
	INSTY-PRINTS PLUS	PLAYROOM/OPEN GYM	PARK PRO	75.57
	*** TOTAL FOR DEPT 50			75.57
	E-Z RECYCLING, INC.	OCT/01 RECYCLING CHRGS	SOLID WA	2,559.40
	*** TOTAL FOR DEPT 56			2,559.40
	FIRE EQUIPMENT SPECIALTIE	REPES FOR FIRE TRK 752	FIRE & R	522.72
	*** TOTAL FOR DEPT 64			522.72
	GOPHER SIGN COMPANY	8 NEW WATCHOUT KIDS SIGN	PUBLIC W	368.17
	GOPHER SIGN COMPANY	4 NEW STOP SIGNS	PUBLIC W	244.92
	GOPHER SIGN COMPANY	NEW CITY FALCON HGT SIGN	PUBLIC W	161.69
	PHONES 'N THINGS	VANDELPROOF SPEAKER PHON	PUBLIC W	531.43
	*** TOTAL FOR DEPT 65			1,306.21
	HOWARD GREEN COMPANYC.	FIXED ASSET INVENTORY	INFRASTR	153.75
	*** TOTAL FOR DEPT 71			153.75
	SUPERAMERICA	FUEL	SANITARY	145.72
	QWEST	TELE TO 11/1	SANITARY	58.59
	*** TOTAL FOR DEPT 75			204.31
	SHORT ELLIOTT HENDRICKSON	SE CORNER ISSUES	COMM. DE	1,617.40
	*** TOTAL FOR DEPT 79			1,617.40
	GOPHER SIGN COMPANY	REPLACEMENT SIGNS	NORTHOME	76.61
	*** TOTAL FOR DEPT 88			76.61
	HOWARD GREEN COMPANYC.	ENGINEERING 2001 ALLEYS	2001 ALL	2,042.07
	*** TOTAL FOR DEPT 89			2,042.07
	*** TOTAL FOR BANK 01			28,000.84
	*** GRAND TOTAL ***			28,000.84

## CHECK REGISTER

CHECK TYPE	CHECK DATE	EMPLOYEE NAME NUMBER	CHECK NUMBER	CHECK AMOUNT
COM	10 30 01	6 SUSAN GEHRZ	31326	302.45
COM	10 30 01	12 LAURA A. KUETTEL	31327	277.05
COM	10 30 01	13 PETER C. LINDSTROM	31328	277.05
COM	10 30 01	14 RICHARD P. TALBOT JR	31329	277.05
COM	10 30 01	15 ROBERT E LAMB	31330	277.05
COM	10 30 01	34 CLEMENT KURHAJETZ	31331	276.98
COM	10 30 01	35 LEO LINDIG	31332	64.64
COM	10 30 01	42 MICHAEL D. CLARKIN	31333	94.67
COM	10 30 01	74 MARK J. ALLEN	31334	55.41
COM	10 30 01	1003 HEATHER WORTHINGTON	31341	1198.29
COM	10 30 01	1007 PATRICIA PHILLIPS	31342	1033.21
COM	10 30 01	1013 WILLIAM MAERTZ	31343	1382.30
COM	10 30 01	1033 DAVE TRETSEVEN	31344	1049.33
COM	10 30 01	1036 KEVIN KELLY	31345	150.06
COM	10 30 01	1038 DEBORAH K JONES	31346	486.72
COM	10 30 01	1039 CRAIG A. STIER	31347	191.09
COM	10 30 01	1089 KATHLEEN A. CIERNIA	31348	435.79
COM	10 30 01	1103 DIANE MEYER	31349	498.69
COM	10 30 01	1136 ROLAND O. OLSON	31350	1100.00
COM	10 30 01	1143 COLIN B. CALLAHAN	31351	589.17
COM	10 30 01	1165 MEGAN M. MURPHY	31352	120.52
COM	10 30 01	1173 ELIZABETH M. POSTIGO	31353	321.30
COM	10 30 01	1175 LAURA M SUPPES	31354	72.67
COM	10 30 01	1176 MICHAEL P ECKBERG	31355	23.44
COM	10 30 01	1178 PETER M. FISCHER	31356	82.96
COM	10 30 01	1183 ALEX D. EVANS	31357	62.33
COM	10 30 01	1187 SUSAN ENGEL	31358	15.06
COM	10 30 01	1188 NICOLE S GRAHAM	31359	96.17
COM	10 30 01	1190 COLLEEN SPANGENBERG	31360	51.94
		COMPUTER CHECKS		10863.39
		MANUAL CHECKS		.00
		NOTICES OF DEPOSIT		.00
		****TOTALS****		10863.39

CONSENT 2  
Meeting Date: 11/14/01

ITEM DESCRIPTION: Licenses

SUBMITTED BY: Pat Phillips, Licensing Coordinator

REVIEWED BY: Heather Worthington, City Administrator

EXPLANATION/SUMMARY:

**MUNICIPAL BUSINESS LICENSE**

Packaging & Freight, Inc. (formerly The Packaging Store)  
1538 W. Larpenteur Ave.

Lic. No. 01-636

**CHRISTMAS TREE SALES LICENSE**

Forestry Club, Ltd. Lic. #.01/02 - 102  
2096 W. Larpenteur Ave.

Falcon Heights/Lauderdale Lions Club Lic. #01/02 - 103  
2050 W. Roselawn Ave.

ACTION REQUESTED: Approval

**Consent 3**  
**11/14/01**

**ITEM: Approval of the third partial pay estimate to Hardrives, Inc. for the Northome Street Repairs and Alley Improvements Project**

**SUBMITTED BY: Heather Worthington, City Administrator**

**REVIEWED BY: John Anderson, P.E., H.R. Green Company**

**EXPLANATION:**

Summary: The Council is being asked to approve the third partial pay estimate for the 2001 Northome Street Repair and Alley Improvements Project. The total amount budgeted for this project is \$625,213.82.

The total for this pay estimate is \$202,112.09. This includes \$212,749.57 earned, minus a retainage of \$10,637.48. The major pay items included in this pay estimate are bituminous milling, wear course paving, and sod. The contractor has substantially completed this project, and this pay estimate represents the final quantities. The total construction cost of this project was \$446,215.01, while the original contract was \$449,385.80. This included a substantial amount of work added for mill and overlay of all the Northome blocks of Iowa, Idaho and California Avenue.

The engineers have assembled a minor list of clean-up work to be done, and will work with the contractor to ensure that these items are addressed. They have inspected the work, and recommend payment of the Partial Pay Estimate No. 3. A fourth, and final pay estimate to release the retainage will be submitted this winter after all the final paperwork is completed.

In addition, MnDOT granted the State Aid Variance needed to obtain the State Aid Plan Approval for release of MSA funds, and those funds should be available shortly.

**ATTACHMENTS:**

Second Partial Payment Estimate

**ACTION REQUESTED:**

Approval of the third partial pay estimate to Hardrives, Inc. for the Northome Street Repairs and Alley Improvements Project in the amount of \$202,112.09.

PARTIAL PAYMENT ESTIMATE

NO. 3 ( FINAL)

FROM: July 31, 2001  
TO: October 12, 2001

CONTRACTOR: HARDRIVES, INC.  
ADDRESS: 14475 QUIRAM DRIVE, ROGERS, MN 55374  
OWNER: CITY OF FALCON HEIGHTS, MINNESOTA  
PROJECT: 2001 STREET REPAIRS AND ALLEY IMPROVEMENTS

COMPLETION DATE: August 10, 2001  
AMOUNT OF CONTRACT:  
ORIGINAL: \$449,385.80  
REVISED: \$491,385.80

ITEM NO.	SPEC. REF.	DESCRIPTION	UNIT	CONTRACT ITEMS		THIS PERIOD		TOTAL TO DATE	
				QTY.	UNIT PRICE	QTY.	AMOUNT	QTY.	AMOUNT

**SCHEDULE 1.0 - STREET REPAIRS**

1	2104.5	REMOVE CONCRETE CURB AND GUTTER	LF	5000	2.70	0	\$0.00	3323.1	\$8,972.37
2	2104.5	REMOVE CONCRETE WALK	SF	3300	0.87	0	\$0.00	2392	\$2,081.04
3	2104.5	REMOVE BITUMINOUS PAVEMENT (FULL DEPTH)	SY	3200	2.36	0	\$0.00	1796.1	\$4,238.80
4	2104.5	REMOVE CONCRETE PAVEMENT (FULL DEPTH)	SY	300	9.20	2.4	\$22.08	236.7	\$2,177.64
5	2104.5	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LF	300	5.12	20	\$102.40	24.3	\$124.42
6	2104.5	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LF	8500	1.25	0	\$0.00	60	\$75.00
7	2105.5	TOPSOIL BORROW (CV)	CY	850	13.20	392	\$5,174.40	392	\$5,174.40
8	2211.5	AGGREGATE BASE CLASS 5	TON	1450	10.90	404	\$4,403.60	1843.72	\$20,096.55
9	2231.5	MILL BITUMINOUS SURFACE (0-2" DEEP)	SY	12000	1.40	19849	\$27,788.60	19849	\$27,788.60
10	2331.5	TYPE 41 WEARING COURSE MIXTURE	TON	1150	34.50	2435	\$84,007.50	2435	\$84,007.50
11	2331.5	TYPE 41 WEARING COURSE MIXTURE (PATCHING)	TON	300	59.26	0	\$0.00	0	\$0.00
12	2331.5	TYPE 31 BASE COURSE MIXTURE (PATCHING)	TON	350	47.99	189	\$9,070.11	538.1	\$25,823.42
13	2521.5	4" CONCRETE WALK	SF	3300	3.85	286.2	\$1,101.87	3442.6	\$13,254.01
14	2531.5	CONCRETE CURB AND GUTTER DESIGN B618	LF	8000	8.75	520	\$4,550.00	7823.1	\$68,452.13
15	2531.5	6" CONCRETE DRIVEWAY PAVEMENT	SY	175	34.10	0	\$0.00	0	\$0.00
16	2531.6	7" CONCRETE VALLEY GUTTER	SY	50	39.00	0	\$0.00	38.4	\$1,497.60
17	2531.6	6" CONCRETE APRON	SY	150	34.00	0	\$0.00	352.8	\$11,995.20
18	2537.5	BITUMINOUS MATERIAL FOR TACK COAT	GAL	700	1.12	1300	\$1,456.00	1665	\$1,864.80
19	2563.6	TRAFFIC CONTROL	LS	1	5,000.00	0.5	\$2,500.00	1	\$5,000.00
20	2575.5	SODDING TYPE LAWN	SY	7500	1.95	7187.4	\$14,015.43	7187.4	\$14,015.43
21	SPEC	ADJUST CATCH BASIN FRAME AND CASTING	EA	4	275.00	6	\$1,650.00	8	\$2,200.00
22	SPEC	RECONSTRUCT CURB INLET	EA	4	850.00	1	\$850.00	5	\$4,250.00
23	SPEC	SUBGRADE STAND. PROCTOR TEST	EA	2	112.00	0	\$0.00	0	\$0.00
24	SPEC	SUBGRADE DENSITY TEST, IN PLACE	EA	6	94.60	0	\$0.00	0	\$0.00
25	SPEC	CLASS 5 GRADATION TEST	EA	2	83.40	0	\$0.00	0	\$0.00
26	SPEC	CLASS 5 STAND. PROCTOR TEST	EA	2	112.00	0	\$0.00	0	\$0.00
27	SPEC	CLASS 5 DENSITY TEST, IN PLACE	EA	6	83.50	0	\$0.00	0	\$0.00
28	SPEC	CONCRETE TESTING	EA	4	222.50	0	\$0.00	4	\$890.00
29	SPEC	BITUMINOUS NUCLEAR DENSITY TESTING	EA	6	105.65	0	\$0.00	0	\$0.00
T		<b>SCHEDULE 1.0 - STREET REPAIRS - TOTAL</b>					<b>\$156,692.00</b>		<b>\$303,978.91</b>

ITEM NO.	SPEC. REF.	DESCRIPTION	UNIT	CONTRACT ITEMS		THIS PERIOD		TOTAL TO DATE	
				QTY.	UNIT PRICE	QTY.	AMOUNT	QTY.	AMOUNT

**SCHEDULE 2.0 - ALLEY RECONSTRUCTION**

1	2101.5	CLEARING (36"<)	TREE	2	445.00	0	\$0.00	0	\$0.00
2	2101.5	GRUBBING (36"<)	TREE	2	167.00	0	\$0.00	0	\$0.00
3	2104.5	REMOVE CONCRETE CURB AND GUTTER	LF	100	19.35	0	\$0.00	295	\$5,708.25
4	2104.5	REMOVE BITUMINOUS PAVEMENT (FULL DEPTH) (P)	SY	3500	2.45	0	\$0.00	3500	\$8,575.00
5	2104.5	REMOVE BITUMINOUS PAVEMENT (FULL DEPTH)	SY	750	3.50	100.7	\$352.45	517.9	\$1,812.65
6	2104.5	REMOVE CONCRETE PAVEMENT (FULL DEPTH)	SY	175	11.90	0	\$0.00	66.3	\$788.97
7	2104.5	SAWING CONCRETE PAVEMENT (FULL DEPTH)	LF	250	4.12	0	\$0.00	32	\$131.84
8	2104.5	SAWING BITUMINOUS PAVEMENT (FULL DEPTH)	LF	500	2.00	0	\$0.00	759	\$1,518.00
9	2105.5	COMMON EXCAVATION (P)	CY	1675	13.15	402	\$5,286.30	1697.8	\$22,326.07
10	2105.5	SUBGRADE EXCAVATION	CY	250	22.75	0	\$0.00	115.9	\$2,636.73
11	2105.5	TOPSOIL BORROW (CV)	CY	300	19.70	14	\$275.80	14	\$275.80
12	2105.6	SOIL STABILIZATION GEOGRID	SY	500	1.75	0	\$0.00	420.6	\$736.05
13	2130.5	WATER FOR DUST CONTROL	MGAL	15	22.00	0	\$0.00	5	\$110.00
14	2211.5	AGGREGATE BASE CLASS 5	TON	2200	13.45	147.9	\$1,989.26	1073.02	\$14,432.12
15	2211.6	AGGREGATE 2" CLEAR (100% CRUSHED)	TON	425	24.25	17.14	\$415.65	107.84	\$2,615.12
16	2231.5	MILL BITUMINOUS SURFACE (1.5" DEEP)	SY	250	7.98	967	\$7,716.66	967	\$7,716.66
17	2331.5	TYPE 41 WEARING COURSE MIXTURE	TON	410	40.70	541.7	\$22,047.19	541.7	\$22,047.19
18	2331.5	TYPE 31 BASE COURSE MIXTURE	TON	385	37.00	181	\$6,697.00	496.45	\$18,368.65
19	2503.5	12" RC PIPE SEWER DESIGN 3006 CLASS V	LF	330	32.00	0	\$0.00	336	\$10,752.00
20	2503.6	CONNECT TO EXISTING MH (STORM)	EA	1	500.00	0	\$0.00	1	\$500.00
21	2506.5	27" DIA CB - TYPE H	EA	1	2,450.00	0	\$0.00	2	\$4,900.00
22	2531.5	CONCRETE CURB AND GUTTER DESIGN B618	LF	100	15.45	0	\$0.00	101.3	\$1,565.09
23	2531.5	CONCRETE CURB AND GUTTER DESIGN SURMOUNTABLE	LF	100	15.45	0	\$0.00	61.4	\$948.63
24	2531.5	6" CONCRETE DRIVEWAY PAVEMENT	SY	175	35.00	0	\$0.00	3.9	\$136.50
25	2531.5	BITUMINOUS DRIVEWAY PAVEMENT	SY	450	14.80	450	\$6,660.00	450	\$6,660.00
26	2531.6	7" CONCRETE VALLEY GUTTER	SY	15	40.00	0	\$0.00	0	\$0.00
27	2531.6	6" CONCRETE APRON	SY	35	35.00	0	\$0.00	43.5	\$1,522.50
28	2537.5	BITUMINOUS MATERIAL FOR TACK COAT	GAL	200	2.20	300	\$660.00	300	\$660.00
29	2563.6	TRAFFIC CONTROL	LS	1	1,670.00	0.5	\$835.00	1	\$1,670.00
30	2575.5	SODDING TYPE LAWN	SY	2000	2.50	1248.9	\$3,122.25	1248.9	\$3,122.25
31	SPEC	SALVAGE AND REINSTALL ROCK GARDEN	SY	25	45.00	0	\$0.00	0	\$0.00
32	SPEC	SUBGRADE STAND. PROCTOR TEST	EA	2	112.00	0	\$0.00	0	\$0.00
33	SPEC	SUBGRADE DENSITY TEST, IN PLACE	EA	10	85.00	0	\$0.00	0	\$0.00
34	SPEC	CLASS 5 GRADATION TEST	EA	2	85.00	0	\$0.00	0	\$0.00
35	SPEC	CLASS 5 STAND. PROCTOR TEST	EA	2	112.00	0	\$0.00	0	\$0.00
36	SPEC	CLASS 5 DENSITY TEST, IN PLACE	EA	6	85.00	0	\$0.00	0	\$0.00
37	SPEC	CONCRETE TESTING	EA	2	223.00	0	\$0.00	0	\$0.00
38	SPEC	BITUMINOUS NUCLEAR DENSITY TESTING	EA	6	106.00	0	\$0.00	0	\$0.00

T SCHEDULE 2.0 - ALLEY RECONSTRUCTION -- TOTAL \$56,057.57 \$142,236.07

T THIS AMOUNT THIS PERIOD-TOTAL \$212,749.57

T TOTAL AMOUNT TO DATE-TOTAL \$446,215.01

ITEM NO.	SPEC. REF.	DESCRIPTION	UNIT	CONTRACT ITEMS		THIS PERIOD:		TOTAL TO DATE	
				QTY.	UNIT PRICE	QTY.	AMOUNT	QTY.	AMOUNT

	TOTAL THIS PERIOD	TOTAL TO DATE
AMOUNT EARNED	\$212,749.57	\$446,215.01
AMOUNT RETAINED	\$10,637.48	\$22,310.75
MATERIAL ON SITE	\$0.00	\$0.00
MATERIAL DEDUCT.	\$0.00	\$0.00
PREVIOUS PAYMENTS		\$221,792.17
AMOUNT DUE	\$202,112.09	\$202,112.09



I hereby certify that all items and amounts shown by this pay estimate are correct for the work completed to date.

**CONTRACTOR:** HARDRIVES, INC.

**BY:** *David R. Hood*

**TITLE:** *U.P.*

**DATE:** *10-30-01*

Based on the ENGINEER'S on-site inspections as an experienced and qualified design professional and on review of application for payment and the accompanying data and schedules, the ENGINEER has determined, to the best of his knowledge and belief, that the quantities shown by this estimate are correct and that, based on such inspections and review, that the work has progressed to the point indicated (subject to an evaluation of such work as a functioning Project upon Substantial Completion, to the results of any subsequent tests required by the Contract Documents, and to any qualifications stated in his recommendation), and that payment of the amount recommended is due Contractor's; but by recommending any payment, the ENGINEER will not thereby be deemed to have reviewed the means, methods, sequences, techniques, or procedures of construction or safety precautions or programs incident thereto or that the ENGINEER has made any examination to ascertain how or for what purpose any Contractor has used the monies paid on account of the Contract Price, or that title to any of the work, materials, or equipment has passed to the Owner free and clear of any lien, claims, security interests or encumbrance or that the Contractor's) have completed their work exactly in accordance with the Contract Documents.

**ENGINEER:** HOWARD R. GREEN COMPANY

**BY:** *John M. Anders*

**TITLE:** *Project Engineer*

**DATE:** *11/2/01*

Approved by Owner/Commission

**CITY OF FALCON HEIGHTS, MINNESOTA**

**BY:** \_\_\_\_\_

**TITLE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**Consent 4**  
**11/14/01**

**ITEM: Adoption of resolution 01-27 eliminating the 2002 debt levy on general obligation debt**

**SUBMITTED BY: Heather Worthington, City Administrator**

**REVIEWED BY: Roland Olson, Finance Director**

**EXPLANATION:**

Summary: The Council is being asked to approve resolution 01-27 agreeing not to levy for the general obligation bonds of 1993 and 1999A in the amount of \$242,504.00. The City pays for these funds through its infrastructure fund that it saves to pay for the non-assessed portion of projects.

**ACTION REQUESTED:**

Adoption of Resolution 01-27

**CITY OF FALCON HEIGHTS**

**COUNCIL RESOLUTION**

No. 01-27

Date: November 14, 2001

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**A RESOLUTION ELIMINATING THE 2002 DEBT LEVY ON GENERAL  
OBLIGATION DEBT**

WHEREAS, the city council of the city of Falcon Heights has sufficient funds on hand in the Debt Service Funds; and

WHEREAS, this amount is strictly reserved for the debt payment on the General Obligation Improvement Bonds of 1993, and the General Obligation Improvement Bonds of 1999A,

NOW THEREFORE BE IT RESOLVED, by the city council of the City of Falcon Heights that the following be removed from the 2002 tax levy:

G.O. Improvement Bonds 1993	\$114,100.00
G.O. Improvement Bonds 1999A	\$128,404.00
Total Reduction	\$242,504.00

---

Moved by: \_\_\_\_\_

Approved by: \_\_\_\_\_  
Mayor

\_\_\_\_\_ Date

Gehrz  
Lamb  
Lindstrom  
Kuettel  
Talbot

Attested by: \_\_\_\_\_  
City Administrator

\_\_\_\_\_ Date

\_\_\_\_\_ In Favor

\_\_\_\_\_ Against

Consent  
11/14/01

ITEM: Authorize an additional \$5,200.00 dollars for sidewalk repairs in the Grove.

SUBMITTED BY: Bill Maertz, Director of Parks and Public Works

REVIEWED BY: Heather Worthington, City Administrator

EXPLANATION:

Summary: The Council is being asked to authorize an additional \$5,200.00 for sidewalk repairs for 2001. This money will be taken from next year's allocation of \$15,000.00. A change in the way sidewalk panels were marked contributed to the contractor replacing more panels than were in the bid. Although these panels were not in this year's bid, they were trip hazards that would have been replaced next year.

ATTACHMENT:

Letter from Project Engineer John Anderson

ACTION REQUESTED:

Authorize an additional \$5,200.00 for sidewalk repairs in 2001.



# Howard R. Green Company

November 9, 2001  
File: 815370J-0325

Mr. Bill Maertz  
City of Falcon Heights  
2077 Larpenteur Avenue West  
Falcon Heights, MN 55113-5551

RE: 2001 SIDEWALK IMPROVEMENTS

Dear Mr. Maertz:

As requested, we have measured the work to date that Midwest Concrete, Inc. has completed on this project. The total measured area for 4" concrete is 1709.75 square feet, and the total measure area for 6" concrete is 247.5 square feet. This will result in total cost of \$12,211.48, based on the bid unit price of \$6.10 (SF) for 4" concrete and \$7.20 (SF) for 6" concrete. The original contract amount of this project is \$10,402.50. The attached table details the extra work that was completed.

Also in our attached tabulation, we also included an estimate of the work to be completed within the contract. The estimate of work to be complete the contract totals \$2,851.75. The extra work that has been completed to date totals \$1,808.98. If all work specified in the bid is completed, the total cost will be \$15,063.23.

As there has been no sidewalk work in the Grove area in recent years, we assessed the condition of the sidewalks, marking all defects. We ranked these conditions on a scale from 1 to 3, based on our field observations. We then eliminated the portions of sidewalk that were in better condition and included what we estimated to be \$10,000 of work for the worst sidewalk in the bid. Quotes were requested from several contractors and two bids were received. The low bid was \$10,402.00 from Midwest Concrete.

When construction began, the Contractor started work with the assumption that all the marked sidewalk was to be included. The Contractor contacted the City when he became aware there may be an overrun in the quantities.

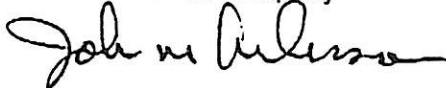
The additional areas completed by the Contractor were areas that would eventually require replacement. The additional work appears to have been the result of miscommunication in the administration of the work. This is partly due to the fact that we did not remark the areas specifically included in the bid. This situation demonstrates the importance of receiving a schedule from the Contractor and holding a preconstruction conference prior to commencing with any project.

Mr. Bill Maertz  
November 9, 2001  
Page Two

We are available at your convenience to meet or discuss this matter.

Sincerely,

Howard R. Green Company



John M. Anderson, P.E.  
Project Engineer

JMA:tw  
Attch.

cc: Heather Worthington, City of Falcon Heights  
Bill Mosier, Midwest Concrete, Inc.

**ITEM:** Purchase of a new network server for the administrative offices

**SUBMITTED BY:** Heather Worthington, City Administrator

**REVIEWED BY:** Dale Holtberg, Computer Consultant

**EXPLANATION:**

Summary: The City's current network server was installed approximately six years ago. Most of the desktop computers the city owns now exceed the memory and processing capability of the server itself. Additionally, the server recently lost its second drive, and is now unable to read from, or save to that drive. City staff backs up the server frequently, however, it is only a matter of time before the second drive fails on the server. This would effectively shut down the network which serves the administrative and public works offices, as well as eliminate our ability to receive and send e-mail for a time.

Staff is proposing the replacement of the server with the following server:

Dell PowerEdge 500SC  
512MB SDRAM  
20GB IDE Hard Drive  
PowerVault 100T DDS4 Tape Backup

We would continue to run our existing network software, for which we have the current upgrades.

We estimate the cost of this replacement to be as follows:

<i>Server:</i>	<i>\$2,500</i>
<i>Installation:</i>	<i>\$3,500</i>
<b>Total:</b>	<b>\$6,000</b>

Staff recommends the use of general capital funds for this purchase. The current balance in that fund is \$17,883.96. The major capital expenditure planned for 2001, new voting machines, was delayed until 2002, which accounts for a majority of the revenue available.

**ACTION REQUESTED:**

- Discussion
- Authorization of staff to purchase and have installed a new network server.

**ITEM: Approval of pager contract for staff**

**SUBMITTED BY: Heather Worthington, City Administrator**

**REVIEWED BY: Roland Olson, Finance Director**

**EXPLANATION:**

Summary: To ensure that staff can be easily contacted in the event of an emergency, I am recommending that certain staff begin carrying a numerical pager immediately.

The staff required to carry a pager will be:

- City Administrator
- Deputy Clerk
- Finance Director
- Public Works Director
- Senior Public Works Maintenance Worker

The City can receive five pagers under the following contract:

Pager Cost: \$40 each with a \$40 rebate=\$0

Monitoring: \$3.75 per month/2 year contract

**Total Cost for two years monitoring and five pagers: \$450.00**

The yearly cost will be paid out of emergency preparedness funds. This is a government rate. Staff will only be contacted in the event of a serious emergency. All other emergency protocols, such as standard sewer calls, will continue.

**ACTION REQUESTED:**

- Discussion
- Approval of expenditure of \$450.00 for the purchase and activation of five pagers for two years



**Policy 3  
11/14/01**

**ITEM: Establish Storm Drainage Fund 602 as a new enterprise fund and close the Special Revenue Sewer Fund 202 as of January 1, 2001.**

**SUBMITTED BY: Roland Olson , Finance Director**

**REVIEWED BY: Matt Mayer, CPA, Kern DeWenter & Viere  
Heather Worthington, City Administrator**

**EXPLANATION:**

With the implementation of GASB 34, the value of the fixed assets owned by Falcon Heights must be recognized in our financial statements. In addition, the depreciation expense on these fixed assets must also be recognized. In the past, we have only been required to recognize depreciation expense in our Sanitary Sewer Enterprise Fund 601. With GASB 34, all of our fixed assets associated with our other governmental activities/funds must also be recognized. This depreciation expense is an additional expense that will offset the revenues associated with these governmental activities.

Enterprise funds can be used to report any activity for which a fee is charged for goods and services used by external users. We currently use an enterprise fund to report the financial activities of our sanitary sewer system. Enterprise funds most closely resemble an ordinary business. The business model of financial reporting is designed to demonstrate the degree to which a business's capital (i.e. investment by owners /stockholders) has been maintained. The balance sheet of a business distinguishes net assets based on whether they are the product of investment or earnings. Likewise, the operating statement of a business focuses on the transactions and events that affect earnings (i.e. expenses and revenues).

Establishing a new enterprise fund, Storm Drainage Fund 602, and closing the existing Special Revenue Sewer Fund 202 would be prudent. User fees generate revenue with which to pay the expenses of the storm drainage activity for the city. The recognition of the additional depreciation expense on our storm drainage system would be more appropriately associated with the storm water drainage activity than with other general governmental activities within the city. Our current storm sewer system has an asset valuation of \$832,322. The yearly depreciation expense is estimated to be \$16,647 per year.

**SUMMARY:**

Staff recommends that the Special Revenue Storm Sewer Fund 202 be reclassified as an enterprise fund effective January 1, 2001. The city has audited financial statements with year-end balances as of December 31, 2000, which would become the beginning balances for the new

enterprise fund as of January 1, 2001. Our auditors made this recommendation to help facilitate the conversion. With this new enterprise fund established as of January 1, 2001, all depreciation expense calculated for 2001 would then be recognized in an enterprise fund instead of our general governmental activities funds. This depreciation expense for 2001 on our existing storm sewer fixed assets will total approximately \$16,647.

Goal 4: To provide a responsive and effective city government.

Strategy 6: Effectively manage the city's financial resources.

**ACTION REQUESTED:**

Establish Storm Drainage Fund 602 as a new enterprise fund and close the Special Revenue Sewer Fund 202 as of January 1, 2001.

**Policy 4**  
**11/14/01**

**ITEM: Request for action on the option to waive the statutory tort limits under the LMCIT insurance plan**

**SUBMITTED BY: Heather Worthington, City Administrator**

**REVIEWED BY: Roland Olson, Finance Director**

**EXPLANATION:**

Summary: The League of Minnesota Cities Insurance Trust (LMCIT) is requesting that cities determine if they wish to waive the statutory tort limits of \$1,000,000. Under these limits an individual can settle for no more than \$300,000 for a single claim and a single claim for all parties cannot exceed \$1,000,000. In 1998, our attorney, Joel Jamnik of Campbell Knutson, reviewed this proposal and recommended not waiving the statutory limits. Under certain circumstances the LMCIT, which represents the city in these claims, may negotiate above the legal liability limit if necessary because some claims like employment are exempt from the cap. The general counsel from the LMCIT said that cities made different choices depending upon their circumstances. However, he perceived that maintaining the limit was prudent in many cases. The city has had no claims with settlements for several years.

In 1998, 1999 and 2000, the city council voted not to waive the statutory tort limits. Staff also consulted with city attorney, Roger Knutson, to determine if the situation had changed, and he recommended that the city not waive the statutory tort limit again this year.

- Goal 4: To provide a responsive and effective city government.
- Strategy 6: To effectively manage the city's financial resources.

**ATTACHMENTS:**

- Letter from Joel Jamnik dated January 23, 1998
- Waiver form

**ACTION REQUESTED:**

- Discussion
- Motion not to waive the city's statutory tort limit of \$1,000,000.

ATTACHMENT 1

# CAMPBELL KNUTSON

Professional Association

Attorneys at Law

(612) 452-5000

Fax (612) 452-5550

Thomas J. Campbell  
 Roger N. Knutson  
 Thomas M. Scott  
 Elliott B. Knetsch  
 Susan Lea Pace

Joel J. Jarnik  
 Andrea McDowell Fochler  
 Matthew K. Brukl\*  
 John F. Kelly  
 Matthew J. Foli  
 Marguerite M. McCarron  
 George T. Stephenson

\*Also licensed in Wisconsin

Of Counsel

Gary G. Fuchs

January 23, 1998

VIA FACSIMILE TRANSMISSIONAND U. S. MAIL

Ms. Susan Hoyt  
 City Administrator  
 City of Falcon Heights  
 2077 West Larpentour  
 Falcon Heights, Minnesota 55113

Dear Susan:

You asked for our advice/opinion regarding the option provided to the City to waive the monetary limits on municipal tort liability as part of obtaining liability coverage from the League of Minnesota Cities Insurance Trust.

The question posed is primarily a policy matter having few practical legal ramifications. The reason for this is that contrary to popular perception, few damage claims approach \$300,000 per claimant. If the limits are waived there is the potential, however slight or remote, that LMCIT will pay more for a claim than it would have if the City did not waive the claim. Conversely, if the limits are not waived, there is the possibility that LMCIT will pay less on a particular claim.

One's perspective of the issue is a primary detriment (taxpayer, defendant, plaintiff), as is one's political philosophy. In my opinion, the City that waives the limits at the time of obtaining coverage unnecessarily sacrifices a settlement point or statutory protection too early in the process. I am enclosing a more detailed discussion of the pros and cons of waiving the limits which was prepared by Pete Tritz, the Director of LMCIT. Please note that the waiver endorsement issued by LMCIT would result in a higher premium for the City. It may be helpful to find out from LMCIT the cost of the waiver. Two additional points may be of interest. First, about half of all LMCIT members have chosen against waiving the limits. Second, because most of Falcon Heights' neighbors or large institutional citizens are self-insured, they do not have the option to waive their statutory limits except as cases are settled or decided. It may be easier to manage multiple party litigation involving these other entities and the City if all the parties share the same risk.

Ms. Susan Hoyt  
January 23, 1998  
Page 2

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I hope this information assists the Council in making its decision.

Very truly yours,

CAMPBELL KNUTSON  
*Professional Association*

By:   
Joel J. Gammik

JJJ:cjh  
Enclosure

## LMCIT LIABILITY COVERAGE - WAIVER FORM

Cities obtaining liability coverage from the League of Minnesota Cities Insurance Trust must decide whether or not to waive the statutory tort liability limits to the extent of the coverage purchased. The decision to waive or not to waive the statutory limits has the following effects:

- *If the city does not waive the statutory tort limits*, an individual claimant would be able to recover no more than \$300,000 on any claim to which the statutory tort limits apply. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would be limited to \$1,000,000. These statutory tort limits would apply regardless of whether or not the city purchases the optional excess liability coverage.
- *If the city waives the statutory tort limits and does not purchase excess liability coverage*, a single claimant could potentially recover up to \$1,000,000 on a single occurrence. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to \$1,000,000, regardless of the number of claimants.
- *If the city waives the statutory tort limits and purchases excess liability coverage*, a single claimant could potentially recover an amount up to the limit of the coverage purchased. The total which all claimants would be able to recover for a single occurrence to which the statutory tort limits apply would also be limited to the amount of coverage purchased, regardless of the number of claimants.

Claims to which the statutory municipal tort limits do not apply are not affected by this decision.

This decision must be made by the city council. **Cities purchasing coverage must complete and return this form to LMCIT before the effective date of the coverage.** For further information, contact LMCIT. You may also wish to discuss these issues with your city attorney.

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The City of \_\_\_\_\_ accepts liability coverage limits of \$ \_\_\_\_\_ from the League of Minnesota Cities Insurance Trust (LMCIT).

*Check one:*

\_\_\_\_\_ The city **DOES NOT WAIVE** the monetary limits on municipal tort liability established by Minnesota Statutes 466.04.

\_\_\_\_\_ The city **WAIVES** the monetary limits on tort liability established by Minnesota Statutes 466.04, to the extent of the limits of the liability coverage obtained from LMCIT.

Date of city council meeting \_\_\_\_\_

Signature \_\_\_\_\_ Position \_\_\_\_\_

*Return this completed form to LMCIT, 145 University Ave. W., St. Paul, MN. 55103-2044*

**Policy 5  
11/14/01**

**ITEM: Resolution 01-29 authorizing the transfer of excess 1999 Street Improvement Project capital funds to the 2001 Alley Improvement Project capital fund**

**SUBMITTED BY: Roland Olson, Finance Director**

**REVIEWED BY: Heather Worthington, City Administrator**

**EXPLANATION:**

Summary: After paying all costs associated with the 1999 NE Quadrant Street Improvement capital project, excess funds remained in this capital project fund. The city is permitted by law, and by the resolution pursuant to which the 1999 Bonds were issued, to apply those unspent proceeds to other capital projects. Richard Martin, our bond attorney with Leonard, Street, and Deinard, has prepared the attached resolution addressing this issue. The excess proceeds of the 1999 NE Quadrant Street Improvement capital fund can be spent on costs associated with the 2001 Alley Improvement Project. All prepaid and scheduled assessment funds for the alley project would be applied to the 1999 NE Quadrant Street Improvement Bond fund. When the 2001 Alley Improvement Project capital expenses are paid in total, any remaining balance in the 2001 Alley Improvement Project capital fund would be transferred to the 1999 NE Quadrant Street Improvement Bond Fund.

Transfer of the funds from the 1999 NE Quadrant Street Improvement capital fund directly into the 1999 NE Quadrant Street Improvement Bond Fund would create an arbitrage issue.

Goal 4: To provide a responsive and effective city government.

Strategy 6: Effectively manage the city's financial resources.

**ATTACHMENTS:**

Resolution 01-29

**ACTION REQUESTED:**

Adoption of Resolution 01-29 authorizing the transfer of excess 1999 NE Quadrant Street Improvement Project capital funds to the 2001 Alley Improvement Project capital fund, with any prepaid and scheduled assessments, and any excess funds after project completion going back into the 1999 Street Improvement Project Bond Fund.

CITY OF FALCON HEIGHTS

COUNCIL RESOLUTION

Date: November 14, 2001

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RESOLUTION WITH RESPECT TO THE 1999 STREET IMPROVEMENT  
PROJECT AND THE 2001 ALLEY IMPROVEMENT PROJECT; TRANSFERRING  
FUNDS

WHEREAS:

A. The City has previously issued its General Obligation Improvement Bonds, Series 1999A (the "1999 Bonds") primarily to finance the cost of certain street improvements; and

B. Unspent proceeds of the 1999 Bonds remain in the 1999 NE Quadrant Street Improvement Capital Fund created in connection therewith, and the City is permitted by law and by the resolution pursuant to which the 1999 Bonds were issued to apply those unspent proceeds to other capital projects; and

C. The City has ordered certain improvements known as the 2001 Alley Improvement Project, and in accord with City policy for such improvements has assessed a portion of the cost thereof against benefited property, and a portion of those assessments have been prepaid and the balance will be paid as scheduled unless prepaid; and

D. The City now wishes to use the unspent proceeds of the 1999 Bonds to pay the costs of the 2001 Alley Improvement Project, and to transfer the prepaid assessments, and assessments to be received, for that project to the 1999 NE Quadrant Improvement Bond Fund to be utilized to pay the 1999 Bonds;

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

1. All funds now held in the 1999 NE Quadrant Street Improvement Capital Fund shall be transferred to the 2001 Alley Improvement Fund, and the 1999 NE Quadrant Street Improvement Capital Fund shall be closed. The funds so transferred shall be applied to pay the costs of the 2001 Alley Improvement Project. Upon payment of all costs of the 2001 Alley Improvement project, the 2001 Alley Improvement Capital Fund shall be closed and any remaining funds shall be transferred to the 1999 NE Quadrant Improvement Bond Fund.



2. All assessments for the 2001 Alley Improvement Project now on hand, whether paid as scheduled or prepaid, shall be transferred to the 1999 NE Quadrant Improvement Bond Fund and applied to pay the 1999 Bonds. All such assessments received in the future shall be similarly deposited in the 1999 NE Quadrant Improvement Bond Fund and applied to payment of the 1999 Bonds.

-----

Moved by: \_\_\_\_\_

GEHRZ  
KUETTEL     \_\_\_ For  
LAMB  
LINDSTROM   \_\_\_ Against  
TALBOT

Approved by: \_\_\_\_\_

Mayor  
November 14, 2001  
Date

Attested by: \_\_\_\_\_

City Administrator  
November 14, 2001  
Date

**Information**  
**11/14/01**

**ITEM: Letter and rate sheet for St. Paul Water Utility 2002 water rates**

**SUBMITTED BY: Susan Gehrz, Mayor**

**REVIEWED BY: Heather Worthington, City Administrator**

**EXPLANATION:**

Summary: The St. Paul Water Utility acting through the Board of Water Commissioners, occasionally reviews and raises their water rates. The St. Paul City Council passed the final adoption of the new rates at their November 7<sup>th</sup> meeting. There are two rates charged, one for winter and one for summer, as the attached table indicates. Water charges are calculated on a 100 cubic foot rate, and vary by community depending on use. This rate increase was precipitated by a projected budget shortfall in 2002 for the Utility.



BOARD OF WATER COMMISSIONERS

NOV 5 2001

James Reiter, *President* ♦ Stephen Haselmann, *Vice President*  
*Commissioners:* Matt Anfang ♦ Robert Cardinal ♦ Pat Harris

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October 31, 2001

The Honorable Sue Gehrz  
Mayor, City of Falcon Heights  
2077 Larpenteur Avenue, West  
Falcon Heights, Minnesota 55113

Dear Mayor Gehrz:

The Board of Water Commissioners has adopted Resolution No. 4797 (copy enclosed) regarding 2002 water rates. This is the Board's recommendation to the Saint Paul City Council regarding water rates. Final adoption of the rates is the responsibility of the Saint Paul City Council.

The rate increase will be before the Saint Paul City Council on Wednesday, November 7, 2001. City Council public hearings begin at 5:30 p. m. and are held in the City Council Chambers, 3<sup>rd</sup> Floor - City Hall/Courthouse (15 West Kellogg Boulevard).

If you have any questions, please call me at (651) 266-6274.

Sincerely,

Bernie R. Bullert  
General Manager

BRB/saj

Enclosure

cc: Heather Worthington ✓  
City Adm./Manager

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SAINT PAUL REGIONAL WATER SERVICES

Bernie R. Bullert, General Manager

8 4<sup>th</sup> St E, Saint Paul MN 55101-1007 ♦ TTY: 651-266-6299

*Saint Paul Regional Water Services provides quality water services to the following cities:*

Arden Hills • Falcon Heights • Lauderdale • Little Canada • Maplewood • Mendota • Mendota Heights • Roseville • Saint Paul • West St. Paul

**BOARD OF WATER COMMISSIONERS  
RESOLUTION — GENERAL FORM**

No. 4797

PRESENTED BY  
COMMISSIONER \_\_\_\_\_

DATE \_\_\_\_\_

**WHEREAS,** After due consideration and study of the financial condition of the Saint Paul Regional Water Services, projected future expenses and approval of the 2002 Budget, the Board of Water Commissioners and the City Council have determined that the present rate structure is inadequate to continue operations without an adjustment; and

**WHEREAS,** The Board and City Council recommend that the residential water billing cycle continue on a quarterly cycle, and that Board staff continue the level monthly or quarterly payment and direct pay option plans available on a voluntary basis for consumers; now, therefore, be it

**RESOLVED,** That pursuant to Section 85.01 of the Saint Paul Legislative Code the City Council hereby approves the following Schedule of Water Rates for all water bills levied on or after January 1, 2002.

**2002 WATER RATES**

Cities	First 100,000 cu. ft. per month		Over 100,000 cu. ft. per month
	Winter* per 100 cubic feet	Summer** per 100 cubic feet	All Year per 100 cubic feet
City of Saint Paul	\$1.44	\$1.54	\$1.34
City of Maplewood	\$1.51	\$1.62	\$1.41
City of Falcon Heights	\$1.64	\$1.76	\$1.53
City of Lauderdale	\$1.73	\$1.85	\$1.61
City of West Saint Paul	\$1.61	\$1.72	\$1.50
All Other Municipalities	\$1.73	\$1.85	\$1.61

**Water Commissioners**

Adopted by the Board of Water Commissioners

Yeas \_\_\_\_\_

Nays \_\_\_\_\_

\_\_\_\_\_ 19 \_\_\_\_\_

In favor \_\_\_\_\_

Opposed \_\_\_\_\_

BOARD OF WATER COMMISSIONERS

RESOLUTION — GENERAL FORM

No. 4797

PRESENTED BY  
COMMISSIONER

Anfang

DATE

October 16, 2001

**FOR ACCOUNTS HAVING 1-INCH AND SMALLER METERS**

\*Winter rates shall apply to bills sent during January through May, and December.

\*\*Summer rates shall apply to bills sent during June through November.

**FOR ACCOUNTS HAVING 1 ½-INCH AND LARGER METERS AND ROSEVILLE,  
LITTLE CANADA AND MASTER METER ACCOUNTS**

\*Winter rates shall apply to bills sent during January through April, November and December.

\*\*Summer rates shall apply to bills sent during May through October.

**MINIMUM CHARGES:**

**FOR ACCOUNTS HAVING 1-INCH AND SMALLER METERS**

Minimum charges shall be based upon consumption of 300 cubic feet per quarter for those on quarterly billing.

Minimum charges shall be based upon consumption of 100 cubic feet per month for those on monthly billing.

**FOR ACCOUNTS HAVING 1 ½-INCH AND LARGER METERS**

Minimum charges shall be based upon consumption of 300 cubic feet per month.

**Water Commissioners**

Yeas	Anfang	Nays
	Cardinal	
Vice President	Haselmann	
President	Reiter	

Adopted by the Board of Water Commissioners

October 16, 2001

In favor 4

Opposed 0

*Janet Lidgren*

SECY.

**SPECIAL MEETING OF THE CITY COUNCIL**

November 7, 2001

6:00 p.m.

Conference Room  
City Hall  
2077 W. Larpenteur Ave.

Purpose: Certification of election returns of  
November 6, 2001.

CONSENT 1  
Meeting Date: 11/7/01

ITEM DESCRIPTION: Consideration of Resolution 01-28 certifying the city returns of November 6, 2001

SUBMITTED BY: Kathy Ciernia, Election Administrator

EXPLANATION/SUMMARY: After a city election, the city council (acting as the canvassing board) is responsible for certifying the election returns prior to their being sent to the Ramsey County Auditor.

ATTACHMENT: Resolution 01-28

ACTION REQUESTED: Approval of 01-28 certifying the city election returns of November 6, 2001.